

**CORRECTED MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
THURSDAY, JANUARY 22, 2004, 2:00 P.M.
Room 223, State Capitol Building**

Members Present: Sen. David Gladwell, Co-Chair
Rep. Bradley T. Johnson, Co-Chair
Sen. Bill Hickman
Sen. Peter Knudson
Sen. Ron Allen
Rep. Katherine M. Bryson
Rep. Margaret Dayton
Rep. Brad Dee
Rep. Kory M. Holdaway
Rep. Gregory H. Hughes
Rep. Patricia W. Jones
Rep. Susan Lawrence
Rep. LaWanna "Lou" Shurtliff
Rep. Stephen H. Urquhart

Staff Present: Boyd A. Garriott, Senior Legislative Fiscal Analyst
Debra Headden, Legislative Fiscal Analyst
Rolayne Day, Secretary

Public Speakers Present: Commissioner Richard Kendall
Don Porter, VP Business, SLCC
Pres. William Sederburg, UVSC
Happiness Peterson, UVSC Student
Pres. Ryan Thomas, CEU
Pres. Steven Bennion, SUU
Pres. Judd Morgan, SLCC
Pres. Michael Benson, SNOW
Dr. Paul Brinkman, Assoc. VP, UU
Pres. A. Lorris Betz, UU
Nancy Lyon, Asst. VP/Gov. Affairs, UU
Regent George Mantes
Pres. Greg Fitch, UCAT

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Gladwell called the meeting to order at 1:22 p.m.

1. Introductions—Co-Chair Gladwell welcomed everyone to the meeting after which committee members and staff introduced themselves. Sen. Gladwell indicated that, since it is a zero budget year, the committee will be discussing issues at meetings. Commissioner Richard Kendall introduced himself, the institutional presidents, and members of the Board of Regents who were present. Student representatives then introduced themselves.
2. Institution Reports on Student Outcomes and Student Preparation, Institution Restructuring to Operate Within Budget Constraints, and Implementation of Accountability and Performance Measures

Southern Utah University—Pres. Steven Bennion introduced those present from SUU. He then discussed a handout illustrating student success in various fields, an improved student retention rate, an impressive student athlete academic record, etc. Institutional restructuring efforts included eliminating positions at all levels, offering fewer class sections, installing a computerized watering system, no salary increases for employees, and more. Accountability and performance measures include rigorous accreditation reviews by various accreditation associations. Pres. Bennion said challenges from cost-saving measures include increased

employee turnover, lower morale, higher faculty and staff workloads, and recruiting difficulties. He paid tribute to the hard work from both faculty and staff. Pres. Bennion also discussed last year's 19% tuition rate increase and how it affected academic quality. SUU used the tuition increase to increase student retention, increase academic advisors, etc.

Discussion and questions were then heard from Reps. Urquhart and Holdaway, Sen. Gladwell, and Pres. Bennion.

Salt Lake Community College—Interim Pres. Judd Morgan introduced those in attendance from Salt Lake Community College. SLCC facilitated budget cuts in responsible ways. Faculty and staff have responded by doing a lot more with a lot less. Morale is improving, but it is fragile. If enrollment holds for the third week, SLCC will have the largest enrollment in history. Pres. Morgan discussed a handout showing both base and one-time cuts and unfunded enrollments. The cuts were made, for example, by closing the Millcreek Center, reducing the Student Employment program and classroom testing, reducing many evening services, and eliminating eight academic programs. SLCC eliminated 26.3 FTE faculty, 7.8 FTE employees in instructional support, 7 FTE in student services, and 10.8 FTE in other staff positions. These measures have raised the student/academic advisor ratios, student/financial aid ratios, and student/overall staff ratios while increasing the number of students by 2,500. Other significant impacts include an increased adjunct faculty/full-time faculty ratio, reduced faculty development, hiring freezes, limited program and class sections, and others. Pres. Morgan said SLCC has no desire to institute an enrollment freeze, but with limited section offerings, the result is the same. Both faculty and staff salaries are significantly behind peers, and retention is beginning to wane.

Sen. Hickman asked about the status of the Metro Center property. Pres. Morgan said a plan has been presented to the Regents for SLCC to purchase the building at a break-even position. Vice Pres. Don Porter indicated that an additional \$1.3 million over the \$4.3 million to purchase the building will be needed to make the building usable. Sen. Hickman objected to the purchase of the Metro Center building. Further discussion was heard from Rep. Lawrence, Pres. Morgan, and Commissioner Kendell.

Utah Valley State College—Pres. William Sederburg said UVSC has become a state-assisted institution because 51% of its budget now comes from student tuition. He noted that many students are still unfunded. Pres. Sederburg discussed institutional restructuring and a new planning, budgeting, and accountability cycle implemented by his administration. This cycle builds in accountability that can then be reported to the Legislature and will greatly strengthen the institution. UVSC student Happiness Peterson discussed creative measures taken to improve education. She paid tribute to the faculty and to cooperation among students, faculty, business, and industry. She did note that access is a problem because of reduced class sections and fewer counselors.

Discussion and questions were heard from Reps. Jones, Lawrence, Bryson, and Johnson, and Pres. Sederberg.

College of Eastern Utah—Pres. Ryan Thomas said CEU has a wide variety of educational goals including entering student, graduation, and community surveys; graduation rates; advisory committees; transfer student performance; retention rates. CEU's financial situation has improved, but to do that, 12% of the employee base was eliminated, there were voluntary administrator salary reductions, elimination of programs, and more. A very aggressive development campaign has been quite successful and there are plans to continue those efforts. Budget cuts have resulted in lower enrollments and thus lower tuition revenues. Fewer students has also resulted in a reduction of \$1 million in the local economy. Pres. Thomas discussed institutional accountability where efficiency is related to graduation rates and faculty workloads as shown on a handout distributed to the committee.

Discussion and questions were heard from Reps. Dayton and Holdaway, Sen. Gladwell, and Pres. Thomas.

Snow College—Pres. Michael Benson said Snow College has caring, responsible students of great character. He discussed articulation agreements between Snow College and both the University of Utah and Utah State University that make student transfers smooth. Snow's football team was in a bowl this year and all travel was paid by private donations. Many of the football players are also on the Dean's List. The Eccles Center for the Performing Arts was dedicated last fall and it is a wonderful facility for both students and the community. Snow also opened a building in Richfield. Institutional restructuring was felt in across-the-board volunteer salary reductions two years ago. With full support of students, Snow implemented a second-tier tuition increase last year with some money going to salary increases for faculty. However, many positions have been left unfilled. The baseball program was cut and, partly because of that, enrollments have decreased. Snow now offers fewer class sections and has a hard time finding adjunct faculty because of the geographic location. The College has raised \$3.3 million in development funds—the highest ever. Snow has gone through the Northwest Accreditation process and will be visited again in March because of a warning about accountability. Pres. Benson said there is a growing Latino community in Sanpete County, so Snow has hired a service-learning coordinator to help meet some of the needs. They have also used a federal grant to hire a director of literacy who is housed on campus. Snow is working to partner with the county to build a library.

Discussion and questions were heard from Rep. Shurtliff, Sen. Gladwell, and Pres. Benson.

University of Utah—Interim Pres. A. Lorris Betz said that, although they have tried to protect the academic mission, cuts have had significant impact on support services. To mitigate some of the problems, the U has reallocated advising and created a writing center with student tutors. Because of these measures, retention and graduation rates are up, and the percentage of freshmen who end up on academic probation has been reduced by half. Some positions were eliminated without eliminating responsibilities (including his own), and they redistributed funding to programs where it is most needed. Pres. Betz discussed cuts in maintenance, technology, support staff, and the police force. Despite efforts to shift cuts into service areas to protect academics, some academic areas have suffered with more part-time faculty, student/faculty ratio increases, etc. If this trend continues, it could impact accreditation. The University uses a model to follow performance and accountability with funding. They also aggressively pursue development, donations, and partnerships.

Discussion and questions were heard from Reps. Holdaway, Johnson, Jones, and Lawrence, UU V.P. Paul Brinkman, Nancy Lyon, UU Assistant V.P. for Government Affairs, and Pres. Betz.

Regent George Mantes said no one is happy with SLCC's Metro Center situation. The Regents have spent a great deal of time working through the situation. They approved the purchase because there are a lot of students in the downtown area that don't have access to higher education and it is also appropriate to aid small businesses in that area. The business proposal still makes very good sense, and the Regents ask for cooperation and understanding from the Legislature to make it a win/win situation.

Sen. Knudson said Senate Leadership feels badly about what has happened, but feels there is a solution, and they have faith in the Board of Regents and SLCC to do what is right.

Utah College of Applied Technology—Pres. Gregg Fitch reported that UCAT is working well throughout the state. UCAT's programs are flexible and they can adjust as cuts may or may not come. Because of this, no students were impacted under recent budget cuts. He noted that the current accreditation process is fully funded by a federal grant. UCAT has reduced some programs in the prisons and has reduced employee FTE, somewhat because of program flexibility. UCAT shares services with other USHE institutions in memorandum of agreement arrangements that allow them to save money and still serve the state. UCAT has tremendous support and cooperation with the school districts. They are looking at a tuition formula model and have developed a tuition model. Pres. Fitch said UCAT is working on advanced training for technical education certificates offered in high schools that will work much like concurrent enrollment. Unduplicated headcount is over 72,000; of that number, 18,000 are custom fit and 14,000 high school students. Interestingly they are also attracting people with bachelor's degrees who need or want to retrain skills.

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Rep. Dee said both UCAT and the other USHE institutions are doing what the Legislature asked regarding duplication of effort. Pres. Fitch said there is some necessary duplication for different client bases (e.g., high school and adult students). In other areas, it is difficult not to duplicate because of the large geographic areas.

Discussion and questions were heard from Reps. Holdaway and Jones.

MOTION: Rep. Lawrence moved to adjourn.

Committee Co-Chair Gladwell adjourned the meeting at 5:02 p.m.

Minutes were reported by Rolayne Day, Secretary.

Sen. David Gladwell, Committee Co-Chair

Rep. Bradley T. Johnson, Committee Co-Chair