

September 9, 2015

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Institutional Non-State Funded Capital Development Projects and Land Bank Requests for 2016-17

Background

In addition to the state-funded projects reviewed and recommended by the Regents for funding each year, the Regents also deliberate capital development needs in two other categories:

- Projects funded entirely with non-state appropriations (private donations, revenue bonds, federal funds, et al.) that require Regent and legislative approval
- Land bank purchases for future expansion

Only one non-state funded project was submitted by the USHE institutions for consideration by the Regents as a 2016 legislative session request. This project needs legislative authorization for bonding, but is not requesting future state-appropriated operation and maintenance (O&M) dollars. The project is summarized in the attachment. No land banking requests were submitted for consideration.

- University of Utah – David Eccles School of Business Executive Education Center

Commissioner's Recommendation

The Commissioner recommends that the Regents review this project carefully and recommend it for legislative action if it is deemed to be appropriate.

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David L Buhler  
Commissioner of Higher Education

DLB/GLS/RPA  
Attachment

## UNIVERSITY OF UTAH – DAVID ECCLES SCHOOL OF BUSINESS EXECUTIVE EDUCATION CENTER

Total Cost Estimate	Gross Sq Feet	State Funded O&M	Source of Funding
\$50.0 M	150,000	\$0	Donated Funds & Bonding

This new Executive Education Building will become the home for the Executive Master of Business Administration (MBA) program and Career Services that are currently housed in the C. Roland Christensen Center (CRCC) and the Spencer Fox Eccles Business Building (SFEBC). Moving these programs out of existing buildings will allow them to be even more useful for expanding undergraduate and non-MBA graduate program growth.

The building will be a core academic facility consisting of classrooms, collaborative program spaces, faculty and staff offices, and student lounges and will also be conducive to receiving and hosting business executives. It will enable the School to meet goals of decreasing class size from 66 towards the industry average of 44. O&M funding for the building will be provided from the existing estimated \$403,500 of O&M funding for Milton Bennion Hall, which is scheduled to be demolished. Any additional funding required for O&M will be provided from executive education program revenues.

The major source of capital funding for the project will be \$30 million of donated funds, \$16 million of which has been committed to date. The remaining \$20 million will come from a revenue bond to be defeased with funds from projected growth in the Executive and MBA programs that will be housed in this facility.