# STATE BOARD OF REGENTS UTAH VALLEY UNIVERSITY SORENSON CENTER FRIDAY NOVEMBER 18, 2016

# AGENDA Friday November 18, 2016

7:30 – 8:30 AM  BREAKFAST MEETING – STATE BOARD OF REGENTS, UTAH VALLEY UNIVERSITY BOARD OF TRUSTEES, PRESIDENT HOLLAND, COMMISSIONER BUHLER Location: SC-213-C					
8:40 – 9:50 AM DISCUSSION: Student Mental Health (Regents, Commissioner, Presidents) Location: SC-213-C					
9:00 – 10:00 AM CONTINENTAL BREAKFAST – ALL Location: SC-Center Stage					
9:50 – 10:00 AM	TRANSITION BREAK				
10:00 – 11:30 AM	MEETINGS OF BOARD COMMITTEES				
ACADEMIC AND STUD Regent Robert W. Princ Location: SC-206-A	ENT AFFAIRS COMMITTEE ce, Chair				
<ol> <li>ACTION:         <ol> <li>Weber State University – Bachelor of Science in Biochemistry</li> <li>Snow College – Bachelor of Science in Software Engineering with Emphases in Entrepreneurship, Digital Media Design, and Web Development</li> <li>Revision to Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs; Repeal Regent Policy R430, Continuing Education/Community Service</li> </ol> </li> </ol>					
CONSENT:					
Please see the General	Consent Calendar at TAB T				
INFORMATION: 1. Utah Valley University Completion Report 2. Regents Scholarship Report					
FINANCE/FACILITIES ( Regent Robert S. Marq Location: SC-206-C					
	ation Technology Presentation sion of Institutional Branch Campuses and Other Significant Centers	TAB F TAB G			

3. USHE – Discuss	sion of Property Transaction and Leasing Requirements Policy (R710) Revisions	TAB H				
<ol> <li>Utah State Univ</li> <li>Utah State Univ</li> <li>Southern Utah Utah Utah Utah Utah Utah Utah Utah</li></ol>	versity – Campus Master Plan ersity – Investment Policy and Guidelines ersity – Non-State Funded Dairy Barn Project Approval Jniversity – Property Acquisition iversity – Refunding Bond Issue	TAB I TAB J TAB K TAB L TAB M				
INFORMATION:						
<ol><li>Salt Lake Comn</li></ol>	nunity College – Herriman Land Purchase Follow-up	TAB N				
7. USHE – Fiscal I	Health Dashboard	TAB O				
8. USHE – Instituti	8. USHE – Institutional Residences Annual Report					
9. USHE – Annual	Report on Leased Space	TAB Q				
10. USHE – Annual	Contracts and Grants Report	TAB R				
11. USHE – Fall 20°	16 Third-week Enrollment Report	TAB S				
11:30 – 11:45 AM	TRANSITION BREAK					
11:45 – 12:15 PM	COMMITTEE OF THE WHOLE Location: SC-Center Stage					
<ol> <li>General Conser</li> <li>Resolutions</li> </ol>		TAB T				
3. Reports of Boar	d Committees					
12:30 – 3:00 PM	LUNCH – PRESIDENT HOLLAND – UNVEILING OF ROOTS OF KNOWLEDGE Location: Lunch in SC-Ballroom, Unveiling in Library					
3:00 – 4:00 PM	EXECUTIVE SESSION (if needed)					
	Location: Timpanogos Room (Library)					

Projected times for the various meetings are estimates only. The Board Chair retains the right to take action at any time. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify ADA Coordinator, 60 South 400 West, Salt Lake City, UT 84180 (801-321-7124), at least three working days prior to the meeting. TDD # 801-321-7130.



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Weber State University – Bachelor of Science in Biochemistry

## <u>Issue</u>

Weber State University (WSU) requests approval to offer a Bachelor of Science (BS) in Biochemistry effective in spring 2017. The institutional Board of Trustees approved the degree on February 2, 2016.

# **Background**

WSU has offered a BS in Chemistry "Option 2" program, with some flexibility to emphasize biochemistry over other aspects of chemistry, for students interested in biochemistry and medicine, dentistry, and veterinary sciences. The proposed BS in Biochemistry represents a significant revision and would replace the existing Chemistry "Option 2," providing even greater flexibility and deliberate focus on biochemistry, as well as adding American Chemical Society certification. The proposed degree would require a foundation course in each of the five main branches of chemistry (analytical, biochemistry, inorganic, organic, and physical), with students also required to take further courses in organic chemistry, biochemistry, medicinal chemistry, and cell biology or microbial genetics; elective credits to complete the biochemistry major would be selected from a variety of designated courses in chemistry, microbiology, zoology, or botany.

The most recent institutional review of the chemistry program at WSU resulted in a recommendation to develop a biochemistry degree. Biochemistry is seen as an excellent option for students interested in health professional schools, including medicine, physician assistant, pharmacy, dentistry, etc. Baccalaureate graduates in biochemistry could also choose to pursue graduate studies. In terms of the employment outlook, the U.S. Bureau of Labor Statistics predicts 19% growth in jobs for biochemists from 2012 to 2022, versus 12% average job growth for all occupations. According to BioUtah, an association serving the life science industry in Utah, biology-related jobs account for 2.3% of all jobs in Utah, with average wages at 150% of the average for all jobs.

The proposed BS in Biochemistry would be based in the Department of Chemistry at WSU. Existing courses, funding, personnel, and library and information resources are sufficient to launch the program, and the new Tracy Hall Science Center features modern labs and new equipment. It is projected that biochemistry graduates would eventually account for more than half the annual graduates in the Department of Chemistry.

















# Policy Issues

The proposed degree has been developed and reviewed in accordance with processes established by Weber State University and the Board of Regents. The Utah System of Higher Education (USHE) Chief Academic Officers and appropriate faculty at other USHE institutions reviewed and are supportive of Weber State University's request to offer a BS in Biochemistry. There are no additional policy issues relative to approval of this program.

# Commissioner's Recommendation

The Commissioner recommends the Regents approve the request by Weber State University to offer a Bachelor of Science in Biochemistry.

David L. Buhler
Commissioner of Higher Education

DLB/GVB Attachment

# Utah System of Higher Education Program Description - Full Template

Section I: The Request

Weber State University requests approval to offer the following Baccalaureate degree(s): Biochemistry effective Winter 2017. This program was approved by the institional Board of Trustees on February 2, 2016.

Section II: Program Proposal

# **Program Description**

Present a complete, formal program description.

Biochemistry is a rapidly-growing area of chemistry, with potential employment opportunities in areas such as health professions, pharmaceutical sciences, biotechnology, forensics, research, food science, and cosmetic sciences, along with abundant graduate-level opportunities. For the decade spanning 2012 to 2022, the U.S. Bureau of Labor Statistics predicts a 19% growth in jobs for biochemists, which is significantly faster than the predicted national average job growth for the same period at about 12%. The proposed Biochemistry program is a significant revision of the existing Chemistry Option 2 major and is designed to address the current and future market demand for biochemists and to better service the goals and career aspirations of students. The program is designed to afford students maximum flexibility while meeting the current program certification requirements of the American Chemical Society (ACS) for baccalaureate-level training.

The key aspects of the new program are: five foundation courses will be required, one in each of the five main branches of chemistry (analytical, organic, biochemistry, physical chemistry, and inorganic); beyond the foundational courses, biochemistry students will be required to take Organic Chemistry II + lab, Biochemistry II, Biotechniques, Medicinal Chemistry, and Cell Biology (Zoology) or Microbial Genetics (Microbiology); elective credits may be filled by a variety of designated courses in chemistry, microbiology, zoology, or botany.

#### Consistency with Institutional Mission

Explain how the program is consistent with the institution's Regents-approved mission, roles, and goals. Institutional mission and roles may be found at higheredutah.org/policies/policyr312/.

The proposed Biochemistry program is consistent with Weber State University's mission to provide baccalaureate degrees that are responsive to student demand and community needs. Biochemistry is a vigorously-growing field of science, with excellent career opportunities for graduates. Consistent with the institutional goal of keeping costs down for students and minimizing institutional costs for growing a program, the new major program in Biochemistry builds on already-existing resources, so there is no cost for expanding the major in the way proposed. The program will also keep a long tradition of student-focused education in Chemistry, with opportunities for students to take part in undergraduate research and other high-impact activities. Thus, offering a Biochemistry program is consistent with the institution's responsibility to contribute to the quality of life, to offer accessible and effective education, and to promote economic development at the local and state levels.

#### Section III: Needs Assessment

#### Program Rationale

Describe the institutional procedures used to arrive at a decision to offer the program. Briefly indicate why such a program should be initiated. State how the institution and the USHE benefit by offering the proposed program.

The existing Option 2 Chemistry major currently serves students interested in biochemistry and medicine, dentistry, and veterinary sciences because it provides some flexibility to emphasize biochemistry over some other aspects of chemistry. However, the Option 2 major is currently not an American Chemical Society (ACS) certified chemistry program. As noted, Biochemistry is a rapidly-growing area of chemistry with potential employment opportunities in areas such as health professions, pharmaceutical sciences, biotechnology, forensics, research, food science, and cosmetic sciences. To help meet this current and future need for biochemists and to better serve the goals and career aspirations of students, this new degree program is being proposed to replace the Chemistry Option 2 emphasis. Key aspects of the proposed program are

outlined above in the Program Description.

#### **Labor Market Demand**

Provide local, state, and/or national labor market data that speak to the need for this program. Occupational demand, wage, and number of annual openings information may be found at sources such as Utah DWS Occupation Information Data Viewer (jobs.utah.gov/jsp/wi/utalmis/gotoOccinfo.do) and the Occupation Outlook Handbook (www.bls.gov/oco).

For the decade spanning 2012 to 2022, the U.S. Bureau of Labor Statistics predicts a 19% growth in jobs for biochemists, which is significantly faster than predicted national job growth average of 12%. This need is supported by a cursory review of current employment advertisements along the Wasatch Front; a recent informal survey found 20 listings for biochemistry-related positions. There are more than 30 pharmaceutical, biotechnology, and biochemistry-related laboratories and manufacturing businesses along the Wasatch Front. According to BioUtah, biology-related jobs represent 2.3% of all Utah jobs with average wages at 150% of the average for all jobs.

#### Student Demand

Provide evidence of student interest and demand that supports potential program enrollment. Use Appendix D to project five years' enrollments and graduates. Note: If the proposed program is an expansion of an existing program, present several years enrollment trends by headcount and/or by student credit hours that justify expansion.

Institutional program review at Weber State University helps ensure the quality and rigor of the Chemistry program. Program review teams are composed primarily of experts from beyond campus. The most recent program review resulted in the recommendation that the WSU Department of Chemistry develop a Biochemistry program.

"If one curricular track is Biochemistry we suggest that the department market this program to students interested in the pre-health professions. Because the department generally places a relatively small number of its chemistry graduates in medical or other health professional schools we believe this is an undervalued area with considerable growth potential. The department is encouraged to build up these very modest successes and expand its contribution to advising of students interested in health related careers. National statistics show that chemistry and biochemistry majors have a higher success rate (typically 45-50%) for admission to medical schools than majors in other science disciplines (typically biology, microbiology, etc. are 35-40%). Additionally, changes to the Medical school Admissions Test (MCAT) are increasing the emphasis on biochemistry starting in 2015. The presence of a BS biochemistry track with a Foundation of Biochemistry course will likely attract many students to the new major who would be new science majors not just shifted over from biology. We think the faculty should market the department as a great option for students interested in the pre-health professions. The department might want to develop a 4 year curricular plan for chemistry majors seeking admission to professional schools and place a poster in the hallway marketing this opportunity, celebrating successes of recent students, and citing the national data mentioned above. This poster should also mention that a chemistry or biochemistry major is a great backup option in case a student does not get admitted or chooses not to attend health professional school."

Informal surveys of students at WSU have shown enthusiastic support of a Biochemistry program. As noted in the review team's statement, Biochemistry is an excellent option for students interested in health professional schools, including medical school, physician assistant school, pharmacy school, dental school, etc.

## Similar Programs

Are similar programs offered elsewhere in the USHE, the state, or Intermountain Region? If yes, identify the existing program(s) and cite justifications for why the Regents should approve another program of this type. How does the proposed program differ from or compliment similar program(s)?

Two institutions in the region have introduced Bachelor of Science biochemistry programs during the last 12 years. Utah State University's Department of Chemistry and Biochemistry introduced a BS in Biochemistry in 2005. Since that time they have experienced a threefold increase in the total number of majors in the department, with the number of biochemistry majors now outnumbering the chemistry majors. They continue to see a need to provide more capacity for biochemistry majors and have indicated their support for WSU's biochemistry program, which will likely help fill the need for more graduate students in their

biochemistry graduate program.

BYU-Idaho introduced a biochemistry program three years ago and has observed a doubling of their chemistry and biochemistry students in that time, with biochemistry students now representing about 60% of all chemistry department majors. This is a nationwide trend and similar examples are common.

One difference between the proposed WSU Biochemistry program and those at BYUI and USU is that the WSU program is intentionally an ACS-certified degree track. While the proposed program is similar in many regards to those at USU and BYUI, the differences arise because of the ACS certification.

Undergraduate programs in Biochemistry are most often housed in departments of Chemistry or Chemistry and Biochemistry, with occasional examples of programs housed in biology departments or medical schools. Thus, it is appropriate to house the biochemistry program in the Department of Chemistry at WSU. While the major will be housed within the Department of Chemistry, the departments of Microbiology, Zoology, and Botany are supportive of the new program.

# Collaboration with and Impact on Other USHE Institutions

Indicate if the program will be delivered outside of designated service area; provide justification. Service areas are defined in higheredutah.org/policies/policyr315/. Assess the impact the new program will have on other USHE institutions. Describe any discussions with other institutions pertaining to this program. Include any collaborative efforts that may have been proposed.

The WSU Department of Chemistry has consulted with the Department of Chemistry at the University of Utah and with the Department of Chemistry and Biochemistry at Utah State University. Both institutions are supportive of the proposed Biochemistry program at WSU. One important reason for the support of USU and the University of Utah is that this program will likely provide a significant number of BS Biochemistry graduates interested in pursuing graduate degrees at Utah State University and the University of Utah.

No significant loss of students in other USHE schools is anticipated due to the regional nature of Weber State's student population. WSU's service area includes Weber, Davis, and Morgan counties, and WSU students are predominantly from these counties, with no other 4-year USHE schools drawing a significant percentage of students from the same region. This reflects the fact that a majority of WSU students commute from home and attend the university nearest their home.

#### **External Review and Accreditation**

Indicate whether external consultants or, for a career and technical education program, program advisory committee were involved in the development of the proposed program. List the members of the external consultants or advisory committee and briefly describe their activities. If the program will seek special professional accreditation, project anticipated costs and a date for accreditation review.

The American Chemical Society (ACS) promotes excellence in chemistry education for undergraduate students through approval of baccalaureate chemistry programs. The WSU Department of Chemistry has maintained ACS-approved status for almost 50 years. The design of the proposed Biochemistry program satisfies the ACS requirements for an approved program and, as such, will be an ACS-approved program. The Biochemistry program will undergo a rigorous six-year review cycle to confirm that it continues to maintain excellence and remains consistent with ACS guidelines.

## Section IV: Program Details

#### **Graduation Standards and Number of Credits**

Provide graduation standards. Provide justification if number of credit or clock hours exceeds credit limit for this program type described in R401-3.11, which can be found at higheredutah.org/policies/R401.

Grade Requirements: Average GPA of 2.00 or better in courses within the major.

Credit Hour Requirements: A total of 120 credit hours is required for graduation. A minimum of 56 credit hours of chemistry and

chemistry-related course work is required, with a further 18 credits in required cognate courses outside of chemistry. A total of 40 upper-division credit hours (in courses numbered 3000 and above) is required for all Biochemistry majors to fulfill WSU graduation requirements; 36 upper-division credit hours are earned while completing the Biochemistry program requirements.

General Education Requirements: The following courses are required for the Biochemistry major and also satisfy general education requirements for the physical sciences: CHEM 1210 and PHYS 2010 or PHYS 2210.

Expected Levels of Achievement/ Program Outcomes: At the end of their study at WSU, students in this program will have knowledge and comprehension of the core concepts of Biochemistry. These core concepts will be introduced in the General Chemistry 1210/1220 series and will be further developed in five foundation classes in the specific areas of Organic Chemistry, Biochemistry, Analytical Chemistry, Physical Chemistry, and Inorganic Chemistry. The key learning outcomes for each course are described in the catalog. After completing the set of foundation courses, students will have the knowledge required to choose from a variety of in-depth courses where they can focus on more advanced concepts and techniques based on their interest and career goals. Additionally, students will develop the following transferable skills:

- Problem-solving skills: Chemistry majors should be competent problem-solvers. They should be able to identify the
  essential parts of a problem and formulate a strategy for solving the problem. They should be able to estimate the
  solution to a problem, apply appropriate techniques to arrive at a solution, test the correctness of their solution,
  interpret their result, and connect it to related areas of chemistry.
- Laboratory skills: Chemistry majors should be competent experimentalists. They should be able to design and set up
  an experiment, collect and analyze data, identify sources of error, interpret their result, and connect it to related areas
  of chemistry.
- Presentation skills: Chemistry majors should be able to express (orally and in writing) their understanding of core chemical principles, the results of experiments, the analysis of problems, and their conclusions.
- Computer skills: Chemistry majors should be competent users of basic software, such as word processing, spreadsheet, and graphing programs. Strong presentation and organizing skills are complemented with computer knowledge in graphing and spreadsheets.

## Admission Requirements

List admission requirements specific to the proposed program.

Students are eligible for admission to the Biochemistry (BS) program upon completion of the requirements for the Chemical Technician (AAS) degree, which includes the introductory Principles of Chemistry series, CHEM 1210/1220, and two of the five foundation courses.

#### Curriculum and Degree Map

Use the tables in Appendix A to provide a list of courses and Appendix B to provide a program Degree Map, also referred to as a graduation plan.

## Section V: Institution, Faculty, and Staff Support

## Institutional Readiness

How do existing administrative structures support the proposed program? Identify new organizational structures that may be needed to deliver the program. Will the proposed program impact the delivery of undergraduate and/or lower-division education? If yes, how?

The Biochemistry program will be housed in the Department of Chemistry. The appropriate administrative structures are in

place, along with qualified faculty and staff. Weber State University's new Tracy Hall Science Center (THSC) is a modern, four-story building with 157,000 square feet of space. THSC houses modern labs for chemistry, botany, zoology, microbiology, biology, physics, geology, and math. In addition to larger and more modern science labs, new equipment and resources will benefit students. Adding a biochemistry major at the same time that students get a new state-of-the-art building benefits and supports students in terms of space and equipment, while offering an exciting new opportunity at Weber State University. Because this is replacing an existing program, the WSU Department of Chemistry is prepared to implement the biochemistry major immediately without additional resources, faculty, or staff. Resources, faculty, and staff needs may need to be reevaluated if the number of majors increases beyond the doubling of number of majors seen by departments with similar programs.

#### Faculty

Describe faculty development activities that will support this program. Will existing faculty/instructions, including teaching/ graduate assistants, be sufficient to instruct the program or will additional faculty be recruited? If needed, provide plans and resources to secure qualified faculty. Use Appendix C to provide detail on faculty profiles and new hires.

The WSU Department of Chemistry has been anticipating and preparing for a biochemistry major for years. The department has 11 tenured and tenure-track faculty members. Three of these faculty members (Edward Walker, Todd Johnson, and Tracy Covey) have formal biochemistry-related degrees and training. These faculty members will act as instructors for the biochemistry-related courses proposed for the major, including Biochemistry I, Biochemistry II, Medicinal Chemistry, associated laboratories, and independent biochemistry research. Dr. Covey was hired in 2014 to bring to the department specific expertise in biochemistry and medicinal chemistry. The remaining departmental faculty support the biochemistry major by teaching required chemistry courses such as General, Organic, Inorganic, Analytical, and Physical Chemistry. The chemistry department has the support of and is working closely with WSU departments of Microbiology, Zoology, and Botany which will teach the required and elective biology courses for the biochemistry major.

#### Staff

Describe the staff development activities that will support this program. Will existing staff such as administrative, secretarial/clerical, laboratory aides, advisors, be sufficient to support the program or will additional staff need to be hired? Provide plans and resources to secure qualified staff, as needed.

The Department of Chemistry has two full-time staff members along with multiple student positions. The department Administrative Specialist supports the administrative needs of the department and the Chemistry Laboratory Director manages the day-to-day function of the chemistry labs and the science store. The Laboratory Director also supervises student assistants that assist with lab setup and cleanup, as well as many other needs.

#### Student Advisement

Describe how students in the proposed program will be advised.

Students receive advising from three sources: (1) the College of Science advisor provides students with advising relative to general education and university graduation requirements; (2) the Chemistry Department Chair provides initial advising to all new chemistry and biochemistry majors; (3) once admitted to the program, majors are assigned a faculty advisor who is available for advising as needed and invites each student annually to review progress toward completing their major requirements.

#### Library and Information Resources

Describe library resources required to offer the proposed program if any. List new library resources to be acquired.

Existing library resources are sufficient to meet programmatic needs. These resources included the ACS publications, the Wiley Online Library, Science Direct College Edition, Nature, article databases, and print and online books.

## **Projected Enrollment and Finance**

Use Appendix D to provide projected enrollment and information on related operating expenses and funding sources.

# Section VI: Program Evaluation

#### **Program Assessment**

Identify program goals. Describe the system of assessment to be used to evaluate and develop the program.

At the end of their study at WSU, students in this program will have knowledge and comprehension of the core concepts of Biochemistry. These core concepts will be introduced in the General Chemistry 1210/1220 series and will be further developed in the five foundation classes in the specific areas of Organic Chemistry, Biochemistry, Analytical Chemistry, Physical Chemistry, and Inorganic Chemistry. The key learning outcomes for each course are described in the catalog. After completing the foundation courses, students will have the knowledge required to choose from a variety of in-depth courses where they can focus on more advanced concepts and techniques based on their interest and career goals. Additionally, students will have developed the following transferable skills:

- Problem-solving skills: Biochemistry majors should be competent problem-solvers. They should be able to identify the
  essential parts of a problem and formulate a strategy for solving the problem. They should be able to estimate the
  solution to a problem, apply appropriate techniques to arrive at a solution, test the correctness of their solution,
  interpret their result, and connect it to related areas of biochemistry.
- Laboratory skills. Biochemistry majors should be competent experimentalists. They should be able to design and set
  up an experiment, collect and analyze data, identify sources of error, interpret their result, and connect it to related
  areas of biochemistry.
- Presentation skills. Biochemistry majors should be able to express (orally and in writing) their understanding of core biochemical principles, the results of experiments, the analysis of problems, and their conclusions.
- Computer skills. Biochemistry majors should be competent users of basic software, such as word processing, spreadsheet, and graphing programs. Strong presentation and organizing skills are complemented with computer knowledge in graphing and spreadsheets.

#### Student Standards of Performance

List the standards, competencies, and marketable skills students will have achieved at the time of graduation. How and why were these standards and competencies chosen? Include formative and summative assessment measures to be used to determine student learning outcomes.

Student learning outcomes and standards of performance are a regular topic of conversation at the annual USHE Chemistry Major Committee meeting. Additionally, the ACS Guidelines and Evaluation Procedures for Bachelor's Degree Programs list student skills that should be developed as part of a certified chemistry program. The program student learning outcomes are based on these sources.

Student Standards of Performance - Courses and Methods of Measurement

CHEM 1210 Principles of Chemistry I

- Problem-solving skills: ACS exam compared to the national norms
- Laboratory skills: laboratory experiments

# CHEM 1220 Principles of Chemistry II

- Problem-solving skills: ACS exam compared to the national norms
- Laboratory skills: laboratory experiments

# CHEM 2310-2315 Organic Chemistry I

- Problem-solving skills: ACS exam compared to the national norms
- Laboratory skills: laboratory experiments

## CHEM 2320-2325 Organic Chemistry II

- Problem-solving skills: ACS exam compared to the national norms
- Laboratory skills: laboratory experiments

# CHEM 3000 Quantitative Analysis

- Problem-solving skills: homework assignments, exams
- Laboratory skills: laboratory experiments and notebooks
- Computer skills: laboratory data organization and analysis

#### CHEM 3020 Computer Applications in Chemistry

• Computer skills: data analysis using spreading software

## CHEM 3050 Instrumental Analysis

- Problem-solving skills: homework assignments
- Laboratory skills: laboratory experiments and notebooks
- Computer skills: laboratory data organization and analysis

## CHEM 3070 Biochemistry I

Problem-solving skills: hour and final exam

## CHEM 3075 Biochemistry Lab

• Laboratory skills: laboratory experiments

## CHEM 3080 Biochemistry II

Problem-solving skills: written exams

## CHEM 3090 Biochemical Techniques

Problem-solving skills: final exam

Laboratory skills: laboratory experiments and notebooks

#### CHEM 3410 Foundations of Physical Chemistry

- Problem-solving skills: homework, quizzes, written exams
- Laboratory skills: laboratory experiments and project
- Presentation skills: written lab reports
- Computer skills: laboratory data organization and analysis

# CHEM 3420 Physical Chemistry II

- Problem-solving skills: homework, quizzes, written exam, ACS exam
- Laboratory skills: laboratory experiments and project
- Presentation skills: written lab reports and oral presentation
- Computer skills: laboratory data organization and analysis; computational chemistry experiments and reports

## CHEM 3610 Foundations of Inorganic Chemistry

- Problem-solving skills: exams
- Laboratory skills: laboratory experiments

## CHEM 4250 Medicinal Chemistry

- Problem-solving skills: homework, written exams, project
- Presentation skills: written and oral project report

## CHEM 4540 Spectrometric and Separation Methods

- Problem-solving skills: final exam
- Laboratory skills: laboratory experiments and project
- Presentation skills: written report and oral presentation
- Computer skills: laboratory data organization and analysis

## CHEM 4600 Inorganic Chemistry

- Problem-solving skills: final exam
- Laboratory skills: laboratory experiments and project
- Computer skills: laboratory data organization and analysis

#### CHEM 4800 Research and Independent Study

- Problem-solving skills: final exam
- Laboratory skills: research project
- Presentation skills: written research paper

# CHEM 4990 Senior Seminar

• Presentation skills: written report, oral presentation, poster

# Appendix A: Program Curriculum

List all courses, including new courses, to be offered in the proposed program by prefix, number, title, and credit hours (or credit equivalences). Indicate new courses with an X in the appropriate columns. The total number of credit hours should reflect the number of credits required to be awarded the degree.

For variable credits, please enter the minimum value in the table for credit hours. To explain variable credit in detail as well as any additional information, use the narrative box at the end of this appendix.

Course Number	NEW Course		Credit Hours
General Educ	ation Co	ourses (list specific courses if recommended for this program on Degree N	/lap)
		General Education Credit Hour Sub-Total	43
Required Courses			
CHEM 1210		Principles of Chemistry I	5
CHEM 1220		Principles of Chemistry II	5
CHEM 2310		Organic Chemistry I	4
CHEM 2315		Organic Chemistry I Lab	1
CHEM 2320		Organic Chemistry II	4
CHEM 2325		Organic Chemistry II Lab	1
CHEM 2990		Chemical Technician Seminar	1
CHEM 3000		Quantitative Analysis	4
CHEM 3070		Biochemistry I	3
CHEM 3075		Biochemistry I Lab	1
CHEM 3080		Biochemistry II	3
CHEM 3410		Foundations in Physical Chemistry	4
CHEM 3610		Foundations in Inorganic Chemistry	4
CHEM 4250		Medicinal Chemistry	3
MATH 1210		Calculus I	4
MATH 1220		Calculus II	4
PHYS 2210		Physics for Scientists and Engineers I	5
PHYS 2220		Physics for Scientists and Engineers II	5
MICR 4154		Microbial Genetics	5
Floative Courses		Required Course Credit Hour Sub-Total	66
Elective Courses		Select 8 credit hours from the following:	0
BTNY 3153		Ü	8
BTNY 3153 BTNY 3204		Biology of the Plant Cell - 3	
		Plant Physiology - 4	
BTNY 3303		Plant Genetics - 3 Herbal Medicines - 3	
BTNY 3583			
CHEM 3050		Instrumental Analysis - 4	
CHEM 3420		Physical Chemistry II - 4  Spectrometric and Separation Methods 4	
CHEM 4540		Spectrometric and Separation Methods - 4	
CHEM 4600		Inorganic Chemistry - 4	
CHEM 4700		Special Topics in Chemistry - 1	
CHEM 4800		Research and Independent Study in Chemistry - 1	

Course Number	NEW Course	Course Title	Credit Hours
MICR 3254		Immunology - 4	
MICR 3305		Medical Microbiology - 5	
MICR 4054		Microbial Physiology - 4	
MICR 4154		Microbial Genetics - 4	
MICR 4252		Cell Culture - 2	
PHYS 2010		College Physics I - 5	
PHYS 2020		College Physics II - 5	
ZOOL 3200		Cell Biology - 4	
ZOOL 3300		Genetics - 4	
ZOOL 4210		Advanced Human Physiology - 4	
ZOOL 4220		Endocrinology - 4	
ZOOL 4300		Molecular Genetics - 4	
		Additional elective to meet 120 minimum	3
		Elective Credit Hour Sub-Total	11
		Core Curriculum Credit Hour Sub-Total	120

## **Program Curriculum Narrative**

Describe any variable credits. You may also include additional curriculum information.

The program is designed to afford students a maximum of flexibility while meeting the current program certification requirements of the American Chemical Society (ACS) for baccalaureate-level training.

The key aspects of program are: five foundation courses are required, one in each of the five main branches of chemistry (analytical, organic, biochemsitry, physical chemistry, and inorganic); beyond the foundational courses, biochemistry students will be required to take Organic Chemistry II + lab, Biochemistry II, Biotechniques, Medicinal Chemistry, and Cell Biology (Zoology) or Microbial Genetics (Microbiology); elective credits may be filled by a variety of designated courses in the chemistry, microbiology, zoology, or botany.

Note: this curriculum outline and the degree map below assume a student will start in Calculus I. If they need to first take the prerequisites for that course (either MATH QL1050 and 1060 or MATH QL1080), this can replace the three-credit-hour general elective, and the total of all credit hours will be 122-124.

# Degree Map

Degree maps pertain to undergraduate programs ONLY. Provide a degree map for proposed program. Degree Maps were approved by the State Board of Regents on July 17, 2014 as a degree completion measure. Degree maps or graduation plans are a suggested semester-by-semester class schedule that includes prefix, number, title, and semester hours. For more details see http://higheredutah.org/pdf/agendas/201407/TAB%20A%202014-7-18.pdf (Item #3).

Please cut-and-paste the degree map or manually enter the degree map in the table below.

First Year Fall	Cr. Hr.	First Year Spring	Cr. Hr.
CHEM 1210 PS Principles of Chemistry I	5	CHEM 1220 Principles of Chemistry II	5
MATH 1210 Calculus I	4	MATH 1220 Calculus II	4
PHYS 2210 PS Physics for Scientists & Engine	5	PHYS 2220 Physics for Scientists & Engineers II	5
*NTM 1501 TA Document Creation Comp Exam	0.5	*NTM 1503 TC Data Manipulation Comp Exam	0.5
NTM 1502 TB Content, Internet Comp Exam	0.5	*NTM 1504 TD Information Literacy Comp Exam	0.5
Total	15	Total	15
Second Year Fall	Cr. Hr.	Second Year Spring	Cr. Hr.
CHEM 2310/2315 Organic Chemistry I/Lab	5	CHEM 2320/2325 Organic Chemistry II/Lab	5
CHEM 3000 Quantitative Analysis (Found Anal#	4	CHEM 2990 Chemical Tech Seminar	1
MICR 2054 LS Principles of Microbiology -or- **	4	CHEM 3070/3075 Biochemistry I (Foundation)	4
ENGL 1010 Introductory College Writing	3	CHEM 3410 Physical Chemistry I (Foundation)	4
		ENGL 2010 EN Intermediate College Writing	3
Total	16	Total	17
Third Year Fall	Cr. Hr.	Third Year Spring	Cr. Hr.
CHEM 3420 Physical Chemistry II	4	CHEM 3080 Biochemistry II	3
OUEM 2/10 Farm dathers to be access?			1
CHEM 3610 Foundations in Inorganic	4	CHEM 3090 Biochemical Techniques	1
ZOOL 3200 Cell Biology	4	CHEM 3090 Biochemical Techniques  MICR 4154 Genetics -or- ZOOL 3200 Cell Biole	4
<u> </u>		•	
ZOOL 3200 Cell Biology	4	MICR 4154 Genetics -or- ZOOL 3200 Cell Biol	4
ZOOL 3200 Cell Biology	4	MICR 4154 Genetics -or- ZOOL 3200 Cell Biolemann General Education American Institutions Election	4 3
ZOOL 3200 Cell Biology General Education Social Science Elective	3	MICR 4154 Genetics -or- ZOOL 3200 Cell Biole General Education American Institutions Elective	4 3 3
ZOOL 3200 Cell Biology General Education Social Science Elective Total	4 3 15	MICR 4154 Genetics -or- ZOOL 3200 Cell Bioles General Education American Institutions Electies General Education Humanities Elective Total	3 3 14
ZOOL 3200 Cell Biology General Education Social Science Elective  Total Fourth Year Fall	4 3 15 Cr. Hr.	MICR 4154 Genetics -or- ZOOL 3200 Cell Biole General Education American Institutions Elective General Education Humanities Elective Total Fourth Year Spring	4 3 3 14 Cr. Hr.
ZOOL 3200 Cell Biology General Education Social Science Elective  Total Fourth Year Fall CHEM 4250 Medicinal Chemistry	4 3 15 Cr. Hr.	MICR 4154 Genetics -or- ZOOL 3200 Cell Bioles General Education American Institutions Elective General Education Humanities Elective  Total Fourth Year Spring CHEM 4900 Senior Seminar	4 3 3 14 Cr. Hr.
ZOOL 3200 Cell Biology General Education Social Science Elective  Total Fourth Year Fall CHEM 4250 Medicinal Chemistry CHEM 4800 Research & Independent Study	4 3 15 Cr. Hr. 3	MICR 4154 Genetics -or- ZOOL 3200 Cell Bioles General Education American Institutions Electies General Education Humanities Elective  Total Fourth Year Spring CHEM 4900 Senior Seminar CHEM Upper Division Major Elective	4 3 3 14 Cr. Hr.
ZOOL 3200 Cell Biology General Education Social Science Elective  Total Fourth Year Fall CHEM 4250 Medicinal Chemistry CHEM 4800 Research & Independent Study CHEM Upper Division Major Elective	4 3 15 Cr. Hr. 3 1	MICR 4154 Genetics -or- ZOOL 3200 Cell Biole General Education American Institutions Elective General Education Humanities Elective  Total Fourth Year Spring CHEM 4900 Senior Seminar CHEM Upper Division Major Elective General Education Humanities/Creative Arts E	4 3 3 14 Cr. Hr. 1 3

# Appendix C: Current and New Faculty / Staff Information

Part I. Department Faculty / Staff

Identify # of department faculty / staff (headcount) for the year preceding implementation of proposed program.

raentily " or aepartment raeaity / star	, , , , , , , , , , , , , , , , , , , ,	,	1
	# Tenured	# Tenure -Track	# Non -Tenure Track
Faculty: Full Time with Doctorate	9	2	1
Faculty: Part Time with Doctorate	1		4
Faculty: Full Time with Masters			
Faculty: Part Time with Masters			1
Faculty: Full Time with Baccalaureate			
Faculty: Part Time with Baccalaureate			2
Teaching / Graduate Assistants			
Staff: Full Time			2
Staff: Part Time			

# Part II. Proposed Program Faculty Profiles

List current faculty within the institution -- with academic qualifications -- to be used in support of the proposed program(s).

,	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree	Institution where Credential was Earned	Est. % of time faculty member will dedicate	If "Other," describe
Full Time Faculty							
	H. Laine	Berghout	T	Doctorate	University of Wisconsin - Madison	50%	
	Brandon	Burnett	TT	Doctorate	University of Nebraska - Lincoln	50%	
	Carol	Campbell	Other	Doctorate	Utah State University	10%	Instructor
	Tracy	Covey	TT	Doctorate	University of Utah	50%	
	Charles	Davidson	Т	Doctorate	University of Utah	50%	
	Don	Davies	Т	Doctorate	University of Nebraska - Lincoln	50%	
	Timothy	Herzog	Т	Doctorate	California Institute of Technology	50%	
	Todd	Johnson	Т	Doctorate	Utah State University	50%	
	J. Andy	Lippert	Т	Doctorate	Brigham Young University	50%	
	Barry	Lloyd	Т	Doctorate	University of Utah	50%	
	Michelle	Paustenbaugh	T	Doctorate	University of Utah	50%	
	Edward	Walker	Т	Doctorate	Texas Tech University	50%	
	Charles	Wight	T	Doctorate	California Institute of Technology	1%	WSU Presid
Part Time Faculty							
Tart Time Faculty	Brian	Albrecht	Other	Baccalaur <u>e</u> z	Weber State University	0%	Adjunct
	Robert	Davidson	Other		Washington State University	0%	Adjunct
	Laird	Hartman	Other	Doctorate	University of Montana	0%	Adjunct
	Geoffrey	Russell	Other	Doctorate	University of Utah	0%	Adjunct
	Spencer	Seager	Other	Doctorate	University of Utah	0%	Adjunct

	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree		Est. % of time faculty member will dedicate to proposed program.	If "Other,"
	Michael	Slabaugh	Other	Doctorate	Iowa State University	0%	Adjunct
	Mary Ann	Francis	Other	Baccalaurea +	Weber State University	0%	Adjunct

Part III: New Faculty / Staff Projections for Proposed Program
Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff
members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate					
Faculty: Part Time with Doctorate					
Faculty: Full Time with Masters					
Faculty: Part Time with Masters					
Faculty: Full Time with Baccalaureate					
Faculty: Part Time with Baccalaureate					
Teaching / Graduate Assistants					
Staff: Full Time					
Staff: Part Time					

# Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

Three Year Projection: Program Participation and Department Budget    Year Preceding Implementation   Year 1   Year 2   Year 3   Year 4	
Student Data # of Majors in Department	
Implementation   Year 1   Year 2   Year 3   Year 4	
# of Majors in Department	Year 5
# of Majors in Proposed Program(s)	
# of Graduates from Department 14 15 25 25 25	250
# Graduates in New Program(s)  Department Financial Data  Department Budget  Year 1 Year 2 Year 3  Addition to Base Budget for New Program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional costs required for proposed program(s)  List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Operating Expenses (equipment, travel, resources)  Other: Overhead on lab fee account	150
Department Financial Data  Department Budget  Year 1 Year 2 Year 3  Addition to Base Budget for New Program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Operating Expenses (equipment, travel, resources)  Other: Overhead on lab fee account  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Personal (Faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Suddition to Base Budget for New Program(s)  Program(s)  Program(s)  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Program(s)  Program(s)  Suddition to Base Budget for New Program(s)  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Program(s)  Program(s)  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Suddition to Base Budget for New Program(s)  Base Budget for New Program(s)  Suddition to Base Budget for New Program(s)  Base Bu	25
Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional costs required for proposed program(s)  List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Other: Overhead on lab fee account  Staff Salary & Staff S	15
Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional costs required for proposed program(s)  List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Operating Expenses (equipment, travel, resources)  Sylvan 1 Year 2 Year 3  Addition to Base Budget for New Program(s)	
Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional costs required for proposed program(s)  List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Operating Expenses (equipment, travel, resources)  State of New Program(s)  Addition to Base Budget for New Program(s)  Base Budget for New Program(s)  Base Budget for New Program(s)  State of New Program(s)	
Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."  EXPENSES – nature of additional costs required for proposed program(s)  List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits)  Operating Expenses (equipment, travel, resources)  Other: Overhead on lab fee account  \$11,000	
List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits) \$1,339,630  Operating Expenses (equipment, travel, resources) \$185,900  Other: Overhead on lab fee account \$11,000	
year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.  Personnel (Faculty & Staff Salary & Benefits) \$1,339,630  Operating Expenses (equipment, travel, resources) \$185,900  Other: Overhead on lab fee account \$11,000	
Operating Expenses (equipment, travel, resources) \$185,900 Other: Overhead on lab fee account \$11,000	
resources) \$185,900 Other: Overhead on lab fee account \$11,000	
\$11,000	
TOTAL PROGRAM EVERNICES	
TOTAL PROGRAM EXPENSES \$0 \$0 \$0	
TOTAL EXPENSES \$1,536,530 \$1,536,530 \$1,536,530	
FUNDING – source of funding to cover additional costs generated by proposed program(s)	
Describe internal reallocation using Narrative 1 on the following page. Describe new sources of funding using Narrative 2.	
Internal Reallocation \$1,346,530	
Appropriation	
Special Legislative Appropriation	
Grants and Contracts	
Special Fees \$190,000	
Tuition	
Differential Tuition (requires Regents approval)	
PROPOSED PROGRAM FUNDING \$0 \$0 \$0	
TOTAL DEPARTMENT FUNDING \$1,536,530 \$1,536,530 \$1,536,530	
Difference	
Funding - Expense         \$0         \$0         \$0         \$0	

# Part II: Expense explanation

# **Expense Narrative**

Describe expenses associated with the proposed program.

Because this is a change to an old program and not a completely new program, Weber State University and WSU Department of Chemistry are prepared to implement the biochemistry major immediately without additional resources, faculty, or staff. Resources, faculty, and staff needs may need to be reevaluated if the number of majors increases beyond the doubling of number of majors seen by departments with similar programs.

Part III: Describe funding sources

## **Revenue Narrative 1**

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services. N/A

## Revenue Narrative 2

Describe new funding sources and plans to acquire the funds. N/A



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Snow College – Bachelor of Science in Software Engineering with Emphases in Entrepreneurship,

Digital Media Design, and Web Development

#### Issue

Snow College requests approval to offer a Bachelor of Science (BS) in Software Engineering effective Fall Semester, 2017. Three areas of emphasis from among which students may choose are part of the proposal. These include: 1) Entrepreneurship, 2) Digital Media Design, and 3) Web Development. The proposed program and the three areas of emphasis were approved by the institutional Board of Trustees April 29, 2016.

# **Background**

Central Utah faces economic challenges. Rural communities within the central region have endured the most severe and longest economic contraction since the Great Depression. There are several long-term structural challenges to rural prosperity that can create more challenges to recover from an economic downturn than what is often realized in higher populated areas. These include out-migration, consolidation, and access to financial capital. Economic developers within Snow College's service region have noted there is a significant income gap between the Sanpete, Sevier, Juab, Millard, Piute, and Wayne Counties and other more populated areas such as Salt Lake County.

This income gap is impacted by another factor that results in Central Utah being referred as the "donut hole." This label describes both its central location in the state along with a void of technology learning opportunities for students. This void is believed to fuel out-migration, resulting in a widened income gap.

Snow College officials and economic development personnel within the College's service region proposed that the BS in Software Engineering be offered as a way to reduce out-migration and grow the economic base for central Utah. Several potential employers have expressed interest in locating in less populated, Tier-3 locations (a Tier-3 location has 20,000 to 49,999 residents). Sanpete County has 28,778 residents (as per the United States Census Bureau's July 1, 2015 estimates). Key decision drivers for technology companies considering relocation include: 1) access to a talented workforce, 2) IT professionals with experience, and 3) access to a partnership with a higher-education institution to foster relationships that lead students to full-time employment.

The proposed program is designed to address out-migration and serve as a catalyst to incent computer technology companies to invest in Central Utah as a place to locate operations and as a source of talent for

















software engineering and related positions where employee proximity to a specific physical location is often of lesser importance to fulfillment of job duties as compared to other occupations where physical proximity is required.

The proposed program will prepare individuals to be collaborative professionals working on a team to develop software products that meet customer requirements. Graduates of the program will possess the practical knowledge and skill of a defined engineering approach for complex systems analysis, planning, design and construction. The coursework builds upon computer science fundamentals and mathematical principles to cover the design, analysis, verification, validation, implementation, deployment, and maintenance of software systems.

The software engineering curriculum culminates in a year-long capstone sequence where students will work in teams to build software systems reflective of current industry practices. Additionally, students will be encouraged to participate in internships. Snow College plans to partner with businesses to develop these work-based learning opportunities.

Snow College has hired a terminally qualified faculty member in computer science and has plans to hire two additional appropriately credentialed faculty members to support the program. Additionally, two new labs that will support the program have been planned for inclusion within the institution's new science building. In developing program courses, Snow College personnel have followed ABET accreditation criteria and have consulted with technology companies who would be likely candidates to hire program graduates. They have also worked with local economic development leaders to ensure the program fits within the region's strategic economic plans.

The Utah Department of Workforce Services Occupational Explorer shows the Software Developers occupational group as having strong labor market need as per the following statewide projection for 2014 – 2024:

SOC Code	Occupation	Annual Percent Change in Job Openings	Total Annual Openings	Hourly Median Wage
15-1132	Software Developers, Applications	5.9	640	\$43.96
15-1133	Software Developers, Systems Software	4.3	170	\$44.63

Similar degrees offered within the Utah System of Higher Education include a bachelor's degree in Software Engineering at Utah Valley University, a bachelor's' degree in Computer Science with emphasis in Software Development at Utah State University, and a bachelor's degree in Computer and Information Technology with Emphasis in Software Development at Dixie State University. From labor market projections it is believed that statewide demand is strong and will continue to be sufficiently strong into the foreseeable future to justify offering all of these related programs, including the addition of this proposed program from Snow College.

# **Policy Issues**

Regent Policy R312 classifies Snow College as a Comprehensive Community or Associate's College. This classification provides that an institution may award up to ten percent of its degrees at the baccalaureate level. The Bachelor of Music, currently offered at Snow College, accounts for approximately three percent of the College's degrees awarded in 2016. It is not anticipated that the proposed program would cause Snow College to exceed the ten percent threshold.

The proposed program has been developed through established institutional procedures and Board of Regents policy. Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input.

## Commissioner's Recommendation

The Commissioner recommends the Board of Regents approve the Bachelor of Science in Software Engineering with Emphases in Entrepreneurship, Digital Media Design, and Web Development.

David L. Buhler	
Commissioner of Higher Education	

DLB/BKC Attachment

# **Utah System of Higher Education**

## Section I: The Request

Snow College requests approval to offer a Bachelor of Science Degree in Software Engineering with Emphases in: 1) Entrepreneurship, 2) Digital Media Design, and 3) Web Development effective Fall Semester, 2017. Approval was granted by the Snow College institutional Board of Trustees on April 29, 2016.

## Section II: Program Proposal

# **Program Description**

The goal of the Snow College Bachelor of Science Degree in Software Engineering is the preparation of software engineers: collaborative professionals working on a team to develop software products on time, within budget, and that meet customer requirements. Graduates of this program will possess the practical knowledge and skill of a defined engineering approach for complex systems analysis, planning, design and construction. The coursework builds upon computer science fundamentals and mathematical principles to cover the design, analysis, verification, validation, implementation, deployment, and maintenance of software systems.

There is often confusion regarding the differences between computer science, software engineering and information technology/information services. The following diagram from the Association for Computing Machinery (ACM) provides insight into the relationship between each of the areas.

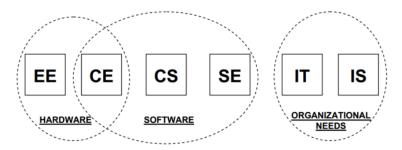


Figure 1: ACM Computing Curricula 2005 Overview Report<sup>1</sup>

Electrical Engineers (EE) are primarily involved with hardware design, while Computer Engineers (CE) design systems that include both hardware and software. Computer Science (CS) covers the concepts and technology involved with how to make a computer do something (graphics, robotics, etc.), and software engineering (SE) focuses on how to design and build software. There is significant overlap between computer science and software engineering and the intersection between the two is often programming; however, there is a key difference. Computer scientists test theories and work at the edge of the unknown. Software engineering is an engineering discipline. Engineering starts with knowledge that has already been proven reliable and develops solutions for technical, societal and commercial problems. Information Technology (IT) and Information Services (IS) are focused on delivering technology solutions to an organization.

The Snow College Software Engineering program will provide students with an educational experience that builds upon traditional computer science and engineering and produces software engineers that create high-quality software in a systematic, controlled, and efficient manner. This will be accomplished in the following ways:

- Emphasis on mathematics and use of engineering methods in software design.
- Emphasis on software processes and lifecycles utilizing a team approach to building software with active learning (learning by doing).

<sup>&</sup>lt;sup>1</sup> http://www.acm.org/education/education/curric\_vols/CC2005-March06Final.pdf

- Course content in project planning, resource allocation, quality assurance, testing, metrics, maintenance and troubleshooting, configuration management and personnel management.
- Use of student teams to work on activities specifically designed to guide students to collaboratively construct their own understanding of key concepts, and at the same time develop key process skills like communication, teamwork, critical thinking and problem solving.
- Inclusion of three areas of emphasis from which students may choose:
  - Entrepreneurship: The combination of computational and entrepreneurial thinking to identify, assess and implement ideas that will create new markets and technologies.
  - o Digital Media Design: The use of integrated media to communicate messages through electronic mediums such as the Internet, film, television and mobile technologies.
  - o Web Development: The use of tools including HTML, CSS, and JavaScript to create and maintain high quality, interactive websites.

The software engineering curriculum culminates in a year-long capstone sequence where the students work in teams to build a software system reflective of current practices in the industry. Additionally, students are encouraged to participate in internships prior to and during enrollment in these capstone courses in order to gain direct industry experience and insight before embarking upon their own projects. Snow College will be partnering with businesses to develop these learning opportunities that will provide students with industry relevant experience.

The Snow College Software Engineering program prepares students to enter the software engineering profession immediately or to go on to pursue advanced educational opportunities. The first two years of the program are also compatible with transfer to an institution offering a degree in computer science.

## Consistency with Institutional Mission

Snow College is designated as a Comprehensive Community or Associate's College by Regent Policy R312. This policy provides that up to ten percent of undergraduate degrees may be at the baccalaureate level. It is anticipated that the Bachelor of Music currently offered at Snow College will account for approximately three percent of degrees awarded. It is not anticipated that the proposed Bachelor of Science in Software Engineering Degree will cause the institution to exceed the ten percent limit.

The mission statement of Snow College includes:

- Continue a tradition of excellence:
- Encourage a culture of innovation;
- Cultivate an atmosphere of engagement to advance students in the achievement of their educational goals.

The proposed program will continue a tradition of excellence by providing a venue for active learning which is the standard model for many Snow College programs. It extends a well-established two-year computer science program to give students an option to complete a baccalaureate degree in a high demand area. Snow College has a successful history of transferring students from its computer science program to four-year programs at four year institutions. This will remain an option for students.

This program will encourage a culture of innovation by continually introducing students to new ideas and ways of thinking. Instructors will guide students by integrating theoretical knowledge with current industry practices. Students will be encouraged to experiment and develop creative new solutions to contemporary applied challenges.

Snow College personnel will use the program to cultivate an atmosphere of engagement both within the college and in the community. Within the college, the benefits of this program have the potential to reach beyond the engineering students. Computing is becoming one of the core disciplines of a 21st century education -- all educated individuals must possess some level of proficiency and understanding of computing technology. In recognition of computational thinking as being one of the fundamental skills desired of all graduates, it is likely that in the future almost every undergraduate student will take some instruction in computing. It will be important to provide introductory level

instruction across a broad range of subject areas that are accessible and attractive to students from many disciplines. This also serves the dual purpose of attracting more students to the computing field who may not have had an initial inclination otherwise.

In conjunction with industry and government partners, Snow College has included economic development as one its five main goal areas in its strategic plan. As part of this, four key action items were identified to meet the economic development goals including:

- Enriching the curriculum with courses that emphasize entrepreneurial skills
- Creating more logical pathways for students to enter industry prepared to be economic contributors
- Developing programs that will lift the standard of living in the six-county service region
- Strengthening relationships with industry in the six-county region by developing programs that meet their needs.

One of Snow College's objectives is to serve as a regional steward by encouraging innovative economies. Currently, rural central Utah is largely dependent upon agriculture and natural resource industries. A desired outcome of this bachelor degree program is to reduce this dependency and provide new economic development opportunities for central Utah. This Software Engineering program will produce immediately employable graduates having skills and experience that are currently in high demand but short supply. This will create a pool of trained professionals who have the potential to attract high-tech businesses and inspire new venture opportunities in the six-county region.

#### Section III: Needs Assessment

#### **Program Rationale**

Central Utah faces economic challenges. Since 2007, rural communities have endured the steepest and longest economic contraction since the Great Depression. There are several long-term structural challenges to rural prosperity including out-migration, consolidation, and access to financial capital that threaten rural prosperity. This is evidenced by a significant gap in per capita income that exists between the College's six county service region and Salt Lake County. Snow College officials indicate that this gap is widening and exceeds \$17,000 per year.

This income gap will be impacted by another factor which results in Central Utah being referred as the "donut hole." This label describes both its central location in the state along with the void of technology learning opportunities for students. This void of technology learning opportunities fuels the out-migration which will widen the income gap.

This new program will be part of a larger economic strategy to reduce out-migration and grow the economic base for central Utah. The institution has reported that several potential employers have expressed interest in locating in less populated, Tier-3 locations (a Tier-3 location has 20,000 to 49,999 residents). Sanpete County has 28,778 residents. The key decision drivers for a technology company considering relocation are access to a talented workforce.

In Utah's Economic Development Plan (http://business.utah.gov/wp-content/uploads/GovPlanLR.pdf), Governor Gary R. Herbert cited four key objectives: 1) Strengthen and grow existing Utah businesses, both urban and rural; 2) Increase innovation, entrepreneurship, and investment; 3) Increase national and international business; and 4) Prioritize education to develop the workforce of the future. Education is essential to achieving the first objective because, as stated earlier, the availability of skilled labor is the number one site selection factor for relocating companies. Education is also essential to achieving the fourth objective, especially with regard to technology because the current demand for skilled resources far exceeds the available supply.

This software engineering program is designed to address these workforce issues. It will also prepare students to continue to more advanced educational opportunities. This program will be accessible to students of all backgrounds, particularly young women and students from underserved communities.

Through classes and technical events (coding clubs, challenges, and camps), local K-12 students, that currently do not have access to technology education, will be connected to these events. To ensure this, Snow College is working with school districts to create a well-defined, connected technical education pathway. Other partnerships with industry groups and industry partners will connect women to the high-tech industry. Finally, a key cornerstone of the proposed program will be internships. These internships will provide mentoring, targeted master courses and on-the-job support that not only help students build industry relevant technology skills but facilitate the creation of a student portfolio that highlights student accomplishments.

Through outreach and engagement with local school districts, the proposed program will help reduce the technology donut-hole effect in central Utah. Pathways are currently being established in the Sanpete and Sevier School Districts to support the State of Utah's Public Education plan to integrate Computer Science into K-12 by making classes available to high school students and providing a clear path to a degree. Snow College is assisting with delivery of these educational offerings. This will be extended to the other counties' districts as possible.

#### **Labor Market Demand**

Nationally, according to the Occupational Outlook Handbook published by the Bureau of Labor Statistics, employment of software developers is projected to grow 17 percent from 2014 to 2024<sup>2</sup>. This occupation is expected to experience much faster than average employment growth with a high volume of annual job openings. This growth is driven by a large increase in the demand for computer software. Business expansion, as opposed to the need for replacements, will provide the majority of job openings in the coming decade. Job prospects will be best for applicants with knowledge of the most up-to-date programming tools and languages. Compared to all occupations, wages for this occupation are very high, growing much faster than the average for all occupations.

The Utah Department of Workforce Services Occupational Explorer shows the Software Developers occupational group as having strong labor market need. Statewide projections for software development show the following 2014 - 2024 labor market trends:

SOC Code	Occupation	Annual Percent Change in Job		
		Openings		
15-1132	Software Developers, Applications	5.9	640	\$43.96
15-1133	Software Developers, Systems Software	4.3	170	\$44.63

# **Student Demand**

Student interest in computing programs is continuing to rise nationally and within Utah. The institution reported that the number of students declaring computer science or a closely related program as their major has risen steadily over the past few years. The number of students enrolling in the introductory computer science course at Snow College has almost doubled from 55 in FY2013 to 97 in FY/2016.

#### Similar Programs

Similar programs to the proposed program are outlined in Tables 1 and 2. Table 1 lists similar programs at institutions within the Utah System of Higher Education. Table 2 lists computer science/software engineering programs provided by other institutions in Utah.

Table 1: State of Utah Higher Education Programs offering Computer Science / Software Engineering Degrees

<sup>&</sup>lt;sup>2</sup> http://www.bls.gov/ooh/computer-and-information-technology/software-developers.htm

USHE School Name	School Type & Setting	Computer Science Programs Offered	Software Engineering Program Offered
University of Utah (Accreditation: ABET, Computer Engineering)	Four year, public; midsize city	<ul> <li>BS in Computer Science,</li> <li>BS in Computer Engineering</li> <li>MS in Computer Science,</li> <li>PhD in Computer Science</li> </ul>	
Utah State University (Accreditation: ABET),	Four year, public; small city	<ul> <li>BS in Computer Science</li> <li>BS in Computer Engineering</li> <li>MS in Computer Science</li> <li>MCS in Computer Science</li> <li>PhD in Computer Science</li> </ul>	BS in Computer Science with Emphasis in Software Development
Southern Utah University (Accreditation: ABET)	Four-year, public; small city	<ul> <li>AS in Computer and Information Systems - Security Emphasis</li> <li>BS in Computer Science Composite,</li> <li>BS in Computer Science Composite - Forensic Science Emphasis,</li> <li>MFS in Computing</li> </ul>	
Utah Valley University (Accreditation: ABET in Computer Science and Engineering)	Four year, public; midsize city	<ul> <li>AS Pre-Major in Computer Science,</li> <li>AAS in Computer Science -         Computer Engineering or Computing and Networking Sciences,</li> <li>BAS in Computer Science -         Computer Engineering, Computer Networking, Computer Science or Database Engineering</li> </ul>	BS in Software Engineering
Dixie State University  (Accreditation: Northwest Commission on Colleges and Universities)		<ul> <li>BS in Computer Science,</li> <li>BS in Computer and</li> <li>Information Technology</li> <li>BS in Computer and</li> <li>Information Technology (Digital design emphasis)</li> <li>BS in Computer and</li> <li>Information Technology (IT emphasis)</li> <li>BS in Computer and</li> <li>Information Technology (IT emphasis)</li> </ul>	BS in Computer and Information Technology with Emphasis in Software Development
USHE School Name	School Type & Setting	Computer Science Programs Offered	Software Engineering Program Offered
Weber State	Four-year, public;	AAS in Computer Science,	

University (Accreditation: ABET)	small city	<ul><li>BS in Computer Science,</li><li>BIS in Computer Science</li></ul>	
Salt Lake Community College	Two-year, public; large suburb	<ul> <li>AS in Computer Sciences and Information Systems</li> <li>COC in Business &amp; Personal Computing</li> </ul>	<ul> <li>AAS in Computer Sciences and Information Systems -         Computer Programming and Design, Database Design, Management and Administration or Web Programming and Development</li> <li>Software Engineering (CP)</li> <li>Software Development (CP)</li> </ul>

 Table 2: Other Utah Higher Education Programs offering Computer Science / Software Engineering Degrees

Other Utah Schools	School Type & Setting	Computer Science Programs Offered	Software Engineering Program Offered
Brigham Young University (Accreditation: ABET)	Four year, private not-for-profit; midsize city	<ul> <li>BS in Computer Science,</li> <li>BS in Computer Science -         Animation Emphasis or         Bioinformatics Emphasis     </li> <li>MS in Computer Science,</li> <li>PhD in Computer Science</li> </ul>	
Westminster College	Four year, private not-for-profit; midsize city	BS in Computer Science	
Neumont University (Accreditation: ACICS)	Four year private; midsize city	BS in Computer Science	

Labor market demand and student demand appear to be more than sufficient to justify the addition of the proposed program. A unique aspect of the Snow College software engineering degree program is the software entrepreneurship emphasis that provides collaboration between fields such as accounting, marketing, business management, and software engineering to teach students how to monetize software products and services.

## Collaboration with and Impact on Other USHE Institutions

This program will not be delivered outside of Snow College's service area. A major intent is to provide a steady stream of software engineering professionals as an attraction for industry to locate in central Utah.

Student demand for computing degrees is rising significantly in the State of Utah. It is anticipated that this proposed program will help alleviate rising student and market demand pressure while having minimal impact on similar programs within the state.

This software engineering program utilizes the traditional first two years of a computer science curriculum. Students desiring to major in computer science can continue to attend Snow College for the first two years. They would then transfer to another institution to finish a bachelor of science degree.

#### **External Review and Accreditation**

Snow College will seek accreditation from ABET as soon as the eligibility requirements for accreditation have been satisfied. Those requirements include having at least one graduate and undergoing a readiness review. This readiness review requires a preliminary self-study report and the submission of one graduate's official transcript. The first graduate should complete by the end of the program's second year. The self-study report will be completed during those first two years so that it can be submitted at the time students begin to complete the program.

Although ABET accreditation of this program is essential, the participation of local industry partners is equally as important. This program will operate with direction of an advisory board comprised of individuals from both high-tech companies and non-tech companies seeking to employ qualified technical candidates. The board will provide guidance on the content of program, the tools being utilized by the program, and opportunities such as internships for program participants.

## Section IV: Program Details

#### **Graduation Standards and Number of Credits**

Graduation requirements include 126 total credits including seven credits specific to an area of emphasis. This is the maximum number of credits required for a baccalaureate degree as specified by Regent policy.

A minimum grade of C- is required for all Mathematics, Science, and Software Engineering Courses.

#### **Admission Requirements**

Any matriculated Snow College student is eligible to apply to and begin work in this software engineering program. Admission requirements for this degree program are ready to enroll in CS 1410 and MATH 1210.

Continuation in the upper-division courses of this program requires maintaining a C- or higher grade in all required courses.

#### **Curriculum and Degree Map**

The tables in Appendix A provide a list of courses and Appendix B provides a program Degree Map for each emphasis, also referred to as a graduation plan.

# Section V: Institution, Faculty, and Staff Support

#### Institutional Readiness

The study of engineering was formalized at Snow College in the early 1970s. The Engineering Department was created in the late 1980s. Computer Science was added to the Engineering Department in the 1990s. Engineering and computer science education at Snow College has been and continues to be robust. The number of students studying engineering and computer science at Snow College has trended upward throughout these past decades.

A new science building is currently being constructed that will provide space and facilities for the program. This state-of-the-art facility will be the home for the proposed program. Two engineering computer labs are planned into the design and will be significant in delivering the program to students.

# Faculty

The existing department faculty members are all currently teaching full loads in lower-division engineering and computer science coursework. To support the program and to continue to support the department's existing student demand, a new faculty member has been hired and two additional faculty hires are planned. The program will also require the use of adjunct instructors with expertise in specific areas. Plans are in place to provide the necessary resources to support these new hires.

#### Staff

The Information Technology staff at Snow College is capable and supportive of all computer and technology equipment across the college. These employees will provide support to set-up and maintain the computer labs used in the program.

#### **Student Advisement**

Department faculty will be responsible for program advisement as well as for assisting students with career planning. Students will be assigned a faculty advisor. Students will meet with their advisor each semester to ensure they are making appropriate progress toward completion.

# Library and Information Resources

The library currently solicits input for resources and materials. Engineering Initiative monies and Snow College's match will be used to support this need.

# Section VI: Program Evaluation

#### Program Assessment

The main goals of this program are 1) to produce graduates who are ready to be productive software engineers requiring little or no in-house training after graduation, and 2) to produce graduates who qualify for immediate admission into a graduate computer science or software engineering program of study.

The goal of graduates being ready to be productive will be assessed by tracking placement of graduates entering the software engineering industry. Initial assessment by employers will be sought as well as assessment a year later to determine what additional training was needed.

The goal of producing graduates who qualify for graduate school will be assessed by tracking acceptance rates of graduates who pursue graduate studies.

This program will also be assessed to fulfill Northwest and ABET accreditation requirements.

#### Student Standards of Performance

Students will:

- 1. Demonstrate the ability to apply knowledge of mathematics, science, and software engineering.
- 2. Demonstrate effective oral and written communications with supervisors, team members, and clients. Specifically, they should exhibit lucid, clear and concise technical and professional communication as well as be able to convey complex technical ideas to non-technical individuals.
- 3. Design and implement software solutions based on sound software engineering principles utilizing state-of-the-practice tools and techniques.
- 4. Solve a software engineering problem demonstrating ability to manage, design, and implement.
- 5. Follow and meet objectives of a project plan and recognize the need for adaptation, adjustments and restructuring of the plan, both as an individual software developer and as a team member.
- 6. Demonstrate an understanding of professional and ethical responsibility. They will respect their professors, other students, different cultures, customs, and professional technical methods and procedures inherent in an industry with many differences locally and regionally.
- 7. Demonstrate leadership through positive, realistic interactions that earn team member respect and facilitate project success.
- 8. Effectively apply software engineering skills to an emphasis such as entrepreneurship, digital media design, or information systems.

Formative and summative assessment will be conducted. Examples of formative assessments will include asking students to:

- Create design documents that illustrate their understanding and design thinking for a solution
- Submit assignments that exhibit an understanding of lecture topics
- Design and develop software solutions that exhibit understanding and practice of sound software engineering practices

Examples of summative assessments that will be utilized include:

- Quizzes and Exams
- Final projects
- Papers

A key outcome of this program is the development of software engineers who are ready for industry. The assessments outlined above will resemble the assessment procedures used in industry. This will familiarize students with assessment techniques suitable for a software development environment aimed at solving problems based on groups of people collaborating and cooperating with clear goals for serving and meeting the demands of real clients.

Appendix A: Program Curriculum

Course Prefix	Course Number	NEW Course: Mark with X	Course Title	Credit Hours
General Edu	ication Course	es (list specif	ic courses if recommended for this program on Degree Map)	
	General Education Credit Hour Sub-Total			<b>24</b> <sup>3</sup>
Required Co	ourses			
CS	1410		Object-oriented Programming	3
CS	1415		Object-oriented Programming Lab	1

<sup>&</sup>lt;sup>3</sup> The remaining GE credits are satisfied in the Required Courses

.

CS	2420		Data Structures and Algorithms	3
CS	2450		Intro. to Software Engineering	3
CS	2700		Digital Circuits	3
CS	2810		Computer Organization and Architecture	3
CS	2860	Х	Operating Systems Theory	3
MATH	1210		Calculus I	5
MATH	1220		Calculus II	4
MATH	2270		Linear Algebra	3
MATH	3000	Х	Statistics for Scientists and Engineers	3
MATH	3310	Х	Discrete Math	3
PHYS	2210		Physics for Scientists and Engineers I	4
PHYS	2215		Physics for Scientists and Engineers I Laboratory	1
PHYS	2220		Physics for Scientists and Engineers II	4
PHYS	2225		Physics for Scientists and Engineers II Laboratory	1
ENGL	3260	Х	Technical Writing	3
SE	3250	Х	Survey of Languages	3
SE	3410	Х	Human Factors in Software Design	3
SE	3450	Х	Principles and Patterns of Software Design	3
SE	3520	Х	Database Theory	3
SE	3620	Х	Distributed Internet Application Development	3
SE	36304		Mobile Application Development	3
SE	4120	Х	Management of Software Projects	2
SE	4140	Х	Social & Ethical Issues in Computing	2
SE	4220	X	Requirements Engineering	3
SE	4230	Х	Software Testing and Quality Engineering	3
SE	4320	Х	Personal Software Process	3
SE	4340	Х	Secure Coding Practices	3
SE	4400	Х	Software Engineering Practicum I	4
SE	4450	Х	Software Engineering Practicum II	4
			Required Course Credit Hour Sub-Total	92

Course Prefix	Course Number	NEW Course: Mark with X	Course Title	Credit Hours			
Elective Co	urses						
CHEM	1210/1215		Principles of Chemistry I/Lab	4/1			
BIOL	2060/2065		Microbiology/Lab	3/1			
BIOL	2030/2035		Introductory Genetics/Lab	3/1			
MATH	2210		Calculus III	3			
			Elective Credit Hour Sub-Total	3			
Emphasis (	Emphasis Option #1						
Are students	Are students required to choose an emphasis? ⊠ Yes or □ No						
Name of Er	mphasis: Ent	repreneursl	nip				

 $<sup>^{\</sup>rm 4}$  This course is currently being offered as CS 2630

BUS	1600	Entrepreneurship Seminars	1				
BUS	2222	Entrepreneurship	3				
BUS	2650	Management Principles for Entrepreneurs	3				
	Emphasis #1 Credit Hour Sub-Total						
		Total Number of Credits to Complete Program	126				
Emphasis	Option #2						
Name of E	mphasis: Digi	ital Media Design					
ART	1120	2D Surface	3				
ART	1140	4D Time	3				
ART	1300	Digital Media Fundamentals	3				
Emphasis #2 Credit Hour Sub-Total							
Total Number of Credits to Complete Program							
Emphasis	Option #3						
Name of E	mphasis: Wel	Development					
CIS	1640	Database Design - PHP	3				
CIS	1811	Web Site Development	3				
CIS	CIS 1820 Web Site Application Development						
	Emphasis #3 Credit Hour Sub-Total						
		Total Number of Credits to Complete Program	125 <sup>6</sup>				

 <sup>&</sup>lt;sup>5</sup> This combination of Art classes satisfies the GE Fine Arts requirement.
 <sup>6</sup> SE 3620: Distributed Internet Application Development will be satisfied by this combination of CIS courses

Appendix B: Degree Map

# Entrepreneurship Emphasis Suggested Schedule

First Year							
Fall Semester	Credits		Spring Semester	Credits			
CS 1410: Object-oriented Programming	3		CS 2420: Data Structures & Algorithms	3			
CS 1415: Object-oriented Programming Lab	1		CS 2700: Digital Circuits	3			
MATH 1210: Calculus I	5		MATH 1220: Calculus II	4			
ENGL 1010: Expository Composition	3		ENGL 2010: Intermediate Research Writing	3			
GE Life Science	3		GE American Institutions	3			
Semester Total	15		Semester Total	16			

Second Year							
Fall Semester	Credits		Spring Semester	Credits			
CS 2810: Computer Organization & Architecture	3		CS 2450: Intro to Software Engineering	3			
MATH 2270: Linear Algebra	3		CS 2860: Operating Systems Theory	3			
MATH 3310: Discrete Math	3		MATH/SCI Elective	3			
PHYS 2210: Physics for Scientists & Engineers I	4		PHYS 2220: Physics for Scientists & Engineers II	4			
PHYS 2215: Physics for Scientists & Engineers I Lab	1		PHYS 2225: Physics for Scientists & Engineers II Lab	1			
GE FA/HU/SS	3		GE FA/HU/SS	3			
Semester Total	17		Semester Total	17			

Third Year							
Fall Semester	Credits		Spring Semester	Credits			
SE 3250: Survey of Languages	3		SE 3410: Human Factors in Software Design	3			
SE 3520: Database Theory	3		SE 3450: Principles and Patterns of Software Design	3			
SE 3620: Distributed Internet Application Development	3		SE 3630: Mobile Application Development	3			
MATH 3000: Statistics for Scientists and Engineers	3		ENGL 3260: Technical Writing	3			
BUS 1600: Entrepreneurship Seminars	1		BUS 2222: Entrepreneurship	3			
GE FA/HU/SS	3						
Semester Total	16		Semester Total	15			

Fourth Year							
Fall Semester	Credits		Spring Semester	Credits			
SE 4120: Management of Software Projects	2		SE 4140: Social & Ethical Issues in Computing	2			
SE 4220: Requirements Engineering	3		SE 4230: Software Testing and Quality Engineering	3			
SE 4320: Personal Software Process	3		SE 4340: Secure Coding Practices	3			
SE 4400: Software Engineering Practicum I	4		SE 4450: Software Engineering Practicum II	4			
BUS 2650: Management Principles for Entrepreneurs	3		COMM 1020: Public Speaking	3			
Semester Total	15		Semester Total	15			

### Digital Media Design Emphasis Suggested Schedule

First Year								
Fall Semester	Credits	Spring Semester		Credits				
CS 1410: Object-oriented Programming	3		CS 2420: Data Structures & Algorithms	3				
CS 1415: Object-oriented Programming Lab	1		CS 2700: Digital Circuits	3				
MATH 1210: Calculus I	5		MATH 1220: Calculus II	4				
ENGL 1010: Expository Composition	3		ENGL 2010: Intermediate Research Writing	3				
GE Life Science	3		GE American Institutions	3				
Semester Total	15		Semester Total	16				

Second Year							
Fall Semester Credi			Spring Semester	Credits			
CS 2810: Computer Organization & Architecture	3		CS 2450: Intro to Software Engineering	3			
MATH 2270: Linear Algebra	3		CS 2860: Operating Systems Theory	3			
MATH 3310: Discrete Math	3		MATH/SCI Elective	3			
PHYS 2210: Physics for Scientists & Engineers I	4		PHYS 2220: Physics for Scientists & Engineers II	4			
PHYS 2215: Physics for Scientists & Engineers I Lab	1		PHYS 2225: Physics for Scientists & Engineers II Lab	1			
GE HU/SS	3		GE /HU/SS	3			
Semester Total	17		Semester Total	17			

Third Year								
Fall Semester	Credits		Spring Semester	Credits				
SE 3250: Survey of Languages	3		SE 3410: Human Factors in Software Design	3				
SE 3520: Database Theory	3		SE 3450: Principles and Patterns of Software Design	3				
SE 3620: Distributed Internet Application Development	3		SE 3630: Mobile Application Development	3				
MATH 3000: Statistics for Scientists and Engineers	3		ENGL 3260: Technical Writing	3				
ART 1120: 2D Surface	3		ART 1140: 4D Time	3				
Semester Total	15		Semester Total	15				

Fourth Year							
Fall Semester	Credits		Spring Semester	Credits			
SE 4120: Management of Software Projects	2		SE 4140: Social & Ethical Issues in Computing	2			
SE 4220: Requirements Engineering	3		SE 4230: Software Testing and Quality Engineering	3			
SE 4320: Personal Software Process	3		SE 4340: Secure Coding Practices	3			
SE 4400: Software Engineering Practicum I	4		SE 4450: Software Engineering Practicum II	4			
ART 1300: Digital Media Fundamentals	3		COMM 1020: Public Speaking	3			
Semester Total	15		Semester Total	15			

#### Web Development Emphasis Suggested Schedule

First Year								
Fall Semester	Credits		Spring Semester	Credits				
CS 1410: Object-oriented Programming	3		CS 2420: Data Structures & Algorithms	3				
CS 1415: Object-oriented Programming Lab	1		CS 2700: Digital Circuits	3				
MATH 1210: Calculus I	5		MATH 1220: Calculus II	4				
ENGL 1010: Expository Composition	3		ENGL 2010: Intermediate Research Writing	3				
GE Life Science	3		GE American Institutions	3				
Semester Total	15		Semester Total	16				

Second Year							
Fall Semester Cr			Spring Semester	Credits			
CS 2810: Computer Organization & Architecture	3		CS 2450: Intro to Software Engineering	3			
MATH 2270: Linear Algebra	3		CS 2860: Operating Systems Theory	3			
MATH 3310: Discrete Math	3		MATH/SCI Elective	3			
PHYS 2210: Physics for Scientists & Engineers I	4		PHYS 2220: Physics for Scientists & Engineers II	4			
PHYS 2215: Physics for Scientists & Engineers I Lab	1		PHYS 2225: Physics for Scientists & Engineers II Lab	1			
GE FA/HU/SS	3		GE FA/HU/SS	3			
Semester Total	17		Semester Total	17			

Third Year							
Fall Semester Credits Spring Semester							
SE 3250: Survey of Languages	3		SE 3410: Human Factors in Software Design	3			
SE 3520: Database Theory	3		SE 3450: Principles and Patterns of Software Design	3			
MATH 3000: Statistics for Scientists and Engineers	3		SE 3630: Mobile Application Development	3			
CIS 1640: Database Design - PHP	3		CIS 1811: Web Site Development	3			
GE FA/HU/SS	3		ENGL 3260: Technical Writing	3			
Semester Total	15		Semester Total	15			

Fourth Year							
Fall Semester	Spring Semester	Credits					
SE 4120: Management of Software Projects	2		SE 4140: Social & Ethical Issues in Computing	2			
SE 4220: Requirements Engineering	3		SE 4230: Software Testing and Quality Engineering	3			
SE 4320: Personal Software Process	3		SE 4340: Secure Coding Practices	3			
SE 4400: Software Engineering Practicum I	4		SE 4450: Software Engineering Practicum II	4			
CIS 1820: Web Site Application Development	3		COMM 1020: Public Speaking	3			
Semester Total	15		Semester Total	15			

#### Appendix C: Current and New Faculty / Staff Information

Part I. Department Faculty / Staff

Identify # of department faculty / staff (headcount) for the year preceding implementation of proposed program.

	# Tenured	# Tenure -Track	# Non -Tenur Track
Faculty: Full Time with Doctorate	1	1	0
Faculty: Part Time with Doctorate	0	0	0
Faculty: Full Time with Masters	1	1	0
Faculty: Part Time with Masters	0	0	0
Faculty: Full Time with Baccalaureate	0	0	0
Faculty: Part Time with Baccalaureate	0	0	0
Teaching / Graduate Assistants			0
Staff: Full Time	0	0	1
Staff: Part Time	0	0	0

#### Part II. Proposed Program Faculty Profiles

List current faculty within the institution -- with academic qualifications -- to be used in support of the proposed program(s).

Liot darront radaity	Within the mentan	With adadonno	Tenure (T) /	10 00 000	ed in support of the proposed program	Est. % of time faculty			
			Tenure Track			member will dedicate	If "Other,"		
	First Name	Last Name	(TT) / Other	Degree	Institution where Credential was Earned		describe		
Full Time Faculty									
	Kristal	Ray	TT	Ph.D.	Colorado Technical University	100%			
	Garth	Sorenson	T	M.S.	Utah State University	100%			
	Brian	Newbold	T	Ph.D.	Brigham Young University	10%			
	Kyle	Rowley	TT	M.S.	Brigham Young University	10%			
Part Time Faculty									

#### Part III: New Faculty / Staff Projections for Proposed Program

Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est, % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate	0	2	0	Ph.D. in Software Engineering or Computer Science	100%
Faculty: Part Time with Doctorate	0	0	0		
Faculty: Full Time with Masters	0	0	0		
Faculty: Part Time with Masters	0	0	0		
Faculty: Full Time with Baccalaureate	0	0	0		
Faculty: Part Time with Baccalaureate	0	0	0		
Teaching / Graduate Assistants					
Staff: Full Time	0	0	0		
Staff: Part Time	0	0	0		

#### Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

There Very Designations Designation and Department Budget									
Three Year Projection: Program Participation and Department Budget									
	Year Preceding			New Program					
	Implementation	Year 1	Year 2	Year 3	Year 4	Year 5			
Student Data									
# of Majors in Department	150	160	190	215	260	280			
# of Majors in Proposed Program(s)		50	75	100	140	192			
# of Graduates from Department	30	30	50	60	65	70			
# Graduates in New Program(s)		0	15	20	24	30			
Department Financial Data	, , , , , , , , ,								
		Department	Budget						
		Year 1	Year 2	Year 3					
		Addition to	Addition to	Addition to					
Project additional expenses associated with	Year Preceding	_	Base Budget	Base Budget					
offering new program(s). Account for New Faculty	Implementation	for New Program(s)	for New Program(s)	for New Program(s)					
as stated in Appendix C, "Faculty Projections."	(Base Budget)		riografii(s)	Frogram(s)					
EXPENSES – nature of additional costs require		• ',							
List salary benefits for additional faculty/staff each year 2, include expense in years 2 and 3. List one-									
Personnel (Faculty & Staff Salary & Benefits)		\$195,000	\$205,000	\$215,000					
Operating Expenses (equipment, travel,									
resources)		\$73,000	\$24,000	\$34,000					
Other: Student equipment/supplies									
		\$2,500							
TOTAL PROGRAM EXPENSES		\$270,500	\$232,750						
TOTAL EXPENSES	\$0	\$270,500	\$232,750	\$254,000					
FUNDING – source of funding to cover addition	nal costs generate	ed by propose	ed program(s	)					
Describe internal reallocation using Narrative 1 on Narrative 2.	the following page. L	Describe new s	ources of fund	ling using					
Internal Reallocation		\$95,000	\$100,000	\$105,000					
Appropriation		\$49,000	\$0	\$0					
Special Legislative Appropriation		\$95,000	\$100,000	\$105,000					
Grants and Contracts		\$5,000	\$5,000	\$5,000					
Special Fees		\$2,500	\$3,750	\$5,000					
Tuition		\$14,200	\$21,300	\$28,400					
Differential Tuition (requires Regents		<b>#0.400</b>	ΦE 000	#C 400					
approval) PROPOSED PROGRAM FUNDING	///////////////////////////////////////	\$2,400 \$263,100							
TOTAL DEPARTMENT FUNDING	\$0								
Difference	Ι ΦΟ	Ψ203,100	Ψ200,000	Ψ204,000					
Funding - Expense	\$0	(\$7.400)	\$2,900	\$800					
runuing - Expense	\$0	(\$7,400)	\$2,900	\$600					

Part II: Expense explanation

#### **Expense Narrative**

Describe expenses associated with the proposed program.

Salary and benefits of two new tenure-track faculty with Ph.D. is \$190,000. Adjunct faculty compensation is \$5,000. The first-year startup costs for laboratory computers, mobile devices for instruction, printers, and other equipments is \$49,000. On-going costs of computer replacement, faculty development, supplies and equipment, and other department expenses are \$24,000.

Part III: Describe funding sources

#### **Revenue Narrative 1**

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services.

The Legislated Engineering Initiative Funds allocated to Snow College require reallocation of college funds as match. These matching funds will be used to cover half of the new faculty expenses.

#### **Revenue Narrative 2**

Describe new funding sources and plans to acquire the funds.

The on-going Engineering Initiative Funds allocated to Snow College in FY 2016 will be used to cover half of the new faculty expenses.

The new Science Building equipment appropriation will fund the first-year startup cost for equipment.

There will be special fees associated with Software Engineering courses.

A differential-tuition will be assessed to students enrolled in the upper-division courses of this Software Engineering program.



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Revision of Regent Policy R315, Service Area Designations and Coordination of Off-

Campus Courses and Programs; Repeal of Regent Policy R430, Continuing

Education/Community Service;

#### Issue

Regent Policy R430 no longer accurately describes the ways in which the continuing education/community service units function in Utah System of Higher Education (USHE) institutions. Repealing R430 and including a simple sentence within Regent Policy R315 acknowledges the important role of these units in outreach to the communities served while allowing various organizational strategies for serving that role, as appropriate to the roles and mission of each institution.

#### Background

Recent review of the policies affecting the Academic and Student Affairs division of the Utah System of Higher Education revealed that Regents Policy R430, *Continuing Education/Community Service*, was no longer consistent with the operations of institutional units responsible for these services. A meeting with the Deans/Directors of Continuing Education/Community Service for all of the Utah System of Higher Education (USHE) institutions resulted in a recommendation from that group to eliminate R430 altogether and to capture the functions of continuing education/community service within Regents Policy R315, *Service Area Designations and Coordination of Off-campus Courses and Programs*. The effect was to accurately portray the functions of Continuing Education/Community Service within a single, appropriate policy (R315). While the various types of activities of these units are acknowledged in the revision language, the language addition to R315 indicates the functions of continuing education/community service must fall within the institutional mission.

#### Policy Issues

This change was reviewed and recommended by the Continuing Education/Community Service Deans/Directors of the USHE institutions. It was reviewed and recommended (with very slight wording change) by the USHE Chief Academic Officers (CAOs) and has their support. There are no outstanding policy issues.

















#### Commissioner's Recommendation

The Commissioner recom	nmends the Board	of Regents ap	prove the rep	peal of Reg	ents Policy	R430 and
revision of Regents Policy	y R315.	-		-	-	

David L. Buhler
Commissioner of Higher Education

DLB/EJH Attachment



## R315, Service Area Designations and Coordination of Off-Campus Courses and Programs<sup>1</sup>

#### R315-1. Purpose

- 1.1. **Provide Principles**: To provide principles for offering levels and types of instruction at off-campus locations. These principles include: responsiveness to state-wide needs for higher education, efficient and effective use of state resources, accessibility to higher education throughout the state, and high quality educational experiences.
- **1.2. Designate Service Areas**: To designate institutional service areas by county, level and type of instruction for USHE colleges and universities.
- 1.3. Establish Guidelines: To establish guidelines under which the Commissioner may review service area assignments, and recommend for review and approval of the Board service area education coordination plans outlining institutional responsibilities within the area to coordinate and offer instructional programs.

#### R315-2. References

- 2.1. Utah Code §53B-16-101 (Establishment of Institutional Roles and General Courses of Study)
- **2.2.** Policy and Procedure, R312, Configuration of the Utah System of Higher Education and Institutional Missions and Roles
- 2.3. Policy and Procedure R353, Telecommunications for Off-campus Learning
- 2.4. Policy and Procedure R354, State Wide Open Broadcast Courses and Programs
- **2.5.** Policy and Procedure R355, Planning, Funding and Delivery of Courses and Programs via Statewide Telecommunications Networks
- **2.6.** Policy and Procedure R401, Approval of New Programs, Program Changes, Discontinued Programs, and Program Reports
- **2.7.** Policy and Procedure R428, Coordination, Support and Monitoring of Career and Technical Education

#### R315-3. Definitions

- 3.1 Designated Service Area. The Utah counties for which a Utah System of Higher Education (USHE) institution has responsibility to provide courses or programs of study that fit within its mission
- **3.2 Designated Service Area Provider** The USHE institution with responsibility to: (1) provide courses or programs of study consistent with its mission within a designated service area, (2) assist in

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<sup>&</sup>lt;sup>1</sup> Approved September 23, 1994; amended January 21, 2000, April 15, 2009, and September 13, 2013.

identifying other USHE institutions to provide courses or programs not within its mission, and (3) respond to requests from other institutions wishing to provide courses or programs of study within the provider's designated service area. Designated service areas are identified in R-315.7.

3.3. Concurrent Enrollment - enrollment by public school students in one or more USHE institution course(s) under a contractual agreement between the USHE institution and a school district/public school. Students continue to be enrolled in public schools, to be counted in average daily membership, and to receive credit toward graduation. They also receive college credit for courses. Concurrent enrollment is distinct from early college admission. (R165)

#### R315-4. Service Area Principles

- **4.1. Graduate Education**: Graduate education is conducted primarily on the main campuses of the teaching and research universities. Some selected professional master's degree programs are offered at the Master's Universities. Selected off-campus graduate programs are offered by universities at centers and branch campuses, through university centers and distance learning technologies.
- **4.2. Upper Division Education**: Upper division education is delivered by the universities (UofU, USU, WSU, SUU and UVU) on their main campuses, centers, branch campuses, university centers, and through distance learning opportunities; and by Dixie State University, and Snow College, but only as approved by the Regents.
- **4.3. Lower Division Education**: Access to lower division education, including concurrent enrollment, should be as broadly available throughout the state as resources allow. In general, growth in lower division enrollments will be met by the comprehensive community colleges (SLCC and SNOW), baccalaureate college (DSU), and the Master's universities (WSU, SUU, and UVU) and through distance learning opportunities.
- **4.4. Remedial and Developmental Education**: Remedial and developmental education is a part of the community college mission and receives regular state support at those institutions with that express mission. At institutions that do not have an express community college mission (aside from the Career and Technical Education roles that all USHE institutions except for the University of Utah) any below 1000 level (remedial or developmental) courses can be provided on a self-support basis.
- **4.5. Postsecondary Career and Technical Education (CTE):** The Utah State Board of Regents, recognizing the diverse goals of its students, is committed to offering postsecondary career and technical education, both credit and noncredit. Postsecondary CTE is a vital statewide role of the Utah System of Higher Education. This responsibility is met in assigned service areas by all USHE institutions except for the University of Utah, which does not have a CTE mission.
- 4.6. Community Outreach: All USHE institutions engage their larger community by enhancing cultural and economic development within communities. An institution's mission and role influences the specific community outreach activities it promotes.
- **4.67**. **Collaboration, Cooperation, and Sharing of Service Area Facilities**: The institutions are part of a single system of higher education. Institutions shall collaborate, cooperate, and share facilities in geographic areas where more than one institution delivers educational services.
- 4.78. **Right of First Refusal and Primary Responsibility**: Within designated service areas, the local institution(s) has/have the right of first refusal and the first responsibility to provide programs consistent with mission and role assignments and to coordinate other offerings. After consultation and with the

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concurrence of the institution(s) designated to serve a particular area, other state institutions may provide needed lower division and other courses, that do not fall within the designated service provider(s)' mission and role assignments, interests, and/or capacities. Institutions shall designate a person responsible for responding to constituent requests for course and program delivery. Requests from constituents in another state institution's designated service area shall be forwarded to the contact person of the appropriate designated service area provider. When the designated service area provider is unable to respond to a constituent request, the designated person within the institution should attempt to identify a possible alternative provider from within the USHE.

- **4.89**. **Regents-Approved Exceptions to Geographic Service Areas**: Special circumstances involving such matters as methods of instruction, funding sources or mission and role assignments may result in exceptions to the geographic service area role assignments.
  - 4.89.1. Technology-Delivered Instruction: Technologically-delivered courses and programs afford an efficient and effective means for Utah colleges and universities to provide broader and more economical access to high quality instruction. Courses or programs delivered via technology in asynchronous faculty-student interaction (fully "on-line" programs) are exceptions to the geographic service area designations.
  - 4.89.2. Special Contract Courses: Self-supporting special contract courses, conferences, or programs with industry, government, or school districts not open to the general public will be exceptions under Regent guidelines.
  - **4.89.3. Exclusive Statewide Program Roles**: Certain exclusive statewide or regional program roles have been assigned to particular institutions. These institutions may provide programs outside their respective service areas under Regent guidelines. The institutional service areas are specified in R315.7.
- 4.910. Adjustments Approved by the Board: At a given time, in a given location, the Board may determine that a certain level or type of educational or training program is better delivered by an institution other than the one designated by this policy.

## R315-5. Geographic Designations of Service Area Assignments for Off-Campus Programs and Courses by Program Level

- **5.1. Service Area Assignments**: Service area assignments, as currently approved by the Board, are summarized in R315-7. Assignments are made through an evolving process that reflects an ongoing evaluation by the Commissioner and institutional Presidents. After recommendation by the Commissioner and institutional Presidents, assignments are reviewed and approved by the Board.
- **5.2. Designation by Type of Program**: The geographic designations are intended to define service areas for off-campus programs offered by USHE institutions, including concurrent enrollment programs with high schools. Service areas for the delivery of career and technical education programs will be in accordance with R428, Coordination, Support, and Monitoring of Career and Technical Education.

#### R315-6. Provision for Delivery Outside of Designated Service Area

**Provision by Written Agreement.** An institution may deliver instruction outside of its designated service region if a written agreement between the Presidents of the delivering institution and the institution with responsibility for the designated service area has been executed (with the exceptions noted in R315.4.8). Agreements should address: (1) the course or program offerings to be delivered, (2) facility-

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sharing or other conditions of offering to be provided by each institution, and (3) conditions under which the institutions may revise or discontinue the agreement.

6.2 Verification of Existing Delivery Outside of a Designated Service Area. The Commissioner's Office has responsibility for compiling a list of instruction being delivered outside designated service areas by each USHE institution no later than one month after Regent approval of this policy revision. The existing delivery outside of a designated service area that appears on this compiled list will be considered already approved. Institutions shall provide the name and contact information for the contact person for constituent requests for program delivery to the Office of the Commissioner.

## 6.3 Notification and Review of Program Delivery During Program Development and Approval Processes

- **6.3.1** As specified in R401 (6.1.4), institutions must report annually what programs they have under development or consideration [including currently approved programs being developed for fully on-line (asynchronous) delivery outside the institution's service region].
- **6.3.2** Each year, the CAOs will update the matrix describing programs under development or consideration (per R401), and the submissions will be reviewed by the Council of CAOs, with objections or concerns being raised during that review. This does not preclude an institution from objecting to a program during the R401 program review process, but it is preferable for objections to program delivery outside of a service area be raised BEFORE an institution spends considerable time and energy developing a program, if possible.
- **6.4 Conflict Resolution.** When conflicts arise regarding delivery of programs, the CAOs of the involved institutions shall attempt to resolve the conflict. Conflicts that cannot be resolved at this level shall be addressed by the presidents of the involved institutions. Unresolved conflicts at the level of the involved presidents shall be forwarded to the Commissioner (in consultation with the Board of Regents) for resolution.

R315-7. Designated Service Areas

Institution	Service Area/by County
University of Utah	Salt Lake, Summit (Park City only)
Utah State University	Cache, Rich, Box Elder, Duchesne, Uintah, Daggett, Tooele
USU - Eastern	Carbon, Emery, Grand, San Juan
Weber State University	Weber, Morgan, Davis
Southern Utah University	Iron, Garfield, Beaver
Utah Valley University	Utah, Wasatch, Summit (concurrent enrollment only within Park City)
Dixie State University	Washington, Kane
Snow College	Sanpete, Sevier, Wayne, Piute, Millard, Juab
Salt Lake Community College	Salt Lake for certificate, applied associate and associate degrees

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## R315, Service Area Designations and Coordination of Off-Campus Courses and Programs<sup>1</sup>

#### R315-1. Purpose

- 1.1. **Provide Principles**: To provide principles for offering levels and types of instruction at off-campus locations. These principles include: responsiveness to state-wide needs for higher education, efficient and effective use of state resources, accessibility to higher education throughout the state, and high quality educational experiences.
- **1.2. Designate Service Areas**: To designate institutional service areas by county, level and type of instruction for USHE colleges and universities.
- **1.3. Establish Guidelines**: To establish guidelines under which the Commissioner may review service area assignments, and recommend for review and approval of the Board service area education coordination plans outlining institutional responsibilities within the area to coordinate and offer instructional programs.

#### R315-2. References

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<sup>&</sup>lt;sup>1</sup> Approved September 23, 1994; amended January 21, 2000, April 15, 2009, and September 13, 2013.

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## R315-5. Geographic Designations of Service Area Assignments for Off-Campus Programs and Courses by Program Level

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R315-7. Designated Service Areas

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Utah State University	Cache, Rich, Box Elder, Duchesne, Uintah, Daggett, Tooele	
USU - Eastern	Carbon, Emery, Grand, San Juan	
Weber State University	Weber, Morgan, Davis	
Southern Utah University	Iron, Garfield, Beaver	
Utah Valley University	Utah, Wasatch, Summit (concurrent enrollment only within Park City)	
Dixie State University	Washington, Kane	
Snow College	Sanpete, Sevier, Wayne, Piute, Millard, Juab	
Salt Lake Community College	Salt Lake for certificate, applied associate and associate degrees	

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# R430, Continuing Education/Community Service<sup>1</sup>

R430-1. Purpose: To provide guidelines for the administration and coordination of continuing education/community service in Utah.

#### R430-2. References

2.1. Utah Code §53B-16-102

#### R430-3. Policy Resolution: Continuing Education/Community Service Master Plan<sup>2</sup>

- 3.1. Response to Educational Needs: Colleges and universities in Utah have a long and proud tradition of responding to the educational needs of Utah and the nation in areas of their strength and unique competencies; and
- 3.2. Outreach Programs: Through faculty and administrative efforts, the public has been served not only through formal curricula offered on campuses of the various institutions, but also through the outreach of continuing education offices, cooperative extensive services, and school and departmental initiative; and
- 3.3. Changing Needs of Non-Traditional Students: The Utah State Board of Regents recognizes its responsibility to remain aware of the changing needs of a growing constituency which may be better served in ways other than the traditional full time residential manner largely employed in the past;
- 3.4. Board of Regents Support: The Utah State Board of Regents is committed to and encourages the planning and implementation of programs, offerings, and services to meet the educational needs of all citizens of Utah and elsewhere who may benefit from Utah institutions of higher education; and
- 3.5. Maximize Lifelong Learning: The Utah State Board of Regents will maximize and extend options to the public to pursue lifelong learning, regardless of age, location, or past educational achievement, in a variety of formats consistent with recommendations proposed in this state master plan.

#### R430-4. General Policy

**4.1. Information Centers**: Organization for continuing education information centers should be coordinated with the Governor's eight Regional Planning Districts.

- **4.2. Exclusive Role Assignments:** Exclusive role assignments where given by the Utah State Board of Regents, including the Cooperative Extension assignment at Utah State University, will be recognized statewide with no restrictions.
- 4.3. Community College Role: All community and state colleges—Snow, Dixie, College of Eastern Utah, Utah Valley State College, and Salt Lake Community College—are assigned a role in continuing education.

Printed November 10, 2016

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<sup>&</sup>lt;sup>1</sup> Adopted April 24, 1973; amended September 25, 1973 and November 16, 1979.

<sup>&</sup>lt;sup>2</sup> Master Plan for Lifelong Learning, A Report of the Continuing Education/Community Service Task Force, adopted by the Regents in November 1979, outlines in detail Board policy concerning continuing education. The report is available in the Commissioner's Office.

- **4.4.** Use of Local Faculty: Sister institutions agree to use faculty members from the local institution, if faculty members are qualified to teach a particular course(s). For example, if Utah State University is requested to teach a course in the Governor's Multi-County Planning District V, where qualified they would use faculty members from Snow College instead of requiring faculty members to travel from Logan to teach the course.
- **4.5. Utilize Existing Facilities:** Whenever practical, institutions within the Utah System of Higher Education should utilize existing facilities of institutions within the multi-county district where courses are being taught.

#### R430-5. Arrangements

5.1. Informational Centers in Planning Districts: The Utah State Board of Regents has established an "Informational Center" in each of the Governor's eight Regional Planning Districts to provide a central location where information can be assembled regarding continuing education courses and programs offered by all institutions within the Utah System of Higher Education. The intent is to expand these centers to include all public school adult education and community school courses. The centers will be housed at one institution in the District. The responsibility of the "host" institution will be to assemble and provide a publication of the course and program offerings.

#### 5.2. Center Assignments: Assignments are to be as follows:

<b>District</b>	Counties	"Host" Institution	Office Location
1	Cache, Rich, Box Elder	<del>USU</del>	<del>Logan</del>
2	Weber, Davis, Morgan	₩ <del>SC</del>	<del>Ogden</del>
3	Salt Lake, Tooele	<del>U of U</del>	Salt Lake
4	Utah, Wasatch, Summit	<del>UVSC</del>	<del>Orem</del>
5	Juab, Sanpete, Millard, Sevier, Piute, Wayne	Snow	<del>Ephraim</del>
6	Beaver, Iron, Garfield, Washington, Kane	SUU	Cedar City
7	Duchesne, Daggett, Uintah	USU	Roosevelt
8	Carbon, Emery, Grand, San Juan	CEU	Price

- 5.3. Host Responsibilities: Host institutions' responsibilities are as follows:
  - **5.3.1.** A host institution,<sup>3</sup> acting in behalf of the Utah System of Higher Education, would serve in an assigned multi county area(s) as an information dissemination office to sister institutions within the State System of Higher Education.
  - **5.3.2.** Designation as a host institution is not a license to run community/ service/continuing education in the area—host institution does not become community service/continuing education czar, but the institution assigned to provide data concerning CSCE activities in the Multi County Planning District.<sup>4</sup>

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<sup>&</sup>lt;sup>3</sup> Through the continuing education office, or if no such office exists, as in the situation at Dixie College, the secretary assigned by the president of the host institution to perform this function. Registrar's offices are designated as official information centers for the System (April 24, 1973).

<sup>&</sup>lt;sup>4</sup> Basic Charge or Function of an Information Role: To accumulate, then publish and distribute on a quarterly basis, a listing of all higher education (and, hopefully, the public school adult education and community school) offerings in the multi-county district it is designated to host. As a means to this end, each institution will:

<sup>(1)</sup> work with all institutions interested in serving in the district to establish a jointly satisfactory timetable for development of published joint listing of programs and services for the upcoming year;

**5.3.3.** Designation as a host institution is not a license to call the assigned area "our territory" in the sense that sister institutions are beholden to the host institution for other than providing information.

#### R430-6. Statements

- 6.1. Utah State University, Snow College, College of Eastern Utah: It is recommended that close relationships be developed in Region V between Utah State University and Snow College, and in Region VII between Utah State University and the College of Eastern Utah. The purpose of this relationship is to better coordinate continuing education between Utah State University and the Moab Center and Snow College and the Utah State University Extension Service. Utilization of staffs through joint appointments can facilitate economies of travel, provide greater depth in the faculties and programs at community colleges, and be mutually advantageous to all institutions.
- 6.2. Uintah Basin: It is recommended that the role for continuing education in the Uintah Basin be assigned to Utah State University (August 2, 1973, pp. 19-25) and:
  - **6.2.1.** That the Uintah Basin Center for Continuing Education and the Uintah Basin Area Vocational Center be combined into a single complex under one administration and one facility. That the combined center be under the administration of Utah State University, as opposed to the State Board for Applied Technology Education.
  - **6.2.2.** That the people in the Uintah Basin should stand firmly in favor of Utah State University administering a continuing education center over changing to an independent community college, because the continuing education center affords the advantage of upper division and graduate credits not available at a two-year college.
  - **6.2.3.** The continuation of a local advisory board for the new institution to be created in Roosevelt.

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<sup>(2)</sup> in accordance with the deadline indicated in such a timetable, indicate which courses and/or programs sister institution propose to offer during the period in question...then collect notices, tabulate the proposed offerings on a community-by- community basis...and distribute proposed offering list to the Commissioner's Office for distribution to institutions within the State System of Higher Education; and

<sup>(3)</sup> in accordance with deadlines indicated in the adopted timetable, for informational purposes only, provide a list of all courses and/or programs to be offered in the multi-county district(s) during a given period.



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>Institutional Completion Update: Utah Valley University</u>

#### **Background**

In July 2013, the Board of Regents unanimously passed a resolution to "Implement Strategies to Increase Completion Rates in Support of the 66% Goal." Briefly, the five specific recommendations in the resolution are that each institution:

- 1. Establish 15 credits hours per semester as the normal full-time course load for students.
- 2. Set plateau tuition levels with a focus on 12 to 15 credit hours to help students maximize their tuition dollars and their time.
- 3. Create semester-by-semester degree program maps with specific, recommended courses each semester and make them available to current and potential students.
- 4. Encourage students to enroll in an appropriate mathematics course in their first year of college.
- 5. Explore the feasibility of implementing reverse transfer/stackable credentials.

In 2015, the State Board of Regents expanded on these initiatives in a new strategic plan titled, "Utah: A State of Opportunity." The strategic plan focused on three key areas: Affordable Participation, Timely Completion, and Innovative Discovery.

The Presidents and their administrations and faculty have taken seriously the Board's charge in the completion agenda and the new strategic plan and have been designing strategies to reach the Board's objectives. In order to support and bring to scale those institutional efforts, in FY 2016 the Utah System of Higher Education provided each institution with an Affordable Participation and Timely Completion Grant.

#### <u>Issue</u>

The Academic and Student Affairs Committee of the State Board of Regents has asked the institutions to report in more depth on the practices and policies they have implemented that are having the most impact on college participation and completion.

Representatives from the host institution, Utah Valley University, will report on their initiatives to increase completion rates at the November 2016 Board of Regents meeting. They have been asked to highlight two areas:

















- 1. one of the five strategies outlined in the 2013 completion resolution for which they have gained momentum, and
- 2. one institution-led area for which they are demonstrating impact in retention or completion.

#### Next Steps

Over the course of the year, all remaining institutions will have a chance to report on their successful strategies to the Committee.

#### Commissioner's Recommendation

This is an information item only; no formal action by the Board is required. However, the Board is encouraged to congratulate the institutions on the progress they are making toward meeting their institutional completion goals.

David L. Buhler
Commissioner of Higher Education

DLB/JH



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Regents' and New Century Scholarships Report

#### Background

The Utah State Board of Regents administers two scholarship programs funded by the Legislature. The New Century Scholarship was created in 1999 as a Governor's initiative to encourage students to accelerate their education by earning an associate degree in high school or by pursuing a math and science curriculum. The Regents' Scholarship was an initiative of the State Board of Regents in 2008 to encourage Utah High School students to prepare academically and financially for college in grades 9-12 by completing a defined course of study, meeting minimum GPA requirements, earning minimum grades in specific course grades, and meeting ACT requirements.

#### <u>Issue</u>

#### System Updates

A new scholarship administrative system was implemented over the past year with great success. A survey of the 2016 cohort of applicants revealed the following key points:

- 89% of those that responded to the survey reported that they either "somewhat agreed" or "completely agreed" that the application directions were easy to follow.
- 70% of those that responded to the survey reported that they were able to complete the application in less than 45 minutes.
- 70% of those that responded to the survey reported that they either "somewhat agreed" or "completely agreed" that the application was easier than they expected.

New upgrades are being implemented based on student feedback. Starting November 2016, students will be able to choose to have notices regarding their account sent via e-mail only or via both text messaging and e-mail. In addition, a searchable database called the Regents' Scholarship Course Warehouse will launch during the Spring of 2017. The Warehouse will allow students to search for courses that will fulfill their remaining scholarship requirements in multiple ways including by subject, by high school and by type of school (online/traditional). Student surveys of their user experiences will be ongoing and will help improve the system when appropriate.

















#### **Award Information**

The 2016 cohort of New Century Scholarship recipients remained relatively flat compared to 2015 at 275 recipients. There are now 653 students from the 2012-2016 cohorts with continued eligibility for the New Century Scholarship.

The Regents' Scholarship continues to grow with 3,270 students qualifying for the scholarship in the 2016 cohort. Approximately two-thirds of those who qualified for the base Regents' Scholarship award also qualified for the exemplary award (which requires higher grade point averages, grades, and ACT scores). Additionally, 17 percent of recipients also qualified for the Utah Educational Savings Plan (UESP) savings match. As a result, there are now 5,893 students from the 2012-2016 cohorts who have continued eligibility for the Regents' Scholarship.

Given the number of students participating in these programs, the State Board of Regents' budget request included \$11,205,800 in new money for the Regents' Scholarship program to fully fund anticipated new 2017 recipients and those students with continuing eligibility for both scholarship programs. Attached is a year-end report highlighting the award breakdown by school district.

Commissioner's Recommendation

This is an information item only; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/JH/CFB Attachment The following charts include information regarding the number of applicants and number of awards by school district.

## New Century Scholarship--2016 Cohort

District	Applications	Awards
Alpine District	35	21
Beaver District	7	7
Cache District	1	0
Canyons District	4	2
Charter	6	4
Davis District	28	21
Early College	241	158
Granite District	7	5
Home School	4	4
Iron District	1	0
Jordan District	28	22
Logan District	1	0
Morgan District	4	3
Murray District	1	0
Nebo District	5	5
North Summit District	7	4
Provo District	2	2
Rich District	1	1
Salt Lake District	1	0
San Juan District	3	3
South Sanpete District	1	0
South Summit District	5	3
Wasatch District	2	2
Washington District	4	1
Weber District	7	7
Grand Total	406	275

## Regents' Scholarship--2016 Cohort

School District	Applicants	Total Awards	Bases Only	Base and UESP	Base and Exemplary	Base, Exemplary and UESP
Alpine	844	627	147	13	388	79
Beaver	1	1	0	0	1	0
Box Elder	130	84	33	4	37	10
Cache	263	207	44	6	142	15
Canyons	420	284	75	25	127	57
Carbon	4	1	0	0	1	0
Charter	39	23	7	0	13	3
Davis	594	451	111	18	240	82
Duchesne	6	4	1	0	1	2
Early College High School	60	32	9	3	14	6
Emery	16	11	6	0	4	1
Garfield	5	5	1	0	3	1
Grand	4	2	1	0	1	0
Granite	413	241	85	7	118	31
Iron	34	25	8	0	15	2
Jordan	370	281	72	11	156	42
Juab	9	7	2	1	3	1
Logan	61	40	18	0	19	3
Millard	2	1	1	0	0	0
Morgan	27	18	2	0	15	1
Murray	21	15	0	0	11	4
Nebo	376	256	79	9	150	18
North Sanpete	4	2	1	0	1	0
North Summit	1	1	0	0	1	0
Ogden	10	7	2	0	4	1
Park City	21	15	6	0	4	5
Private	50	18	7	0	8	3
Provo	83	64	6	3	44	11
Salt Lake	123	67	16	4	38	9
San Juan	5	4	2	1	0	1
Sevier	33	20	6	0	12	2
South Sanpete	40	30	17	1	11	1
South Summit	12	9	4	0	5	0
Tooele	124	72	31	1	33	7
Uintah	8	6	1	0	5	0
Wasatch	85	46	12	3	26	5
Washington	334	201	79	6	104	12
Weber	125	92	28	2	50	12
Grand Total	4757	3270	920	118	1805	427



#### State Board of Regents

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November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>USHE – Information Technology Presentation</u>

#### Issue

From learning analytics to next-generation credentials, online courses to innovative learning spaces, and personalized learning to administrative efficiency, the future of higher education is rooted in concepts that demand feature-rich and functional technology. The Board recognizes that Information Technology (IT) plays a critical role within the Utah System of Higher Education (USHE) and will be essential to help transition universities to a more efficient, affordable and accessible model. The Board has asked that the Commissioner's Office provide an update on the system wide IT efforts, how these efforts will help the system achieve the 2025 Strategic Plan goals and objectives, and an overview of the most recent system wide IT Strategic Plan.

#### **Background**

Information technology is pervasive in so many aspects of daily life that many people fail to realize just how far IT has come in such a short time. Commercial broadband Internet is just two decades old. The first iPhone will celebrate 10 years of existence next June. Students carry more computing power in their pockets than would have been available to their early 1980s counterparts from a machine the size of several classrooms. This exponential growth in the availability and accessibility of computing power has done incredible things for research and education, making things previously only imaginable now possible.

The challenges facing today's universities require the thoughtful, deliberate implementation of technological solutions that reduce complexity. Institutions now use software to track student success, space utilization, classroom scheduling, academic advising, parking permits, building access, and hundreds of other functions – all which were once a strictly manual process. The next step in the IT evolution is to recognize that these individual data points are actually part of a much broader ecosystem, and the modern university needs the ability to pull all of this data together to make holistic decisions based on all available information, not just a small slice of it. By understanding how these individual pieces of data work together and what IT resources are required to achieve that understanding, our institutions will further enhance their success in meeting the Board's strategic objectives of more affordable participation, timely completion and innovative discovery.

The efficient and effective utilization of technological solutions is an absolute necessity to achieve these goals. IT offers transformational promise through increasingly data-driven decision-making, individualized teaching methods not previously attainable in a university setting, and back-office automation that can drive down the cost of providing an education.

















#### Commissioner's Recommendation

This is	an	information	item·	nο	action	İς	reai	iired	
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David L. Buhler	
Commissioner of Higher Education	

DLB/KLH/SH Attachment

# Strategic technology alignment to USHE goals

Stephen Hess,

Chief Information Officer, University of Utah and USHE

# Recent USHE CIO accomplishments

# Security

- Implementing two-factor authentication
- · Biannual external security audits

# Savings

- Annual contract savings of more than \$1.2 million
- Greater purchasing power equals deeper discounts
- Standardization of systems creates efficiencies
- Staff can learn from and share knowledge with institutional peers

# IT as a strategic driver

Looking at the role of IT in every facet of higher education

n one hand, higher education is in the midst of a near-perfect "storm" of disruptive forces from students, employers and governments. On the other hand, digital business is enabling significant transformation of the higher education business model and value proposition.

~ Gartner, "The Fluid University Will Succeed in the Digital Business Era"

# IT an essential part of higher education

# Technology investment allows institutions to:

- Increase access for students
- · Promote better student outcomes using data
- Manage and improve critical systems
- Reduce costs through efficiency
- Adopt new technologies for greater innovation
- Keep pace with peers and competitors

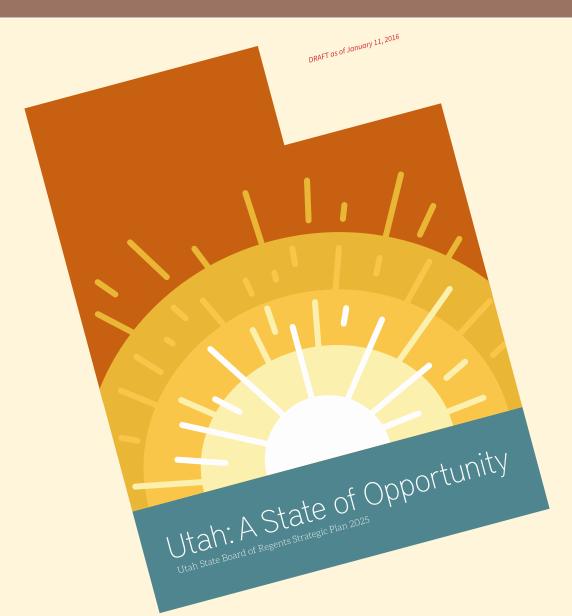
# Just some of IT's effect ...

On Administration	On Faculty	On Students
<ul> <li>Payroll, direct deposit</li> <li>Benefits administration, HR management, online employment application, performance reviews</li> <li>Budgeting, Accounting</li> <li>Financial services, online reports</li> <li>Inventory, asset tracking</li> <li>Keyless building access</li> <li>Police information</li> <li>Building and classroom scheduling</li> <li>HVAC</li> <li>Utilities, monitor electricity consumption</li> <li>Security alarms and surveillance cameras</li> <li>Sprinkling systems</li> </ul>	<ul> <li>Communication &amp; collaboration with students, staff, colleagues (worldwide)</li> <li>Course info distribution</li> <li>Online courses</li> <li>Media on demand</li> <li>Classroom video capture</li> <li>Classroom network access</li> <li>Student Grades</li> <li>Research grants, applications submissions</li> <li>Computational research</li> <li>Access to journals and other research data</li> <li>Publishing</li> <li>Faculty Activity Report</li> <li>Learning Management Systems</li> <li>Storage</li> <li>Evaluations</li> </ul>	<ul> <li>Registration, tuition, financial aid, fees, online payments</li> <li>Library, research information</li> <li>Course materials</li> <li>Faculty and student communication and collaboration</li> <li>Residential living</li> <li>Web access</li> <li>Homework, tests</li> <li>Online access to lectures</li> <li>Online testing</li> <li>Creation, submission of original papers, art, music</li> <li>Media production</li> <li>News reporting</li> <li>Complex mathematic, statistical computation</li> <li>Course evaluations</li> <li>Campus life</li> </ul>

# Tech's positive impact on higher ed

- Moves the campus experience online
  - · Get information anytime, anywhere, on many devices
  - Administrative services are online
  - · Online courses allow for flexible scheduling, fewer trips to campus
- Student analytics guide instructional, service improvements
- Strategically implemented IT systems can cut expenses
- Reduced need for costly physical infrastructure such as buildings, parking, and roads

# USHE Strategic Plan through 2025



## Areas of focus for all state institutions:

- Affordable participation
- Timely completion
- Innovative discovery

# Key issue: Serve 50,000+ new students



"It will be a significant challenge to grow capacity **academically** (faculty, course sections, and support staff), **physically** (capital facilities, infrastructure), and **virtually** (information technology resources) to keep pace with such rapid enrollment growth over the next decade." (page 3)

"Anticipated growth in demand ... cannot be met with the current infrastructure." (page 12)

# 50K student growth: Technology needed

## Academic growth

- Learning management system
- Student analytics
- Strategic scheduling
- Online courses
- Faculty hiring and evaluation
- Accessibility

## Physical growth

IT network runs:

- HVAC
- Security cameras
- Building access
- Fire alarms
- Emergency systems
- Classroom A/V

## Virtual growth

- Online courses and degrees
- Increased demand for wireless connectivity
- Virtualized software
- Internet of Things



# IT a central part in innovative discovery

## Innovative instructional design and pedagogy

- Online and hybrid course design
- Using new technology
- Instructional analytics to improve learning outcomes
- Online testing

## Maintaining consistency in quality of gen ed courses

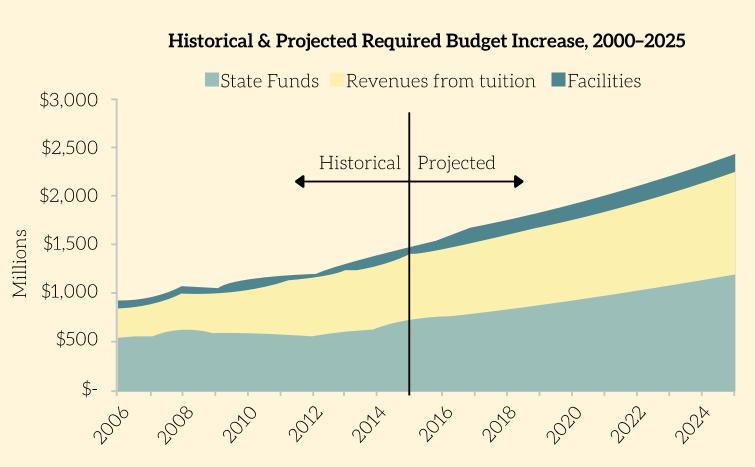
Analytics to optimize courses and compare across sections

## Embracing technological opportunities to improve learning

• Faculty and advisors alerted to at-risk students can course-correct before students fail

(USHE strategic plan Page 8)

# Investing in USHE strategic objectives



"The following chart shows the required annual budgetary increases to sustain projected growth after factoring in a 5% overall cost reduction due to efficiencies achieved through areas such as enhanced use of technology, improved program delivery, and increased rates of students completing a degree or certificate." (page 16)

# Investing in USHE strategic objectives

 $\mathbf{Yes}$ , we can realize 5% or more savings,  $\mathbf{if}$  institutions:

- Involve central IT as a strategic partner from the start
- Avoid duplication of IT resources
- Minimize customization in non-strategic areas (HR, Finance, etc.)
- Plan for ongoing maintenance and replacement of core and edge networking equipment, classroom technology, and software
- Invest in technology when the business case proves the value

# Spend vs. invest in technology terms



# 100-watt incandescent

• Bulb: \$2.82

• Lifespan: 1,533 hours

• Cost per year: \$10.95

Bulbs needed for 15,000 hours: 10

Total cost of ownership:

**\$178.20** 



# 100-watt equivalent LED

• Bulb: \$5 (75% more)

• Lifespan: 15,000 hours

Cost per year: \$1.59

Bulbs needed for 15,000 hours: 1

 Total cost of ownership:

\$27.50

If you replace 1,000 lightbulbs, you'll pay an extra \$2,180, or 75%, up front for LED. But you'll save over \$150,000, 650%, over the life of the LED bulb. That's a strategic investment in technology.

# A strategic IT plan to meet USHE's goals

# Strengthen security of institutional systems

- ☐ Adopt and adhere to systemwide minimum security standards
- ☐ Purchase tools jointly to provide better security throughout the system
- ☐ Purchase and enable two-factor authentication for critical systems
- □Obtain breach insurance for every campus
- ☐ Investigate collaboration through a joint security operations center

## Align and strengthen core IT services

- ☐ Fund ongoing costs for core technology (network)
- ☐ Require technology assessments for all strategic projects
- □ Continue the joint purchase of IT software and hardware with a USHE standard architecture
- □ Avoid duplication of IT resources people, software, or hardware
- ☐ Minimize customization and expenditure in administrative areas that do not add strategic value to the institution

# Transform student access and completion

- □ Appoint a taskforce of administrative, academic and technology leaders to further develop a USHE strategic technology plan aligned with the goals and objectives outlined in the USHE Strategic Plan
- □Improve business, student and academic analytic to make informed decisions on all technology initiatives
- □ Provide affordable online education that meets the needs of students who can't get a higher education another way

By working together, the USHE schools increase efficiency, trim costs and reduce complexity. This promotes a culture that aims to reduce expenses.



#### State Board of Regents

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November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Discussion of Institution Branch Campuses and Other Significant Centers and

<u>Sites</u>

#### Issue

At the July Board meeting, the Board requested the Office of the Commissioner prepare an inventory of the current USHE branch campuses and other significant centers and sites geographically separate from the institution's designated main campus for Board review and discussion.

#### **Background**

All of the USHE institutions currently operate facilities geographically separate from their designated main campus location. Overall, the system has 18 permanent branch campuses locations offering complete academic programs, 21 instructional centers, and has plans for seven additional branch campus locations across the state. The following attachment includes maps that identify each of these sites and the respective service areas for the USHE institutions.

The Board has developed and adopted Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs.* This policy defines the service areas in which institutions are responsible to provide instruction and helps to prevent geographical overlap between institutions regarding program offerings. However, no Regent policy currently exists that governs the creation or expansion of institutional branch campuses or instructional centers.

As the Board considers and discusses this issue, Regents may wish to consider the following questions:

#### 1. Need for additional USHE locations

With the anticipated enrollment growth of approximately 52,000 students over the next decade, what is the future need for branch campuses and instructional centers in the Utah System of Higher Education?

#### 2. Standards or criteria to consider before approving new locations

What criteria (if any) does the Board want to consider before approving new locations? Should there be standard measures that institutions must meet based on geography, population, economic indicators, or some other method that the Board evaluate before approving new locations?

















#### 3. Location of future campuses and sites

Should there be a standard established regarding distance between institutional campuses and sites that may help to prevent unintended overlap along service area borders?

#### 4. Institutional service areas and online education

How does online education affect the designated institutional service areas and the need for additional locations in an institution's service area?

#### Commissioner's Recommendation

This information raises several important policy questions for the Regents and Utah System of Higher Education to consider regarding the Higher Education 2025 Strategic Plan. Further discussion may be needed among the Regents, the Commissioner, and USHE presidents, prior to formulating any new policy to help address these questions. Accordingly, the Commissioner recommends that:

- 1. The Board review and discuss the information associated with campus sites geographically separate from the designated main campus location; and that
- 2. The Board revisit this topic at a future meeting for additional discussions involving Regents and presidents that may lead to the formulation of new policy to guide Regent oversight concerning the development of new campus sites.

David L. Buhler	
Commissioner of Higher Education	

DLB/KLH/RPA Attachment

### **Branch Campuses and Other Significant Centers and Sites**



#### Background

The Utah Board of Regents oversees the coordination of instruction by Utah System of Higher Education (USHE) institutions. The Board adopted Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs* to provide principles for instruction that occurs at locations other than the designated main campus as well as definitions for institutional service areas. The three guiding principles outlined in this policy include:

- 1. Responsiveness to state-wide needs
- 2. Efficient and effective use of state resources
- 3. Accessibility to higher education throughout the state

In general, graduate and upper division education is conducted and delivered by USHE universities on the main campus while lower division education is provided as broadly as resources allow. Branch campuses, geographically dispersed instructional centers, and distance education centers allow institutions to reach Utah students throughout the state.

#### Service Area Designations

In order to coordinate instruction throughout the State of Utah with eight institutions in the USHE system, the Board of Regents created service areas and designated service area providers in Regent Policy R315. A designated service area provider is a USHE institution with responsibility to provide courses or programs of study consistent with its mission within a designated area and to identify other USHE institutions that may assist in providing courses or programs that are not within its mission. The designated service areas and providers defined in Policy R315 are:

Institution	Service Area/by County
University of Utah	Salt Lake, Summit (Park City only)
Utah State University	Cache, Rich, Box Elder, Duchesne, Uintah, Daggett, Tooele
USU – Eastern	Carbon, Emery, Grand, San Juan
Weber State University	Weber, Morgan, Davis
Southern Utah University	Iron, Garfield, Beaver
Utah Valley University	Utah, Wasatch, Summit (concurrent enrollment only within Park City)
Dixie State University	Washington, Kane
Snow College	Sanpete, Sevier, Wayne, Piute, Millard, Juab
Salt Lake Community College	Salt Lake for certificate, applied associate and associate degrees

When the Board last revised Regent Policy R315, it approved a list of existing programs that institutions could continue to provide to students outside of their designated service area. These programs were developed in partnership with the service region provider, often because the service provider did not offer the program in that area. The policy now outlines a process for Presidents to follow when addressing regional programming needs that may cross institutional service areas.

#### **Definitions**

Neither Regent Policy R315 or existing capital facilities policies define the various types and locations of institutional facilities. In practice facilities range from branch campuses with multiple buildings and on-site faculty to distance education centers that use technology to broadcast curriculum

to sites with minimal services. In order to better coordinate off-campus services the following definitions are proposed for off-campus physical sites. It is proposed to add these definitions to policy.

Branch/Satellite Campus (as defined by the Northwest Commission on Colleges and Universities):

- Accredited by a NWCCU as a standalone site of the institution
- Permanent physical location geographically removed from the main campus
- Offers complete, or nearly complete (50%) academic programs that lead to a degree, certificate, or educational credential; not just single courses
- Has resident faculty and administrative staff members
- Services are available on site to support faculty and students
- Has its own budgetary and hiring authority

#### **Major Instructional Centers:**

- Geographically apart from the main campus
- Typically only a portion of complete programs are offered
- Minimal or no faculty and support services are provided
- May have a budget for the location and authorization to make day-to-day spending decisions locally

#### **Distance Education Centers:**

- Owned and/or Leased facilities that are geographically apart from main campus, branch campuses, or Instructional Centers that generally rely on technological interfaces
- All courses taught are completed entirely by distance learning (broadcast from other sites)
- No in-person faculty

#### **Other Instruction Sites:**

- Geographically apart from the main campus; but may be a single room in a partner facility or outdoor location
- Institution offers one or more courses for credit and /or non-credit instruction
- No student support services located at the physical site

#### **Special Purpose Centers:**

- Geographically apart from the main campus
- Provides certain special, clearly defined programs or services (e.g., research, cooperative extension, or community service)
- Typically do not provide instructional courses or programs

#### **Special Purpose Sites:**

Other smaller sites that are geographically remote from the main campus that provide services
of an educational nature that are other than instruction, research, or administration such as a
community writing center.

#### **Questions for Discussion**

#### 1. Need for additional USHE locations

With the anticipated enrollment growth of approximately 52,000 students over the next decade, what is the future need for branch campuses and instructional centers in the Utah System of Higher Education?

#### 2. Standards or criteria to consider before approving new locations

What criteria (if any) does the Board want to consider before approving new locations? Should there be standard measures that institutions must meet based on geography, population, economic indicators, or some other method that the Board evaluate before approving new locations?

#### 3. Location of future campuses and sites

Should there be a standard established regarding distance between institutional campuses and sites that may help to prevent unintended overlap along service area borders?

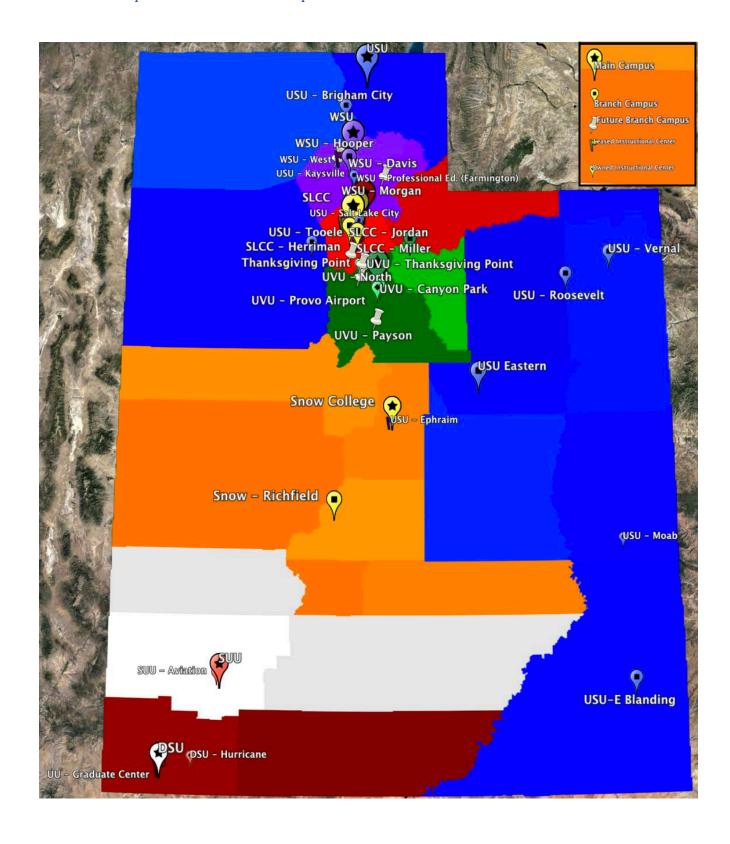
#### 4. Institutional service areas and online education

How does online education affect the designated institutional service areas and the need for additional locations in an institution's service area?

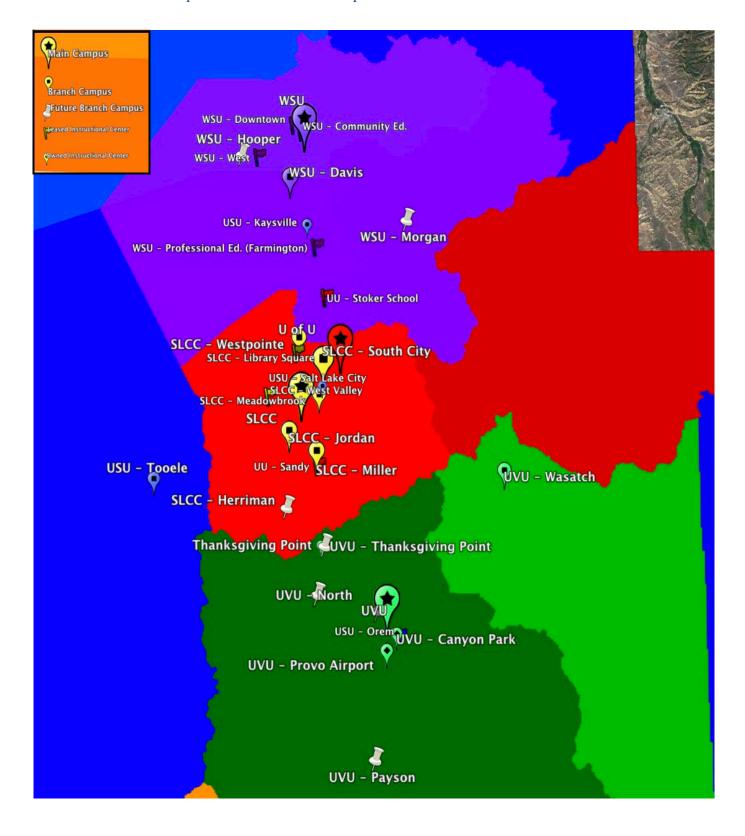
### **USHE Branch Campuses and Instructional Centers**

Inst.	Туре	Name	City	Address	Own/Lease	Gross Sq. Ft.	Acre
UU	Branch	UU Asia Campus	Icheon, Korea	119 Songdo Moonhwa-ro	Lease	170,000	N/A
USU	Branch	USU Eastern Price	Price	451 E 400 N	Owned	389,354	45
USU	Branch	USU Eastern Blanding	Blanding	576 W 200 S	Owned	109,829	85
USU	Branch	Brigham City Campus	Brigham City	991 S Main / 245 W 1100 S	Owned/Lease	96,900	44
USU	Branch	Uintah Basin Campus - Vernal	Vernal	320 N Aggie Blvd	Owned	69,781	123
USU	Branch	Tooele Campus	Tooele	1021 W Vine Street	Owned	65,494	68
USU	Branch	Uintah Basin - Roosevelt	Roosevelt	987 E Lagoon Street	Owned	61,132	13
USU	Branch	Salt Lake Center	Salt Lake City	2500 S State St	Lease	25,689	0
USU	Branch	Kaysville Center	Kaysville	80 E Sego Lily Dr	Owned	23,204	160
USU	Branch	Moab Center	Moab	125 W 200 S	Owned	16,634	3
WSU	Branch	Davis Campus	Layton	2750 University Park Blvd	Owned	283,547	106
Snow	Branch	Richfield Campus	Richfield	800 W 200 S	Owned	274,151	73
UVU	Branch	Wasatch Campus	Heber City	3111 College Way	Owned	73,800	50
SLCC	Branch	South City Campus	Salt Lake City	1575 S State	Owned	692,424	22
SLCC	Branch	Jordan Campus	West Jordan	9000 S 3500 W	Owned	291,165	114
SLCC	Branch	Miller Campus	Sandy	9750 S 300 W	Owned	330,882	25
SLCC	Branch	Meadowbrook	South Salt Lake	218 W 3900 S	Owned	72,383	10
SLCC	Branch	Westpointe Campus	Salt Lake City	2150 W Dauntless Ave	Owned/Lease	155,700	20
WSU	Branch (Future)	Hooper Campus	Hooper				10
WSU	Branch (Future)	Morgan Campus	Morgan				10
UVU	Branch (Future)	Saratoga Springs Campus	Saratoga Springs				0
UVU	Branch (Future)	Thanksgiving Point Campus	Lehi				10
UVU	Branch (Future)	Payson Campus	Payson				30
UVU	Branch (Future)	Vineyard Campus	Vineyard				225
SLCC	Branch (Future)	Juniper Canyon Campus	Herriman				90
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UU	Instructional Center	Stoker School	Bountiful	75 E 200 S	Lease	29,856	
UU	Instructional Center	Sandy Center	Sandy	10011 Centennial Parkway	Lease	23,953	
UU	Instructional Center	Graduate Center	St. George	1071 E 100 S, Suite A100	Lease	6,600	
USU	Instructional Center	Ephraim Center	Ephraim	325 W 100 N	MOU	1,035	
USU	Instructional Center	Orem Center	Orem	1875 S State St	Lease	2,571	
WSU	Instructional Center	West Center	Roy	5627 S 3500 W	Lease	7,556	
WSU	Instructional Center	Downtown Center	Ogden	2314 Washington Blvd	Lease	27,000	
WSU	Instructional Center	Community Ed. Center	Ogden	2955 Harrison Blvd	Lease	5,648	
WSU	Instructional Center	Professional Ed. Center	Farmington	240 N East Promontory	Lease	10,937	
SUU	Instructional Center		Cedar City	2402 & 2410 W Aviation Way	Ground Lease	28,516	
DSU	Instructional Center	Hurricane Ed. Center	Hurricane	112 S 700 W	Owned	11,000	
UVU	Instructional Center	Provo Airport	Provo	1185 Mike Jense Parkway	Ground Lease	53,500	0
UVU	Instructional Center	Thanksgiving Point	Lehi	Thanksgiving Point	Leased	13,000	10
UVU	Instructional Center	Canyon Park	Orem	661 E. Timpanogos Parkway	Owned	38,600	0
SLCC		Int. Aerospace and Aviation Ed.	Salt Lake City	551 N 2200 W	Lease	18,177	
SLCC		Libarary Square Center	Salt Lake City	231 E 400 S	Lease	29,897	
SLCC		Community Writing Center	Salt Lake City	310 E 400 S	Lease	1,545	
SLCC	Instructional Center		West Valley City	3460 S 5600 W	Lease	27,756	
		,	,,			,	

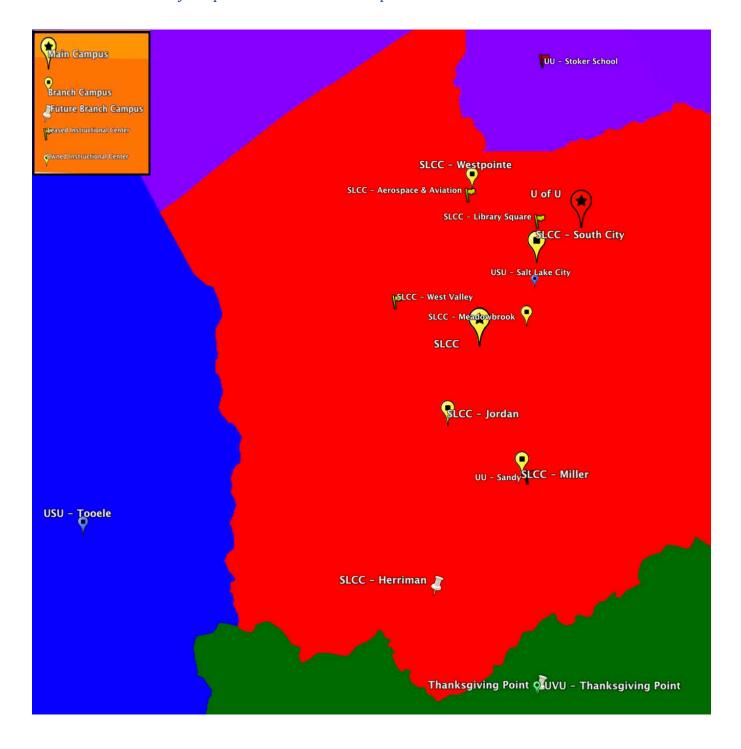
#### Statewide Map of USHE Branch Campuses and Instructional Centers



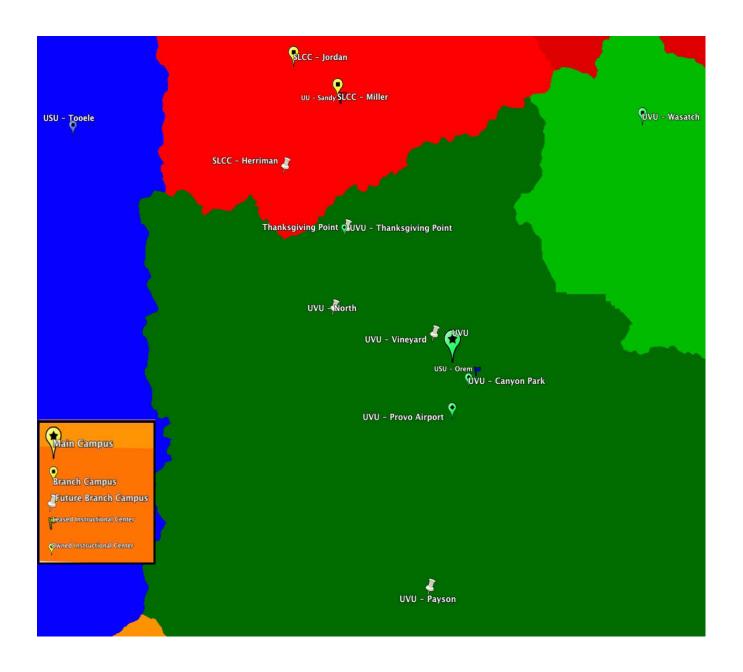
#### Wasatch Front Map of USHE Branch Campuses and Instructional Centers



#### Salt Lake County Map of USHE Branch Campuses and Instructional Centers



### Utah County Map of USHE Branch Campuses and Instructional Centers





#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>USHE – Discussion of Property Transaction and Leasing Requirements Policy Revisions</u>

#### Issue

The Office of the Commissioner engaged in a comprehensive review of and recommends a significant revision to Regent Policy R710, *Capital Facilities*. This is part of an ongoing effort to improve efficiency, transparency, and accountability around capital facilities and other property transactions. In consultation with the USHE institutions, the Commissioner's Office proposes to revise the current capital facilities policy to provide additional clarity regarding the appropriate level of approval needed, the dollar thresholds requiring Board of Regent approval for property transactions, and the development of a decision matrix for the institutions that highlights the type of property transaction and approval required.

Prior to presenting the new capital facilities related policies for approval at the January Board meeting, the Commissioner requests that the Board review and discuss the proposed revisions and determine if the new language, specifically the dollar thresholds requiring Board approval, align with Board expectations regarding appropriate oversight of USHE property transactions.

#### **Background and Discussion**

Utah code delegates authority to the Board of Regents to control and manage the real property of USHE institutions. The Board may acquire, construct, and remodel facilities as well as purchase and dispose of real property. Regent Policy R710, *Capital Facilities*, requires that certain property transactions, leasing, and capital projects be approved by the Board of Regents and delegates other transactions to institutional Boards of Trustees based on dollar limits. In addition to Regent Policy R710, Regent Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, delegates authority to the University of Utah Board of Trustees regarding property transactions and leasing for the University of Utah Healthcare System.

To help the Board understand the proposed policy revisions, a matrix of required approvals based on the revised Policy R710 is included in the attachments. Staff has also included a list of all property transactions and leases that have come to the Board for approval over the last three years.

In reviewing the policy revisions, the Board may wish to consider the following questions:

















#### 1. Adjacent vs. non-adjacent property transactions

Is there a continued need to distinguish between transactions for property adjacent to and non-adjacent to campus in the policy?

#### 2. Locations outside of an institution's defined "Service Area"

Staff proposes that Board approval is required for any property purchased or leased outside of an institution's "Service Area" – does the Board concur with that requirement?

#### 3. Level of awareness regarding UU Healthcare System property transactions

The Board has delegated all property transactions, lease reviews, and final approvals for the Healthcare System to the University of Utah Board of Trustees – what level of reporting would the Board like to see on these property transactions (if any)?

#### 4. Board of Trustee delegation of property disposal transactions

Should the Board delegate any authority to dispose of property, either adjacent (contiguous) or non-adjacent (non-contiguous) to institutional Boards of Trustees (current policy requires all disposal proposals be presented to the Board for action)?

#### 5. President delegation for minor property disposal transactions <\$50,000

Does the Board concur with the addition of a new section allowing institutions to engage in minor property disposals for easements, right-of-ways, and other adjustments under \$50,000?

#### 6. Dollar thresholds requiring Board approval

Does the Board concur with distinguishing between the University of Utah and other institutions for setting a threshold for reporting leases to the Board? Are the thresholds sufficient throughout the policy and do they align with Board expectations?

#### Commissioner's Recommendation

The Commissioner recommends that the Board review and discuss the proposed revisions and determine if the new language, specifically the dollar thresholds requiring Board approval, align with Board expectations regarding appropriate oversight of USHE property transactions.

d L. Buhler	
missioner of Higher Education	

DLB/KLH/RPA Attachments

#### **Capital Project, Property Transaction, and Leasing Approval Requirements\***

Project or Property Request		Board of Trustees	<b>Board of Regents</b>	State Building Board	State Legislature	Statute Ref.	Policy Ref.
Master F	Plan	Periodically	Biennially	Not Required	Not Required	53B-6-101	R706
	State Funded	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701
	Non-State Funded, new construction, no bonding	< \$500,000	≥ \$500,000	≥ \$500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
Existing Facility	Non-State Funded, existing facility improvement or rennovation, no bonding	< \$3,500,000	≥ \$3,500,000	≥ \$3,500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
Improvement or Rennovation	Non-State Funded, requires bonding	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-21-113	R590, R701, R702
	Non-State Funded where State funds will be requested for O&M or future capital improvement	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701, R702
	Adjacent to Campus	≤ \$500,000	> \$500,000	Not Required	Not Required	53B-20-103	R703
Real Property	Non-Adjacent to Campus	≤ \$100,000	> \$100,000	Not Required	Not Required	53B-20-103	R703
Acquisition	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R315, R703
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	53B-20-103	R220, R703
	Non-gifted, Owned Property	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R704
Real Property	Gifted Property Non- Adjacent to Campus	≤ \$500,000	>\$500,000	Not Required	Not Required	53B-20-103	R704
Disposal	Minor Adjustments	≤ \$50,000	> \$50,000	Not Required	Not Required	53B-20-103	R704
	UU Health Care System	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R220, R704
	More than 10 years	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R315, R705
Leasing From or Leasing To	Establich State-Supported Daytime Programs	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	63A-5-305	R220, R705
	Less than 10 years (UU)	≤ \$250,000	> \$250,000	Not Required	Not Required	63A-5-305	R705
	Less than 10 years (other USHE institutions)	≤ \$100,000	> \$100,000	Not Required	Not Required	63A-5-305	R705
Lease-Pu	ırchase	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R587, R712
Non-Tra	ditional Arrangements	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R712

<sup>\*</sup>Based on proposed, but not yet adopted, changes to Policy R710

#### **Capital Project, Property Transaction, and Leasing Approval Requirements\***

<b>Project Type</b>	Project Specifics	<b>Board of Trustees</b>	Board of Regents	<b>State Building Board</b>	State Legislature	Statute Ref.	Policy Ref.
Master Plan		Periodically	Biennially	Not Required	Not Required	53B-6-101	R706
	State Funded	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701
New	Non-State Funded, new construction, no bonding	< \$500,000	≥ \$500,000	≥ \$500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
Construction or Existing Facility	Non-State Funded, existing facility improvement or rennovation, no bonding	< \$3,500,000	≥ \$3,500,000	≥ \$3,500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
for Kennovation	Non-State Funded, requires bonding	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-21-113	R590, R701, R702
	Non-State Funded where State funds will be requested for O&M or future capital improvement	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701, R702
	Adjacent to Campus	≤ \$500,000	> \$500,000	Not Required	Not Required	53B-20-103	R703
Real Property	Non-Adjacent to Campus	≤ \$100,000	>\$100,000	Not Required	Not Required	53B-20-103	R703
Acquisition	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R315, R703
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	53B-20-103	R220, R703
	Non-gifted, Owned Property	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R704
Real Property	Gifted Property Non- Adjacent to Campus	≤ \$500,000	> \$500,000	Not Required	Not Required	53B-20-103	R704
Disposai	Minor Adjustments	≤ \$50,000	> \$50,000	Not Required	Not Required	53B-20-103	R704
	UU Health Care System	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R220, R704
	More than 10 years	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R315, R705
Leasing From or Leasing To	Establich State-Supported Daytime Programs	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	63A-5-305	R220, R705
	Less than 10 years (UU, USU)	≤ \$250,000	> \$250,000	Not Required	Not Required	63A-5-305	R705
	Less than 10 years (non- research)	≤ \$100,000	> \$100,000	Not Required	Not Required	63A-5-305	R705
Lease-Purchase		Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R587, R712
Non-Tra	ditional Arrangements	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R712

<sup>\*</sup>Based on proposed, but not yet adopted, changes to Policy R710

#### **Capital Project, Property Transaction, and Leasing Approval Requirements\***

<b>Project Type</b>	Project Specifics	Board of Trustees	Board of Regents	<b>State Building Board</b>	State Legislature	Statute Ref.	Policy Ref.
Master Plan		Periodically	Biennially	Not Required	Not Required	53B-6-101	R706
	State Funded	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701
	Non-State Funded, new construction, no bonding	< \$500,000	≥ \$500,000	≥ \$500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
Construction or	Non-State Funded, existing facility improvement or rennovation, no bonding	< \$3,500,000	≥ \$3,500,000	≥ \$3,500,000	Not Required	63A-5-104, 53B-20-104	R701, R702
or Rennovation	Non-State Funded, requires bonding	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-21-113	R590, R701, R702
	Non-State Funded where State funds will be requested for O&M or future capital improvement	Required for Any Amount	Required for Any Amount	Required for Any Amount	Required for Any Amount	63A-5-104, 53B-20-104	R701, R702
	Adjacent to Campus	≤ \$500,000	> \$500,000	Not Required	Not Required	53B-20-103	R703
Real Property	Non-Adjacent to Campus	≤ \$100,000	> \$100,000	Not Required	Not Required	53B-20-103	R703
Acquisition	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R315, R703
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	53B-20-103	R220, R703
	Non-gifted, Owned Property	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R704
Real Property	Gifted Property Non- Adjacent to Campus	≤ \$500,000	> \$500,000	Not Required	Not Required	53B-20-103	R704
Disposai	Minor Adjustments	≤ \$50,000	> \$50,000	Not Required	Not Required	53B-20-103	R704
	UU Health Care System	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-20-103	R220, R704
	More than 10 years	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	Outside of Service Area	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R315, R705
Leasing From or Leasing To	Establich State-Supported Daytime Programs	Required for Any Amount	Required for Any Amount	Not Required	Not Required	63A-5-305	R705
	UU Health Care System	Required for Any Amount	Not Required	Not Required	Not Required	63A-5-305	R220, R705
	Less than 10 years (UU, USU)	≤ \$250,000	> \$250,000	Not Required	Not Required	63A-5-305	R705
	Less than 10 years (non-research)	≤ \$100,000	> \$100,000	Not Required	Not Required	63A-5-305	R705
Lease-Purchase		Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R587, R712
Non-Tra	ditional Arrangements	Required for Any Amount	Required for Any Amount	Not Required	Not Required	53B-21-108	R712

<sup>\*</sup>Based on proposed, but not yet adopted, changes to Policy R710

#### **Utah State Board of Regents**

#### Finance and Facility Committee Agenda Items 2014 to 2016

Year	Meeting	Type	<u>SubType</u>	Instit.	Agenda Item Name	<u>Amount</u>		Source Funds
2016	April	Action	Lease	SUU	Southern Utah University – Property Exchange and Long-Term Lease for Student Housing TAB M	\$	38,000	Institutional
2014	July	Action	Lease	SLCC	Salt Lake Community College – West Valley City Property Lease TAB O	\$	208,448	Institutional - Operating Revenue
2014	July	Action	Lease	WSU	Weber State University – Approval of Station Park Property Lease in Farmington, Utah TAB I	\$	263,808	Continue Education
2016	September	Action	Lease	USU	Utah State University – Long-term Lease for the USU Salt Lake Education Center TAB J	\$	526,000	Continue Education
2014	July	Action	Longterm Lease	USU	Utah State University – Brigham City Regional Campus Ground Lease for the New Academic Building TAB G	None	e Specified	Ground Lease for Brigham City
2014	November	Action	Longterm Lease	USU	Utah State University – Uintah Basin Regional Campus Ground Lease Approval	None	e Specified	15-20 yr LTL developer
2014	November	Action	Longterm Lease	USU	Utah State University – Long-term Ground Lease on USU Eastern Campus	None	e Specified	LTL w. Carbon County
2014		Action	Property Acquisition	USU	Utah State University – Real Property Acquisition in Montezuma Creek, Utah TAB V	\$	,	Institutional
2015	July	Action	Property Acquisition	DSU	Dixie State University – East Elementary School Block Property Purchase TAB O	\$	,	Institutional
	February	Action	Property Acquisition	Snow	Snow Land Acquisition Request Tab A	\$	,	State Funds
2014	September	Action	Property Acquisition	WSU	5. Weber State University – Property Acquisitions TAB P	\$	,	Institutional
2014		Action	Property Acquisition	USU	Utah State University – Acquisition of Property in Moab, Utah TAB U	\$		Regional Campus/Distance Ed.
2015	March	Action	Property Acquisition	WSU	Weber State University - Acquisition of Property at 26th Street and Monroe Blvd. TAB R	\$	,	Continue Ed.
2014	November	Action	Property Acquisition	USU	Utah State University – Acquisition of Properties Contiguous to the Logan Campus	\$	700,000	Institutional
2015	July	Action	Property Acquisition	USU	Utah State University – Property Purchase in Moab, Utah TAB M	\$		Regional Fee/Tuition
2016	September	Action	Property Acquisition	SLCC	Salt Lake Community College – Property Acquisition in Herriman TAB L	\$	870,000	Institutional
2016	July	Action	Property Acquisition	UVU	Utah Valley University – Payson Land Purchase TAB U	\$	900,000	Donations
2013	September	Action	Property Acquisition	UU	University of Utah – Environmental Humanities Education Center [Lakeview, Montana] Property	\$		Gifted Property
2016	July	Action	Property Acquisition	UVU	Utah Valley University – Main Campus Property Purchase TAB T	\$	1,810,000	Institutional
2015	May	Action	Property Acquisition	SLCC	Salt Lake Community College – Westpointe Campus Property Purchase TAB L	\$	1,837,579	Institutional
2014	July	Action	Property Acquisition	SLCC	Salt Lake Community College – Westpointe Center Property Acquisition TAB N	\$	2,280,000	Institutional
2014	July	Action	Property Acquisition	UU	University of Utah – Property Purchase TAB J	\$	5,950,000	Internal Loan
2014	January	Action	Property Acquisition	UVU	Utah Valley University – Purchase of Geneva Steel Property TAB G	\$	10,018,800	Loan, Donation, Other
2014	July	Action	Property Acquisition	SUU	Southern Utah University – Ratification of Property Gifts for the Beverly Taylor Sorenson Center for the Arts TAB E	None	e Specified	Gifted Property
2014	November	Action	Property Acquisition	WSU	Weber State University – Purchase of WSU Downtown Building	None	e Specified	
2015	September	Action	Property Acquisition	UU	University of Utah - Rio Mesa Center Property Gift TAB K	None	e Specified	
2016	September	Action	Property Disposal	USU	Utah State University – Property disposal in Carbon County TAB K	\$	(840,000)	Sale of Property
2015		Action	Property Disposal	SUU	Southern Utah University – Sale of Noncontiguous Property TAB N	\$		Sale of Property
2015	March	Action	Property Disposal	USU	Utah State University – Mixed-use Development Ground Lease TAB N	\$	(230,000)	Sale of Property
2014	November	Action	Property Disposal	UU	University of Utah – Sale of Gifted Residential Property in Arizona	\$	(179,500)	Sale of Property
2014	January	Action	Property Disposal	SLCC	Salt Lake Community College – Sale of Institutional Residence TAB H	None	e Specified	
2015	March	Action	Property Disposal	DSU	Dixie State University – Sale of Property TAB M	None	e Specified	
2016	July	Action	Property Disposal	UVU	Utah Valley University – West Campus Boundary Adjustment TAB S	None	e Specified	
2016	July	Action	Property Disposal	UVU	Utah Valley University – Wasatch Campus Right-of-way Transfer TAB V	None	e Specified	
2014	July	Action	Lease Purchase	USU	Utah State University – Innovation Campus (Research Park) Lease-purchase Agreement TAB H	None	e Specified	Research Park
2015	November	Information	Lease	UVU	Utah Valley University – Lease to Wasatch School District TAB S	\$	1	Lease to School District
2014	January	Information	Property Acquisition	DSU	Dixie State University – Transfer of City of St. George Streets to the University TAB Z	None	e Specified	Gifted Property
2015	November	Information	Property Acquisition	UU	University of Utah – Acquisition of Heritage Preserve Property TAB R	\$	(225,000)	Settlement
2016	April	Information	Property Acquisition	USU	Utah State University – Property Acquisition TAB P	\$	278,750	Institutional
	•		Property Acquisition	SUU	Southern Utah University – Aviation Program Capital Asset Report TAB U	\$		Institutional, Loans
2016	July	Information	Property Disposal	UU	University of Utah – Property Disposal TAB DD	\$	(176,000)	Sale of Gifted Property

### R701, Capital Facilities<sup>1</sup>



**R701-1 Purpose**: To establish the respective roles of the State Board of Regents, the Boards of Trustees and the Presidents regarding capital facilities and institutional requests for new capital facility projects.

#### R701-2 References

- 2.1. Utah Code §53B-6-101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights Title and Control)
- **2.4.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.5. Regent Policy R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Regent Policy R706, Capital Facilities Master Planning
- 2.7 Regent Policy R741, Capital Development Prioritization

#### R701-3 Definitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- **3.2.** "Capital Development" This policy adopts the definition established in Utah Code 63A-5-104(1)(a).
- **3.3.** "Capital Improvement" This policy adopts the definition established in Utah Code 63A-5-104(1)(b).
- **3.4. Remodeling**: includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.
- R701-4 Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

Page 1 of 3 File:

<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

**4.1. Remodeling**: Institutions should remodel existing capital facilities for the purpose of changing the building's function only when the project is justified by and consistent with the institution's mission and in accord with the Board of Regents' previously approved goals and objectives.

#### R701-5. State Funded Capital Projects Approvals

- **5.1. Boards of Trustee Review of Requests**: Institutions shall obtain approval from their respective Boards of Trustees before they may submit a request funding for capital development and capital improvement projects to the Board of Regents. Boards of Trustees shall ensure that proposed project requests are consistent with the institution's Master Plan, the role assignment of the institution, and institutional goals and objectives.
- **5.2 Commissioner's Office Recommendations:** The Commissioner and his staff shall provide annual recommendations for capital facilities development and improvement projects based on approved prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.
- **5.3** Regent Prioritization of State Funded Projects: The Board shall annually prioritize capital development projects for the System of Higher Education in accordance with Regent Policy R741, *Capital Development Prioritization*, and submit final recommendations to the State Building Board, the Governor, and the State Legislature.
- **R701-6.** Submission of Capital Improvement Requests Each year institutions shall submit to the Utah State Building Board and the Board of Regents a prioritized list of projects for funding through the state capital improvement program.
  - **6.1. Board of Trustee Review and Approval:** Boards of Trustees shall approve requests for funding of capital improvement projects prior to institutions submitting requests to the Board of Regents.
  - **6.2. Board of Regent Review**: Institutions shall submit the annual prioritized list of capital improvement projects to the Office of the Commissioner for inclusion as an informational item for a Board of Regent agenda prior to the legislative session.
  - **6.3. Non-inclusion of Equipment:** Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement.
  - **6.4. Non-inclusion of Normal Maintenance:** Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget and may not be included as a component of a capital improvement project. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- R701-7 Responsibilities of Institutional Presidents. Presidents or their designees may:
  - **7.1. Other Necessary Actions**: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.
  - **7.2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.

Page 2 of 3 File:

- **7.3. Change Orders**: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.
- 7.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.

### R701, Capital Facilities<sup>1</sup>



<u>R701-1</u> Purpose: To <u>clarify establish</u> the <u>respective</u> roles of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to regarding capital facilities and institutional requests for new capital facility projects.

#### R701-2 References

- 2.1. Utah Code §53B-6-101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights Title and Control)
- **2.4.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- **2.5.** Policy and Procedures Regent Policy R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Policy and Procedures R720 Regent Policy R706, Capital Facilities Master Planning
- 2.7 Regent Policy R741, Capital Development Prioritization

#### **R701**-3 Definitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- **3.2.** "Capital Development" This policy adopts the definition established in Utah Code 63A-5-104(1)(a). defines a capital development as any:
  - remodeling, site, or utility projects with a total cost of \$2,500,000 or more;
  - new facility with a construction cost of \$500,000 or more; or,
  - purchase of real property where an appropriation is requested to fund the purchase.
    - **3.2.1.** "New Facility" means the construction of any new building on state property regardless of funding source, including
      - an addition to an existing building; and
      - the enclosure of space that was not previously fully enclosed.
    - 3.2.2. "New facility" does not include:

Page 1 of 10 File:

<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.
- 3.3. "Capital Improvement" This policy adopts the definition established in Utah Code 63A-5-104(1)(b). defines a capital improvement as any:
  - remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
  - site and utility improvement with a total cost of less than \$2,500,000; or
  - new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

(i) the capital improvement project or multiple projects require more than one year to complete; and (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.

- 3.3.1. Submission of Capital Improvement Requests Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- **3.4.** "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five year planning period. Remodeling: includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

#### R701-4 Policy

- **4.1. Statutory Authority:** Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.
- 4.2. Purpose: The purpose of these policies is to develop and maintain a well planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.
- 4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources

and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

**4.41.** Remodeling: Institutions should Remodeling of remodel existing capital facilities for the purpose of changing the building's function will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution's mission involved and in accord with the Board of Regents' previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

#### 4.5R701-5. The State Board of Regents Will: State Funded Capital Projects Approvals

- 5.1. Boards of Trustee Review of Requests: Institutions shall obtain approval from their respective Boards of Trustees before they may submit a request funding for capital development and capital improvement projects to the Board of Regents. Boards of Trustees shall ensure that proposed project requests are consistent with the institution's Master Plan, the role assignment of the institution, and institutional goals and objectives.
  - **4.5.1. Programmatic Planning** Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.
  - **4.5.2. Campus Facilities Master Plans**—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.
  - 4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:
    - 4.5.3.1. Requests for Capital Development Projects to be funded by the Legislature These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization CDP.
    - 4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.
    - 4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.
    - 4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design Requests to the Building Board for approval to use donated or

institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

#### 4.5.4. Acquisition and Disposal of Real Property

- 4.5.4.1 Property Acquisitions Requiring Approval Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval—all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:
  - **4.5.4.1.1.** Required Appraisal For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
  - 4.5.4.1.2. Guidelines The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.
    - **4.5.4.1.2.1. Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
    - 4.5.4.1.2.2. Phase I Environmental Assessment or Greater A
      Phase I or greater Environmental Assessment may be required by the
      Regents prior to purchase, exchange, or acceptance of a gifted property
      when there are questions about the possibility of environmental issues
      that would materially affect the use of the property.
    - 4.5.4.1.2.3. Code and Requirements Review Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
    - 4.5.4.1.2.4. Engineering Assessment For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
    - **4.5.4.1.2.5. Past Maintenance and Operational Expenses** Where possible, past maintenance and operational expense histories should be obtained.

- 4.5.4.1.2.6. Sites, Zoning, and Planning Information—This information should be obtained where applicable or when it is determined to be needed.
- 4.5.4.1.2.7. Land Survey An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.
- 4.5.4.2. Property Acquisitions Adjacent to Campuses The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:
  - **4.5.4.2.1.** Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.
  - **4.5.4.2.2.** Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU. Eastern.
  - **4.5.4.2.3.** All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value
  - **4.5.4.2.4.** Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.
  - **4.5.4.2.5.** This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.
  - **4.5.4.2.6.** Reporting of Property Acquisitions Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.
- 4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.
- **4.5.4.4. Disposal of Property** Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.
  - **4.5.4.4.1. Determination of Surplus Property**—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.

4.5.4.4.2. Fair Market Value — Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.

4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:

4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.

4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:

a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);

b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)

**4.5.4.5.3. Reporting of Property Disposals** — Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.

4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives — The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:

4.5.7. Projects Funded from Non-State Appropriated Funds — Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:

4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for projects funded in whole or in part from an adjustment in

student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

- 4.5.7.2. Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.
- 4.5.8. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case by case basis.
  - (b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.
  - (c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.
  - 4.5.8.1. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O &

M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

- 4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.
- 4.5.9. Leased Space: Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10 year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.

#### 4.6. The Commissioner Is Authorized to:

#### 4.6.1. Recommendations:

- 5.2 Commissioner's Office Recommendations: The Commissioner and his staff shall provide Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.
- 5.3 Regent Prioritization of State Funded Projects: The Board shall annually prioritize capital development projects for the System of Higher Education in accordance with Regent Policy R741, Capital Development Prioritization, and submit final recommendations to the State Building Board, the Governor, and the State Legislature.

#### 4.7. Institutional Boards of Trustees Are Authorized to:

- **4.7.1. Facilities Master Plans**: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.
- 4.7.2. Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.
- 4.7.3. Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the

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State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:

- construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;
- is inconsistent with the role assignment of the institution involved; or,
- is not in accord with previously approved institutional goals or objectives.
- **4.7.4. Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.
- R701-6. Submission of Capital Improvement Requests Each year institutions shall submit to the Utah State Building Board and the Board of Regents a prioritized list of projects for funding through the state capital improvement program.
  - <u>6.1.</u> <u>Board of Trustee Review and Approval:</u> Boards of Trustees shall approve requests for funding of capital improvement projects prior to institutions submitting requests to the Board of Regents.
  - 6.2. Board of Regent Review: Institutions shall submit the annual prioritized list of capital improvement projects to the Office of the Commissioner for inclusion as an informational item for a Board of Regent agenda prior to the legislative session.
  - <u>6.3.</u> Non-inclusion of Equipment: Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement.
  - 6.4. Non-inclusion of Normal Maintenance: Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget and may not be included as a component of a capital improvement project. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- <u>R701-7 Responsibilities of 4.8.</u> Institutional Presidents. Are Authorized to Presidents or their designees may:
  - **4.8**7.1. **Other Necessary Actions**: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.
  - **4.8**<u>7.</u>**2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.
  - **4.8**<u>7.3.</u> **Change Orders**: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.

**4.8**7.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.

R710



# R702, Non-State Funded Projects<sup>1</sup>

**R02-1 Purpose**: To provide guidelines and requirements for institutional requests to program, plan, design, or construct a facility using non-state funds.

## R710-2 Definitions

- **2.1. Non-State Funded Project:** any capital development project whose source of funding comes from anything other than state funds appropriated by the Utah State Legislature.
- 2.2. Capital Development: has the same definition as Utah Code 63A-5-104(1)(a).
- **R702-3** Requests for Non-State Funded Projects: Regardless of the funding source, the Board of Regents shall review and authorize institutional requests for non-state funded projects that require Building Board or Legislative approval before the requests are submitted to those bodies. Such requests shall be based upon the programmatic planning and facilities master planning requirements of Regent Policy R707, *Capital Facilities Master Planning*. Types of funding sources include:
  - 3.1. Projects Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for capital development projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.
  - **3.2. Projects Funded from Private Sources**: The institutional Board of Trustees must approve capital development projects funded through private sources or a combination of private sources and other non-state funds before the president may submit the request to the Board of Regents for consideration.
  - **3.3. Projects for which Legislative Revenue Bonding Authorization is Required**: Institutions shall submit capital development projects requiring revenue bonding to the Board of Regents for approval as required by Regent Policy R590, *Issuance of Revenue Bonds for Higher Education*.
  - **3.4.** Requests to use Donated or Institutional Funds for Planning and Design: Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.
- R702-4. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: A capital development project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the institution's programmatic planning and facilities master plan requirements.
  - **4.1 Excess Space**: If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- **4.2. Non-Academic Space:** In most cases, a capital development project that is not primarily for approved for academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. If the institution requests to the Board of Regents to allow state-funded O & M, it shall include a detailed statement showing how space types included in the facility will relate to important institutional activities.
- 4.3. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institution's proposal must explain how it will pay the ongoing O & M as defined by the State Building Board. When making arrangments for ongoing O & M funding, institutions shall give first priority to separate non-state funding assured through private contracts or an O & M endowment established by a private donor; second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

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# R702, Non-State Funded Projects<sup>1</sup>

R02-1 Purpose: To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities to provide guidelines and requirements for institutional requests to program, plan, design, or construct a facility using non-state funds.

#### R710-2 References

- 2.1. Utah Code \$53B-6-101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B 7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B 20 101 (Property Rights Title and Control)
- 2.4. Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Policy and Procedures R720, Capital Facilities Master Planning Definitions
- 2.1. Non-State Funded Project: any capital development project whose source of funding comes from anything other than state funds appropriated by the Utah State Legislature.
- 2.2. Capital Development: has the same definition as Utah Code 63A-5-104(1)(a).

# R702-3 Definitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. "Capital Development" Utah Code 63A 5 104(1)(a) defines a capital development as any:
  - remodeling, site, or utility projects with a total cost of \$2,500,000 or more;
  - new facility with a construction cost of \$500,000 or more; or.
  - purchase of real property where an appropriation is requested to fund the purchase.
    - **3.2.1.** "New Facility" means the construction of any new building on state property regardless of funding source, including
      - an addition to an existing building; and
      - the enclosure of space that was not previously fully enclosed.

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

# 3.2.2. "New facility" does not include:

- the replacement of state owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.
- 3.3. "Capital Improvement" Utah Code 63A 5 104(1)(b) defines a capital improvement as any:
  - remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
  - site and utility improvement with a total cost of less than \$2,500,000; or
  - new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

(i) the capital improvement project or multiple projects require more than one year to complete; and (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.

- 3.3.1. Submission of Capital Improvement Requests Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- 3.4. "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five year planning period.

## R710-4 Policy

- 4.1. Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.
- **4.2. Purpose:** The purpose of these policies is to develop and maintain a well planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.
- 4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources

and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

4.4. Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

# 4.5. The State Board of Regents Will:

- 4.5.1. Programmatic Planning Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.
- **4.5.2. Campus Facilities Master Plans**—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.
- 4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:
  - 4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization CDP.
  - 4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.
  - 4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.
  - 4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.
- 4.5.4. Acquisition and Disposal of Real Property
  - 4.5.4.1 Property Acquisitions Requiring Approval Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval—all institutional requests for

real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

- 4.5.4.1.1. Required Appraisal For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
- 4.5.4.1.2. Guidelines The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.
  - **4.5.4.1.2.1. Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
  - 4.5.4.1.2.2. Phase I Environmental Assessment or Greater A
    Phase I or greater Environmental Assessment may be required by the
    Regents prior to purchase, exchange, or acceptance of a gifted property
    when there are questions about the possibility of environmental issues
    that would materially affect the use of the property.
  - **4.5.4.1.2.3.** Code and Requirements Review Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
  - 4.5.4.1.2.4. Engineering Assessment For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
  - **4.5.4.1.2.5. Past Maintenance and Operational Expenses** Where possible, past maintenance and operational expense histories should be obtained.
  - **4.5.4.1.2.6. Situs, Zoning, and Planning Information** This information should be obtained where applicable or when it is determined to be needed.
  - 4.5.4.1.2.7. Land Survey An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.

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- **4.5.4.2. Property Acquisitions Adjacent to Campuses** The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:
  - **4.5.4.2.1.** Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.
  - **4.5.4.2.2.** Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250.000 for Snow and USU. Eastern.
  - **4.5.4.2.3.** All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value
  - **4.5.4.2.4.** Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.
  - **4.5.4.2.5.** This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.
  - **4.5.4.2.6.** Reporting of Property Acquisitions Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.
- 4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.
- **4.5.4.4. Disposal of Property** Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.
  - 4.5.4.4.1. Determination of Surplus Property If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.
  - 4.5.4.4.2. Fair Market Value Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.
  - 4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated

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or gifted real property that is not contiguous to campus boundaries subject to the following conditions:

4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.

4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:

a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);
b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)

**4.5.4.5.3.** Reporting of Property Disposals – Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.

4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives — The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:

4.5.7. Requests for Projects Funded from Non-State Appropriated Funds Funded
Projects – Regardless of the funding source, the Board of Regents shall review
and approve authorize institutional project requests for non-state funded projects planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incurbonded indebtedness is requested, as follows that require Building Board or Legislative approval before the requests are submitted to those bodies. Such requests shall be based upon the programmatic planning and facilities master planning requirements of Regent Policy R707, Capital Facilities Master Planning. Types of funding sources include:

4.5.7.13.1. Projects Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for capital development projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

- 4.5.7.23.2. Projects Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) The institutional Board of Trustees must approve capital development projects funded through private sources or a combination of private sources and other non-state funds shall be approved by the institutional Board of Trustees before the president may submit the request to the Board of Regents for consideration. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.
- 3.3. Projects for which Legislative Revenue Bonding Authorization is Required: Institutions shall submit capital development projects requiring revenue bonding to the Board of Regents for approval as required by Regent Policy R590, *Issuance of Revenue Bonds for Higher Education*.
- 3.4. Requests to use Donated or Institutional Funds for Planning and Design: Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.
- 4.5.8 R702-4. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling A capital development project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the institution's programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc..
  - 4.1 Excess Space: If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.
  - 4.2 Non-Academic Space: In most cases, if the acquisition, construction or remodeling a capital development project that is not primarily for approved for academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.
  - (c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part.—If the institution requests to the Board of Regents to allow state-funded O & M, it shall include Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.
  - 4.5.8.1. 4.3 O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state

appropriated O & M funding, the institution's proposal must include arrangements as to explain how it will pay the ongoing O & M as defined by the State Building Board will be covered. When making arrangments for ongoing Institutions are to pursue O & M funding, institutions shall give first priority to in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

- 4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.
- 4.5.9. Leased Space: Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10-year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.

## 4.6. The Commissioner Is Authorized to:

**4.6.1.** Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

## 4.7. Institutional Boards of Trustees Are Authorized to:

- **4.7.1. Facilities Master Plans**: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.
- **4.7.2.** Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.
- 4.7.3. Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

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Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:

- construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;
- is inconsistent with the role assignment of the institution involved; or,
- is not in accord with previously approved institutional goals or objectives.
- **4.7.4. Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.
- 4.8. Institutional Presidents Are Authorized to:
  - **4.8.1.** Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.
  - **4.8.2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.
  - **4.8.3.** Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.
  - 4.8.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.



# R703, Acquisition of Real Property<sup>1</sup>

**R703-1. Purpose**: To provide guidelines and requirements for the acquisition of real property by institutions of higher education and to specify the approval process for various types of real property acquisitions.

## R703-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights Title and Control)
- **2. 2.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.3. Regent Policy R220, Delegation of Responsibilities to the President and Board of Trustees
- **2.4.** Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs
- **R703-3** Regent Review of Property Acquisitions: Except as provided by subsection 702-6, The Board of Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000
  - 3.1. Regent Approval Required for Property Purchased Outside of an Institution's Service Area: The Board of Regents shall review and consider for approval, regardless of term or purchase price, all institutional requests for real property acquisition that will include instructional space located outside of the service area designated by Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs.
- **R703-4.** Required Appraisal For acquisitions of property by purchase or exchange, institutions shall establish the fair market value based on an appraisal completed by a State of Utah licensed appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
- **R703-5. Property Acquisition Guidelines** When practicable, institutions shall use the following guidelines acquiring property, whether by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the circumstances of specific properties, some or all of these quidelines may not apply.
  - **5.1. Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
  - **5.2. Phase I Environmental Assessment or Greater** A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- **5.3. Code and Requirements Review** Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
- **5.4. Engineering Assessment** For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
- **5.5. Past Maintenance and Operational Expenses** Where possible, past maintenance and operational expense histories should be obtained.
- **5.6. Sites, Zoning, and Planning Information** This information should be obtained where applicable or when it is determined to be needed.
- **5.7. Land Survey** An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.
- **R703-6. Delegation of Authority to Approve the Acquisition of Real Property:** The State Board of Regents delegates the authority to acquire real property in the following limited circumstances:
  - **6.1. Acquisitions Adjacent to Campus:** Institutional Boards of Trustees may approve the acquisition of real property adjacent to campus with institutional funds if the property purchase price does not exceed \$500,000.
  - **6.2. Acquisitions Non-Adjacent to Campus:** Institutional Boards of Trustees may approve the acquisition of real property that is not adjacent to campus with institutional funds if the property is consistent with the approved campus master plan, the purchase price does not exceed \$100,000, and the space does not contain instructional space located outside of the service area designated by Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs.
  - **6.3. Options to Acquire Property:** Institutional Boards of Trustees may approve an option to acquire property if the option does not exceed \$25,000 of institutional funds.
  - **6.4.** Acquisitions with Endowment or Foundational Funds: Institutional Boards of Trustees may approve the acquisition of real property purchased with endowment funds or funds from independent foundations regardless of cost or location.
  - **6.5. Gifts of Real Property:** Institutional presidents may accept gifts of real property from donors, development initiatives, and fund raising in accordance with standards and procedures approved by the Boards of Trustees. The institution may sell the gifted property, hold it for future development or investment, or use it for any other institutional purpose.
  - **6.6. University of Utah Health Care System:** In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property acquisitions for the University of Utah Health Care System.
  - **6.7. Purchase Price Below Appraised Value:** All property acquisitions approved under this section must have a supporting appraisal and the purchase price may not exceed the appraised value.

- **6.8. No Request for Operation and Maintenance:** Institutions may not request operations and maintenance funding for property acquired under this section. If there is a need for operations and maintenance funds, the purchase must be approved through the Board of Regents.
- **6.9**. **Reporting of Property Acquisitions** Institutions shall report all property acquisitions or options approved under this section at the next regularly scheduled State Board of Regents meeting.



# R703, Acquisition of Real Property<sup>1</sup>

R703-1. Purpose: To provide guidelines and requirements for the acquisition of real property by institutions of higher education and to specify the approval process for various types of real property acquisitions.

# R703-2 References

- 2.1. Utah Code §53B 6 101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B 7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights Title and Control)
- 2.42. Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Policy and Procedures R720, Capital Facilities Master Planning
- 2.3. Regent Policy R220, Delegation of Responsibilities to the President and Board of Trustees
- **2.4.** Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs

# R703-3 Definitions Regent Review of Property Acquisitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. "Capital Development" -- Utah Code 63A-5-104(1)(a) defines a capital development as any:
  - remodeling, site, or utility projects with a total cost of \$2,500,000 or more;
  - new facility with a construction cost of \$500,000 or more; or,
  - purchase of real property where an appropriation is requested to fund the purchase.
    - **3.2.1.** "New Facility" means the construction of any new building on state property regardless of funding source, including
      - an addition to an existing building; and
      - the enclosure of space that was not previously fully enclosed.
    - 3.2.2. "New facility" does not include:

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.
- 3.3. "Capital Improvement" Utah Code 63A 5 104(1)(b) defines a capital improvement as any:
  - remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
  - site and utility improvement with a total cost of less than \$2,500,000; or
  - new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.
- 3.3.1. Submission of Capital Improvement Requests Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- 3.4. "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five year planning period.

#### R710-4 Policy

- 4.1. Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.
- **4.2. Purpose:** The purpose of these policies is to develop and maintain a well planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.
- 4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

- 4.4. Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.
- 4.5. The State Board of Regents Will:
  - 4.5.1. Programmatic Planning Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.
  - 4.5.2. Campus Facilities Master Plans—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.
  - 4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:
    - 4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization CDP.
    - 4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.
    - 4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.
    - 4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

## 4.5.4. Acquisition and Disposal of Real Property

4.5.4.1 Property Acquisitions Requiring Approval — Except as provided by 4.5.4.2 below subsection 702-6, The Boards of Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

- 3.1. Regent Approval Required for Property Purchased Outside of an Institution's Service Area: The Board of Regents shall review and consider for approval, regardless of term or purchase price, all institutional requests for real property acquisition that will include instructional space located outside of the service area designated by Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs.
- R703-4 4.5.4.1.1. Required Appraisal For acquisitions of property by purchase or exchange, institutions shall esblaish the fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
- R703-5 4.5.4.1.2. Property Acquisition Guidelines When practicable, institutions shall use the following guidelines will be utilized to the extent reasonably practicable for when reviewing and approval of real properties to be acquired by purchase acquiring property, whether by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of some or all of these guidelines in every case may not be achievable or required apply.
  - **4.5.4.1.2.1**5.1. **Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
  - 4.5.4.1.2.25.2. Phase I Environmental Assessment or Greater A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.
  - 4.5.4.1.2.35.3. Code and Requirements Review Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
  - 4.5.4.1.2.45.4. Engineering Assessment For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
  - 4.5.4.1.2.5 5.5. Past Maintenance and Operational Expenses Where possible, past maintenance and operational expense histories should be obtained.
  - 4.5.4.1.2.65.6. Sites, Zoning, and Planning Information This information should be obtained where applicable or when it is determined to be needed.
  - 4.5.4.1.2.7.5.7. Land Survey An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.
- <u>R703-6.</u> <u>Delegation of Authority to Approve the Acquisition of Real Property: The State Board of Regents delegates the authority to acquire real property in the following limited circumstances:</u>
  - 6.1. Acquisitions Adjacent to Campus: Institutional Boards of Trustees may approve the acquisition of real property adjacent to campus with institutional funds if the property purchase price does not exceed \$500,000.

- **6.2.** Acquisitions Non-Adjacent to Campus: Institutional Boards of Trustees may approve the acquisition of real property that is not adjacent to campus with institutional funds if the property is consistent with the approved campus master plan, the purchase price does not exceed \$100,000, and the space does not contain instructional space located outside of the service area designated by Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs.
- <u>6.3.</u> Options to Acquire Property: Institutional Boards of Trustees may approve an option to acquire property if the option does not exceed \$25,000 of institutional funds.
- 6.4. Acquisitions with Endowment or Foundational Funds: Institutional Boards of Trustees may approve the acquisition of real property purchased with endowment funds or funds from independent foundations regardless of cost or location.
- 6.5. Gifts of Real Property: Institutional presidents may accept gifts of real property from donors, development initiatives, and fund raising in accordance with standards and procedures approved by the Boards of Trustees. The institution may sell the gifted property, hold it for future development or investment, or use it for any other institutional purpose.
- 6.6. University of Utah Health Care System: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property acquisitions for the University of Utah Health Care System.
- 6.7. Purchase Price Below Appraised Value: All property acquisitions approved under this section must have a supporting appraisal and the purchase price may not exceed the appraised value.
- 6.8. No Request for Operation and Maintenance: Institutions may not request operations and maintenance funding for property acquired under this section. If there is a need for operations and maintenance funds, the purchase must be approved through the Board of Regents.
- <u>6.9. Reporting of Property Acquisitions Institutions shall report all property acquisitions or options approved under this section at the next regularly scheduled State Board of Regents meeting.</u>
  - **4.5.4.2. Property Acquisitions Adjacent to Campuses** The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:
    - **4.5.4.2.1.** Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.
    - **4.5.4.2.2.** Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU. Eastern.
    - **4.5.4.2.3.** All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value
    - **4.5.4.2.4.** Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.

- **4.5.4.2.5.** This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.
- **4.5.4.2.6.** Reporting of Property Acquisitions Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.
- 4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.
- **4.5.4.4. Disposal of Property** Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.
  - **4.5.4.4.1. Determination of Surplus Property**—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.
  - 4.5.4.4.2. Fair Market Value Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.
  - 4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:
    - 4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.
    - 4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:
      - a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);
      - b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders,

or the property comes from a donor with a sale or price already negotiated or in process with a buyer)

- **4.5.4.5.3.** Reporting of Property Disposals Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.
- 4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:
- 4.5.7. Projects Funded from Non-State Appropriated Funds—Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:
  - 4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.
  - 4.5.7.2. Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.
- 4.5.8. Operating and Maintenance (O & M) Costs on Non State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case by case basis.

- (b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.
- (c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.
- 4.5.8.1. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.
- 4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.
- 4.5.9. Leased Space: Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10 year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.
- 4.6. The Commissioner Is Authorized to:

**4.6.1.** Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

## 4.7. Institutional Boards of Trustees Are Authorized to:

- **4.7.1. Facilities Master Plans**: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.
- **4.7.2.** Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.
- 4.7.3. Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:

- construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;
- is inconsistent with the role assignment of the institution involved; or,
- is not in accord with previously approved institutional goals or objectives.
- **4.7.4. Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.

# 4.8. Institutional Presidents Are Authorized to:

- **4.8.1.** Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.
- **4.8.2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.
- **4.8.3.** Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.
- 4.8.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.



# R704, Disposal of Real Property<sup>1</sup>

**R704-1 Purpose**: To provide guidelines and requirements for institutions to dispose of real property and to establish the approval process.

# R710-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights Title and Control)
- **2.2.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.3. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees
- **R704-3 Disposal of Property:** Except as provided by subsections 703-6 and 703-7, institutions shall request and obtain Regents approval prior to disposing of real property.
- **R704-4. Determination of Surplus Property:** If the institution determines the real property does not serve its mission and is, therefore, surplus property, the property is eligible for sale or exchange on the open market.
- **R704-5.** Fair Market Value: Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed appraiser.
- R704-6. Delegation of Authority to Approve the Disposal of Donated or Gifted Real Property: The State Board of Regents delegates to the Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:
  - **6.1.** The disposal price cannot exceed \$500,000.
  - **6.2.** The property shall be sold at or above fair market value as determined by an appraisal unless the value of the property does not warrant the cost of the or the gifted property has preexisting conditions that affect the future sales price.
  - **6.3. Reporting of Property Disposals –** When an institution disposes of property under this policy, it shall report the transaction at the next regularly scheduled State Board of Regents' meeting.
- **R704-7. Delegation of Authority to Approve the Disposal of Minor Property Transactions:** The State Board of Regents delegates to the institutional Boards of Trustees the authority to approve the disposal of minor property transactions such as boundary adjustments, easements, and rights-of-way not exceeding \$50,000.
- R704-8. Delegation of Authority to the University of Utah Board of Trustees for University Health Care System Property Transactions: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property disposals and transactions for the University of Utah Health Care System.

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.



# R704, Disposal of Real Property<sup>1</sup>

R704-1 Purpose: To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities—To provide guidelines and requirements for institutions to dispose of real property and to establish the approval process.

#### R710-2 References

- 2.1. Utah Code \$53B-6-101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B 7 101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights Title and Control)
- 2.42. Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
- 2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Policy and Procedures R720, Capital Facilities Master Planning
- 2.3. Regents Policy R220, Delegation of Responsibilities to the President and Board of Trustees

### R710-3 Definitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. "Capital Development" Utah Code 63A 5 104(1)(a) defines a capital development as any:
  - remodeling, site, or utility projects with a total cost of \$2,500,000 or more;
  - new facility with a construction cost of \$500,000 or more; or,
  - purchase of real property where an appropriation is requested to fund the purchase.
    - **3.2.1.** "New Facility" means the construction of any new building on state property regardless of funding source, including
      - an addition to an existing building; and
      - the enclosure of space that was not previously fully enclosed.
    - 3.2.2. "New facility" does not include:

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.
- 3.3. "Capital Improvement" Utah Code 63A 5 104(1)(b) defines a capital improvement as any:
  - remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
  - site and utility improvement with a total cost of less than \$2,500,000; or
  - new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.
- 3.3.1. Submission of Capital Improvement Requests Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- 3.4. "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five year planning period.

## R710-4 Policy

- 4.1. Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.
- **4.2. Purpose:** The purpose of these policies is to develop and maintain a well planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.
- 4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

- **4.4.** Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.
- 4.5. The State Board of Regents Will:
  - **4.5.1. Programmatic Planning** Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.
  - **4.5.2. Campus Facilities Master Plans**—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.
  - 4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:
    - 4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization CDP.
    - 4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.
    - 4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.
    - 4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.
  - 4.5.4. Acquisition and Disposal of Real Property
    - 4.5.4.1 Property Acquisitions Requiring Approval —Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval—all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of

\$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

- **4.5.4.1.1.** Required Appraisal For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
- **4.5.4.1.2.** Guidelines The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.
  - **4.5.4.1.2.1. Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
  - 4.5.4.1.2.2. Phase I Environmental Assessment or Greater A
    Phase I or greater Environmental Assessment may be required by the
    Regents prior to purchase, exchange, or acceptance of a gifted property
    when there are questions about the possibility of environmental issues
    that would materially affect the use of the property.
  - **4.5.4.1.2.3.** Code and Requirements Review Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
  - 4.5.4.1.2.4. Engineering Assessment For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
  - **4.5.4.1.2.5. Past Maintenance and Operational Expenses** Where possible, past maintenance and operational expense histories should be obtained.
  - 4.5.4.1.2.6. Sites, Zoning, and Planning Information This information should be obtained where applicable or when it is determined to be needed.
  - 4.5.4.1.2.7. Land Survey An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.
- **4.5.4.2. Property Acquisitions Adjacent to Campuses -** The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property

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purchase transactions if a property purchase meets the above conditions with the following limitations:

- **4.5.4.2.1.** Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.
- **4.5.4.2.2.** Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU. Eastern.
- **4.5.4.2.3.** All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value
- **4.5.4.2.4.** Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.
- **4.5.4.2.5.** This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.
- **4.5.4.2.6.** Reporting of Property Acquisitions Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.
- 4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.
- 4.5.4.4. Disposal of Property: Except as provided by 4.5.4.4 below subsections 703-6 and 703-7, institutions shall request and obtain Regents approval prior to disposing of all disposal of real property by USHE institutions is subject to approval by the Regents.
- 4.5.4.4.1<u>R704-4</u>. Determination of Surplus Property If <u>the institution determines</u> the real property is <u>determined</u> to <u>does</u> not serve the institution's mission and is, therefore, surplus real property, the <u>property</u> is eligible for sale or exchange on the open market.
- 4.5.4.4.2R704-5. Fair Market Value Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.
- 4.5.4.5R704-6. Disposition of Donated or Gifted Property that is not Contiguous to Campuses Delegation of Authority to Approve the Disposal of Donated or Gifted Real Property: The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:

- 4.5.4.5.16.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.
- 4.5.4.5.26.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless: a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal); b) or the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer).
- 4.5.4.5.36.3. Reporting of Property Disposals When an Institution engaging in disposal disposes of property utilizing the above authority are required to, it shall report the disposal transaction at the next regularly scheduled State Board of Regents' meeting.
  - 4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:
  - 4.5.7. Projects Funded from Non-State Appropriated Funds—Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:
    - 4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.
    - 4.5.7.2. Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.
  - 4.5.8. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan

requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case by case basis.

- (b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.
- (c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.
- 4.5.8.1. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.
- 4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.
- **4.5.9.** Leased Space: Review and approve institutional requests for plans to lease capital facilities space with state-appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to

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space rentals for 10 year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off-campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.

#### 4.6. The Commissioner Is Authorized to:

**4.6.1.** Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

## 4.7. Institutional Boards of Trustees Are Authorized to:

- **4.7.1. Facilities Master Plans**: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.
- **4.7.2.** Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.
- 4.7.3. Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:

- construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;
- is inconsistent with the role assignment of the institution involved; or,
- is not in accord with previously approved institutional goals or objectives.
- **4.7.4. Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.

## 4.8. Institutional Presidents Are Authorized to:

**4.8.1.** Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.

- **4.8.2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.
- **4.8.3.** Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.
- 4.8.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.
- R704-7. Delegation of Authority to Approve the Disposal of Minor Property Transactions: The State Board of Regents delegates to the institutional Boards of Trustees the authority to approve the disposal of minor property transactions such as boundary adjustments, easements, and rights-of-way not exceeding \$50,000.

R704-8. Delegation of Authority to the University of Utah Board of Trustees for University Health Care System Property Transactions: In accordance with Regents Policy R220, Delegation of Responsibilities to the President and Board of Trustees, the University of Utah Board of Trustees may review and approve all property disposals and transactions for the University of Utah Health Care System.



**R705-1 Purpose**: To comply with statute requiring the Board of Regents to establish written policies governing leasing for higher education institutions and to provide procedures for the approval of new leased space and for the annual reporting of leased space to the Board of Regents.

#### R705-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights Title and Control)
- 2.2. Utah Code §63A-5-305 (Leasing by Higher Education Institutions)
- 2.4. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.5 Policy and Procedures R315, Service Area Designations and Coordination of Off-Campus Courses and Programs
- 2.6 Policy and Procedures R587, Contract or Lease-Purchase Financing
- **2.7.** Policy and Procedures R712, Nontraditional Arrangements for Development of Facilities on Campuses

**R705-3 Board Approval of Certain Leases**: The Board of Regents shall review significant lease terms and institutional requests to renew or enter into new leases of capital facilities space for programs of instruction, research, or service when contracts for leasing such facilities:

- 3.1 exceed \$250,000 per year regardless of funding source for the state research institutions (the University of Utah and Utah State University) or exceed \$100,000 per year regardless of the funding source for all other USHE institutions;
- 3.2 commit the institution to space rentals for 10-years duration;
- 3.3 lead to the establishment of regular state-supported daytime programs of instruction in leased space; or
- **3.4.** will include instructional space located outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs.*

**R705-4.** Leasing State-Owned Property to Outside Entities: The Board of Regents shall review and approve institutional requests to lease state-owned institutional property to non-institutional entities if the lease will exceed \$250,000 or extend for more than 10 years for a state research institution (the University of Utah and Utah State

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

University) or exceed \$100,000 per year or extend for more than 10 years for all other non-research USHE institutions.

- **4.1.** Approval of nontraditional arrangements for the use of institutional-owned facilities is subject to the provisions of Regent Policy R712, *Nontraditional Arrangements for Development of Facilities on Campuses.*
- **R705-5. Delegation of Authority to Boards of Trustees:** The Board of Regents delegates authority to the institutional Board of Trustees to approve:
  - 5.1 leases under \$250,000 of state-appropriated funds and less than 10-years in duration for a state research institution (the University of Utah and Utah State University);
  - 5.2 leases under \$100,000 of state-appropriated funds and less than 10-years in duration for all other non-research USHE institutions.
- R705-6. Delegation of Authority to the University of Utah Board of Trustees for University Health Care System Leases: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property leases for the University of Utah Health Care System.
- **R705-7. Annual Report to the Board of Regents:** The Commissioner shall report annually to the Board of Regents all space leased by the institutions in the System of Higher Education, including space leased for off-campus continuing education programs and space leased in research parks.
  - **6.1. Institution Lease Information**: In accordance with procedures and forms developed by the Commissioner's Office, institutions shall annually submit information for all space leased by the institution.
  - **6.2. Submission to the State Building Board:** After review by the Board of Regents, the Commissioner shall forward the report to the State Building Board for possible inclusion its comprehensive 5-year building plan.



R705-1 Purpose: To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities To comply with statute requiring the Board of Regents to establish written policies governing leasing for higher education institutions and to provide procedures for the approval of new leased space and for the annual reporting of leased space to the Board of Regents.

# R705-2 References

- 2.1. Utah Code §53B 6 101 (Master Plan for Higher Education Studies and Evaluations)
- 2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights Title and Control)
- 2.42. Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management) Utah Code §63A-5-305 (Leasing by Higher Education Institutions)
- 2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Policy and Procedures R720, Capital Facilities Master Planning
- 2.4. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.5 Policy and Procedures R315, Service Area Designations and Coordination of Off-Campus Courses and Programs
- 2.6 Policy and Procedures R587, Contract or Lease-Purchase Financing
- 2.7. Policy and Procedures R712, Nontraditional Arrangements for Development of Facilities on Campuses

#### R705-3 Definitions

- 3.1. "Capital Facilities" Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. "Capital Development" Utah Code 63A 5 104(1)(a) defines a capital development as any:
  - remodeling, site, or utility projects with a total cost of \$2,500,000 or more;
  - new facility with a construction cost of \$500,000 or more; or,
  - purchase of real property where an appropriation is requested to fund the purchase.

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<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- 3.2.1. "New Facility" means the construction of any new building on state property regardless of funding source, including
  - an addition to an existing building; and
  - the enclosure of space that was not previously fully enclosed.
- 3.2.2. "New facility" does not include:
  - the replacement of state owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
  - the construction of facilities that do not fully enclose a space.
- 3.3. "Capital Improvement" Utah Code 63A 5 104(1)(b) defines a capital improvement as any:
  - remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
  - site and utility improvement with a total cost of less than \$2,500,000; or
  - new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.
- 3.3.1. Submission of Capital Improvement Requests Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).
- 3.4. "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five year planning period.

#### R71005-3 Policy Board Approval of Certain Leases

- 4.1. Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.
- **4.2. Purpose:** The purpose of these policies is to develop and maintain a well planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional

campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.

- 4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.
- 4.4. Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.
- 4.5. The State Board of Regents Will:
  - **4.5.1. Programmatic Planning** Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.
  - **4.5.2. Campus Facilities Master Plans**Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.
  - 4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:
    - 4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization CDP.
    - 4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.
    - 4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.
    - 4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design Requests to the Building Board for approval to use donated or

institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

#### 4.5.4. Acquisition and Disposal of Real Property

- 4.5.4.1 Property Acquisitions Requiring Approval Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval—all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:
  - **4.5.4.1.1.** Required Appraisal For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.
  - 4.5.4.1.2. Guidelines The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.
    - **4.5.4.1.2.1. Proof of Clear Title** Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.
    - 4.5.4.1.2.2. Phase I Environmental Assessment or Greater A
      Phase I or greater Environmental Assessment may be required by the
      Regents prior to purchase, exchange, or acceptance of a gifted property
      when there are questions about the possibility of environmental issues
      that would materially affect the use of the property.
    - 4.5.4.1.2.3. Code and Requirements Review Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.
    - 4.5.4.1.2.4. Engineering Assessment For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.
    - **4.5.4.1.2.5. Past Maintenance and Operational Expenses** Where possible, past maintenance and operational expense histories should be obtained.

- 4.5.4.1.2.6. Situs, Zoning, and Planning Information—This information should be obtained where applicable or when it is determined to be needed.
- 4.5.4.1.2.7. Land Survey An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.
- **4.5.4.2.** Property Acquisitions Adjacent to Campuses The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:
  - **4.5.4.2.1.** Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.
  - **4.5.4.2.2.** Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU. Eastern.
  - **4.5.4.2.3.** All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value
  - **4.5.4.2.4.** Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.
  - **4.5.4.2.5.** This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.
  - **4.5.4.2.6.** Reporting of Property Acquisitions Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.
- 4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.
- **4.5.4.4. Disposal of Property** Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.
  - **4.5.4.4.1.** Determination of Surplus Property If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.

4.5.4.4.2. Fair Market Value — Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.

4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:

4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.

4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:

a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);

b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)

4.5.4.5.3. Reporting of Property Disposals — Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.

4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives — The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:

4.5.7. Projects Funded from Non-State Appropriated Funds — Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:

4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for projects funded in whole or in part from an adjustment in

student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

- 4.5.7.2. Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.
- 4.5.8. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case by case basis.
  - (b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.
  - (c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.
  - 4.5.8.1. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second , an institutional O &

M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

- 4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.
- 4.5.9. <u>Leased Space</u>: <u>The Board of Regents shall</u> review <u>significant lease terms</u> and <del>approve</del> institutional requests <u>for plans</u> to <u>renew or enter into new</u> leases <u>of</u> capital facilities space <u>with state appropriated funds</u> for programs of instruction, research, or service when contracts for leasing such facilities:
  - 3.1 (1) exceed \$250,000 per year regardless of funding source for the state research instutions (the University of Utah and Utah State University) or exceed \$100,000 per year regardless of the funding source for all other USHE institutions;
  - 3.2 (2) commit the institution to space rentals for more than 10-years duration or beyond;
  - 3.3 or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space; or
  - <u>3.4.</u> <u>will include instructional space located outside of the service area designated by Regent Policy</u> R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs.*

An annual report of all space leased by the institutions, including space leased for off-campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5 year building plan.

- 4.6. The Commissioner Is Authorized to:
  - **4.6.1.** Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.
- 4.7. Institutional Boards of Trustees Are Authorized to:
  - **4.7.1. Facilities Master Plans**: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.
  - **4.7.2.** Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.

4.7.3. Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:

- construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;
- is inconsistent with the role assignment of the institution involved; or,
- is not in accord with previously approved institutional goals or objectives.
- **4.7.4. Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.
- 4.8. Institutional Presidents Are Authorized to:
  - **4.8.1.** Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.
  - **4.8.2. Routine Repair and Maintenance**: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.
  - **4.8.3.** Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.
  - 4.8.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.
- R705-4. Leasing State-Owned Property to Outside Entities: The Board of Regents shall review and approve institutional requests to lease state-owned institutional property to non-institutional entities if the lease will exceed \$250,000 or extend for more than 10 years for a state research institution (the University of Utah and Utah State University) or exceed \$100,000 per year or extend for more than 10 years for all other non-research USHE institutions.
  - 4.1. Approval of nontraditional arrangements for the use of institutional-owned facilities is subject to the provisions of Regent Policy R712, *Nontraditional Arrangements for Development of Facilities on Campuses*.
- R705-5. Delegation of Authority to Boards of Trustees: The Board of Regents delegates authority to the institutional Board of Trustees to approve:
  - 5.1 leases under \$250,000 of state-appropriated funds and less than 10-years in duration for a state research institution (the University of Utah and Utah State University);

- <u>5.2</u> leases under \$100,000 of state-appropriated funds and less than 10-years in duration for all other non-research USHE institutions.
- R705-6. Delegation of Authority to the University of Utah Board of Trustees for University Health Care
  System Leases: In accordance with Regents Policy R220, Delegation of Responsibilities to the President and Board of Trustees, the University of Utah Board of Trustees may review and approve all property leases for the University of Utah Health Care System.
- R705-7. Annual Report to the Board of Regents: The Commissioner shall report annually to the Board of Regents all space leased by the institutions in the System of Higher Education, including space leased for off-campus continuing education programs and space leased in research parks.
  - <u>6.1. Institution Lease Information: In accordance with procedures and forms developed by the Commissioner's Office, institutions shall annually submit information for all space leased by the institution.</u>
  - 6.2. Submission to the State Building Board: After review by the Board of Regents, the Commissioner shall forward the report to the State Building Board for possible inclusion its comprehensive 5-year building plan.



# R706, Capital Facilities Master Planning<sup>1</sup>

**R706-1. Purpose**: To provide for comprehensive capital facilities master planning based on approved programmatic planning at the institutions.

#### R706-2. References

- **2.1.** Utah Code §53B-6-101 (Master Planning Board Establishes Criteria to Meet Capital Budgetary Needs)
  - **2.2.** Utah Code §53B-20-101 (Property of Institutions to Vest in State Board)
  - **2.3.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
  - **2.4.** Policy and Procedures R7<del>10</del>01, Capital Facilities
- **R706-3. Master Planning:** Institutions shall complete and keep current a comprehensive capital facilities master plan based on programmatic planning for new and existing facilities. Master plans should be realistic, achievable, and flexible.
  - **3.1.** Master plans shall emphasize renovation, replacement, and improvements to existing capital facilities before additions for new space unless otherwise justified.
  - **3.2.** Institutions shall be thorough and innovative in their allocation and reallocation of space within their existing physical assets, rather than relying on the addition of new space.
- **R706-4. Periodic Updates**: The master planning process is continuous and the higher education environment is dynamic; therefore, master plans must be constantly reviewed and updated periodically to reflect demonstrable changes in strategic direction, planning, and environment.
- **R706-4. Master Plan Approval:** At least biennially institutions shall submit capital facilities master plans to the Board of Regents for approval.
  - **4.1.** Prior to submission for Board approval, Institutional Boards of Trustees shall review and approval institutional campus facilities master plans.

<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975, amended July 19, 2013



# R706, Capital Facilities Master Planning<sup>1</sup>

**R720**706-1. **Purpose**: To provide for comprehensive capital facilities master planning based on approved programmatic planning at the institutions.

#### R<del>720</del>706-2. References

- **2.1.** Utah Code §53B-6-101 (Master Planning Board Establishes Criteria to Meet Capital Budgetary Needs)
  - **2.2.** Utah Code §53B-20-101 (Property of Institutions to Vest in State Board)
  - **2.3.** Utah Code Title 63A, Chapter 5 (State Building Board Division of Facilities Construction and Management)
  - **2.4.** Policy and Procedures R71001, Capital Facilities
- **R720**706-3. Master Planning: Institutions shall complete and keep current a comprehensive capital facilities master plan based on programmatic planning for new and existing facilities. Master plans should be realistic, achievable, and flexible.
  - **3.1.** Master plans shall emphasize renovation, replacement, and improvements to existing capital facilities before additions for new space unless otherwise justified.
  - **3.2.** Institutions shall be thorough and innovative in their allocation and reallocation of space within their existing physical assets, rather than relying on the addition of new space.
- **R720**706-4. **Periodic Updates**: The master planning process is continuous and the higher education environment is dynamic; therefore, master plans must be constantly reviewed and updated periodically to reflect demonstrable changes in strategic direction, planning, and environment.
- **R720**706-4. **Master Plan Approval:** At least biennially institutions shall submit capital facilities master plans to the Board of Regents for approval.
  - **4.1.** Prior to submission for Board approval, Institutional Boards of Trustees shall review and approval institutional campus facilities master plans.

<sup>&</sup>lt;sup>1</sup> Approved September 16, 1975, amended July 19, 2013



# State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Utah Valley University – Campus Master Plan Approval

Issue

Utah Valley University (UVU) requests that the Board review and approve its updated Campus Master Plan.

# **Background**

Regent policy R710, *Capital Facilities*, requires that Regents review and approve institutional campus master plans on a biennial basis. The UVU Campus Master Plan was last approved on November 14, 2014.

A letter from UVU and maps depicting updates to the Master Plan are attached. University officials will attend the meeting to present this agenda item and to respond to questions from the Board.

# Commissioner's Recommendation

The Commissioner recommends that the Board approve the Utah Valley University Campus Master Plan.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA Attachments



















# UTAH VALLEY UNIVERSITY

VICE PRESIDENT for FINANCE & ADMINISTRATION

October 27, 2016

David Buhler Commissioner, Utah System Higher Education Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284

Dear Commissioner Buhler,

We are asking the Board of Regents to approve the Utah Valley University master plan for 2016-2021. The University has gone through an extensive master planning process for the past two years. The University engaged EDA Architects to guide the University in this planning process. This major project was necessitated by the acquisition of 225 acres in Vineyard.

The University began the planning process and quickly realized the master planning needed to be linked to the University's academic plan and the University's strategic plan. The University updated both of these plans and utilized the data to create the master plan.

The University has engaged a wide number of stakeholders to receive their feedback and observations about the master plan. This iterative process has engaged faculty, staff, students, faculty senate, professional and classified employee association (PACE), student government, President's Executive Leadership Council, President's Council, The Utah Valley Board of Trustees, community neighborhood chairs and community members, Utah County mayors and city councils, Utah County Commissioners, legislators, UTA, Mountainland Association of Government in formal and informal settings. These conversations and input have shaped the discussion and creation of the master plan. The final weeks of the project we worked extensively with a master plan subcommittee to generate the final plan before engaging the stakeholders for final comments.

The master plan is broken into four phases:

Phase I -1-5 years

Phase II - 5-10 years

Phase III -10-15 years

Phase IV - 40 years and beyond

This masterplan creates a road map and direction for the development of the physical infrastructure of Utah Valley University. If you have any questions, please feel to contact me at (801)863-8424 or e-mail at petersva@uvu.edu.

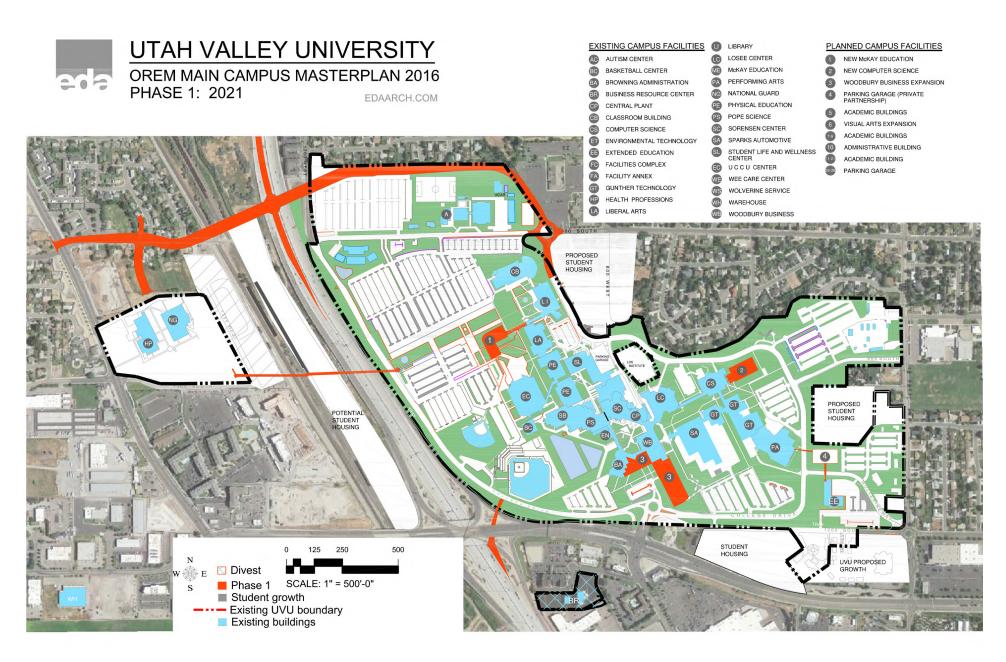
Sincerely,

Val L. Peterson

Vice President for Finance and Administration

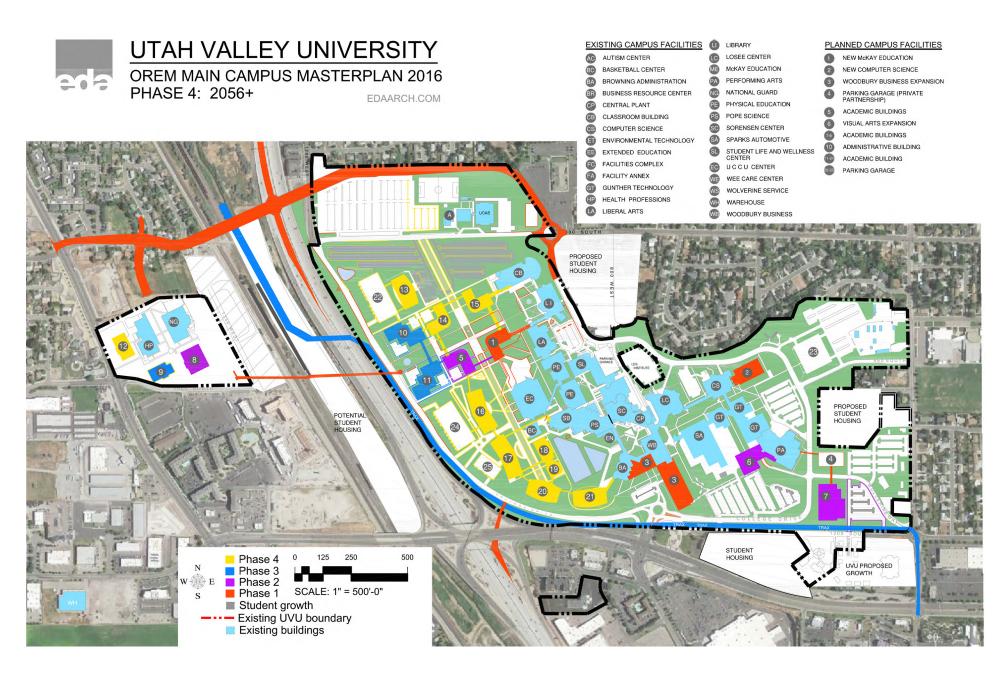
# Orem Campus: Phase 1





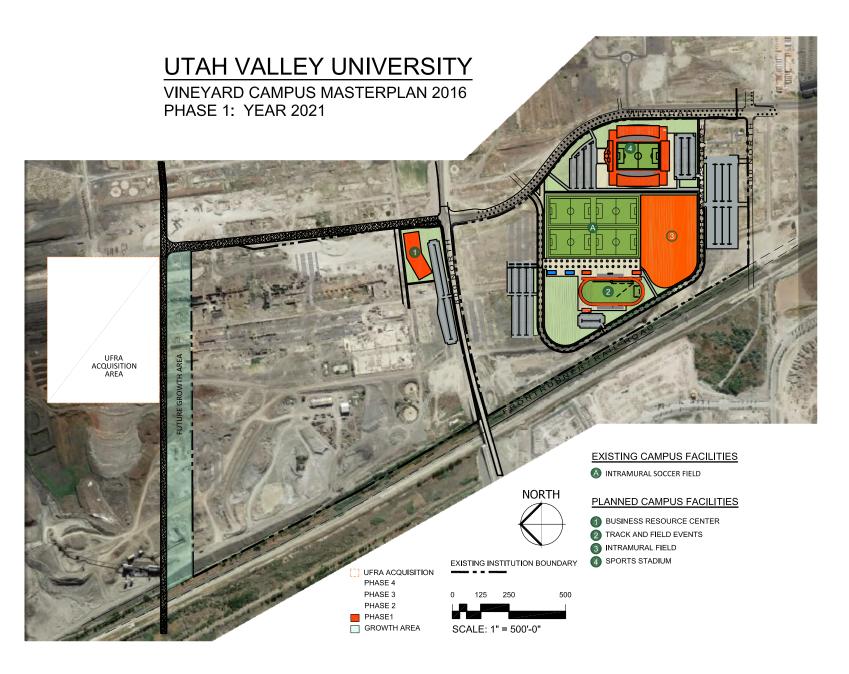
# Orem Campus: Phase 4





# Vineyard Campus: Phase 1







#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>Utah State University – Investment Policy and Guidelines</u>

#### Issue

Regent policy R541, *Management of Reporting of Institutional Investments* section 5 requires any subsequent changes in investment policies, procedure, or guidelines be submitted to the Regents' as approved by the institutional Board of Trustees. Utah State University (USU) requests Regents' approval of these changes as described in the attached memo, investment policy, and guidelines.

# Background

All Utah System of Higher Education investment policies, procedures, or guidelines must comply with the State Money Management Act, Title 51, Chapter 7; Rules of the State Money Management Council; Uniform Prudent Management Institutional Funds Act (UPMIFA), Title 51; and Utah State Board of Regents Policy R541 Management and Reporting of Institutional Investments.

With the assistance of the University's investment advisors, both policy and guidelines were re-written to consolidate investment information, authorize investment fiduciaries, delineate investment pools (cash management, endowment, and defensive return), revise Advisory Committee membership, and clarify reporting and conflict of interest requirements. All revisions were approved by USU's Board of Trustees on October 21, 2016.

The Commissioners staff has reviewed USU's policy and guideline changes, and verified they are appropriate and in compliance with all requirements.

# Commissioner's Recommendation

The Commissioner recommends that the Regents approve the revisions to the Utah State University Investment Policy and Guidelines.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS Attachments



















October 19, 2016

Commissioner David L. Buhler
Utah State Board of Regents
Board of Regents Building The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Subject: Utah State University Investment Policy and Guidelines

Dear Commissioner Buhler:

Utah State University (USU) desires approval of the attached re-written Investment Policy and Investment Guidelines. Revisions of the policy were made with the assistance of the University's investment advisers and comply with the Board of Regents Policy R-541 Management and Reporting of Institutional Investments. The Board of Trustees approved the re-written policy on October 21, 2016.

Following are key highlights of the re-written policy:

- 1. The revised Investment Policy and Investment Guidelines comply with Utah State Board of Regents Policy R-541 Management and Reporting of Institutional Investments; State Money Management Act, Title 51, Chapter 7; Rules of the State Money Management Council; Uniform Prudent Management of Institutional Funds Act (UPMIFA), Title 51, Chapter 8; and Utah State University Policy 307 Conflicts of Interest.
- 2. The Investment Policy has been consolidated to include high level investment information including authorized investment fiduciaries, delineation of investment pools, Investment Advisory Committee membership, and reporting & conflict of interest requirements.
- Separate Investment Guidelines were developed to clearly define investment objectives of individual investment pools. The Investment Policy references each of the Investment Guidelines for the investment pools including the Cash Management Investment Pool, Endowment Pool, and Defensive Return Pool.
- 4. The allowable advancement fee has been reduced from 2 percent to 1½ percent for funds invested in the Endowment Pool.

1445 Old Main Hill Logan, UT 84322-1445 Ph: (435) 797-1146 Fax: (435) 797-0710 www.usu.edu/vpbus

We appreciate your support and ask that you present this item to the Board of Regents during the November 18, 2016 meeting.

Sincerely,

David T. Cowley Vice President for

**Business and Finance** 

C: Kimberly Henrie, Associate Commissioner for Finance & Facilities Rich Amon, Assistant Commissioner for Business Operations Stan Albrecht, President



# **POLICY MANUAL**

# OPERATING POLICIES AND PROCEDURES

Number 517

**Subject: Investment Policy** 

Effective Date: November 18, 2016

Date of Last Revision: October 26, 2006, February 19, 2014, November 18, 2016

#### **517.1 PURPOSE**

To provide for the implementation of and compliance with the State Money Management Act (MMA), the Rules of the State Money Management Council, the Uniform Prudent Management of Institutional Funds Act (UPMIFA), and the Utah State Board of Regents Policy R541, Management and Reporting of Institutional Investments wherein:

- A. Institutional Funds are governed by UPMIFA.
- B. Operating Funds are governed by the State Money Management Act.

#### **517.2 REFERENCES**

- Utah State Board of Regents Policy R-541 Management and Reporting of Institutional Investments.
- State Money Management Act, Title 51, Chapter 7.
- Rules of the State Money Management Council.
- Uniform Prudent Management of Institutional Funds Act (UPMIFA), Title 51, Chapter 8.
- Utah State University Policy 307 Conflicts of Interest.

# **517.3 DEFINITIONS**

A. Institutional Fund

- a. Means a fund that is primarily for appreciation or the production of income, and intended to be held in perpetuity.
- b. Institutional Funds do not include: program-related assets which are assets held to accomplish the purpose of the institution and not primarily for appreciation or the production of income.

# B. Operating Funds

- a. Funds not primarily for appreciation or the production of income.
- b. Money used for the operation of a higher education institution that is received from state appropriations, government contracts and grants, or tuition and fees collected from students.

#### C. Public Treasurer

a. Utah State University official or designee who has the responsibility for the safekeeping and investment of public funds.

#### **517.4 POLICY**

# 4.1 Authority to Manage and Invest Funds

The President of the University shall recommend for authorization by the Board of Trustees, employees of the University to serve as Public Treasurers or designee (as defined by the State Money Management Act).

Authority to manage, engage in, and approve investments are authorized as follows:

Responsibility	Cash Management	Defensive Return	<b>Endowment Pool</b>
	Investment Pool	Pool (DRP)	(EP)
	(CMIP)		
Manage and Engage	Manager Treasury	Associate Vice	External Investment
in Investments	Services	President for Business	Managers
		and Finance	
Oversight	Vice President for	DRP Investment	EP Investment
	Business and Finance	Advisory Committee	Advisory Committee
			with assistance from
			Investment Advisor
Primary Approval	Vice President or	Vice President	Vice President
	designee		
2 <sup>nd</sup> Level Approval	President or designee	President or designee	President or designee

A Notification of Investment Form will be completed to signify ratifying approval of investment purchases.

No person may engage in an investment transaction on behalf of Utah State University except as provided under the terms of this policy.

# 4.2 Investment Pools or Portfolios

- A. Similar funds may be commingled for investment and/or reporting purposes unless specifically prohibited by statute, donor stipulation, or bond covenant.
- B. Investment pools or portfolios may be established to:
  - a. Ensure compliance with the appropriate specific provisions of the State Money Management Act and Rules of the State Money Management Council, Uniform Prudent Management of Institutional Funds Act, or Board of Regents Policy R541, Management and Reporting of Institutional Investments, under which the investment pool or portfolio will be governed.
  - b. Ensure compliance with written donor directives relating to gifts, devise, or bequests (see 4.3 Donated Securities).
  - c. Ensure compliance with any legal restrictions, such as bond covenants or trust agreements.
  - d. Meet investment objectives as outlined in the Cash Management Investment Pool Guidelines, Defensive Return Pool Investment Guidelines, or the Endowment Pool Investment Guidelines to help provide funding for the various operating or educational needs within the University.
- C. Certain funds or securities may be separately invested, rather than commingled in an investment pool, if one or more of the following conditions exist:
  - a. A donor has provided written directions as to the investment of, or that restricts the sale of, their donation in that it makes it impractical to commingle with other securities or funds in other investment pools.
  - b. The Vice President for Business and Finance approves such an investment, as long as such an investment is in accordance with the appropriate governing regulations.

# 4.3 Donated Securities

- A. Securities received by gift, devise or bequest, whether outright or in trust, shall be sold as soon as practical in accordance with the Rules of the Money Management Council, and Utah State Board of Regents Policy R541, Management and Reporting of Institutional Investments unless:
  - a. Restrictions specified by the donor through a written instrument contain directions as to the investment thereof. The funds embodied within the gift shall be invested in accordance with those directions, therein. The University will periodically review donor's written directions to determine if any donated securities being held can be sold or if they should be written off if the value is deemed immaterial.
  - b. Such securities are restricted from sale because they are not registered with the Securities and Exchange Commission and/or lack a written instrument as per the intentions of the donor. In such cases, they may be retained as a qualified investment. When the terms of the restrictions are no longer applicable, the securities shall be sold or written off in accordance with this section.

B. Holding such securities as noted above are deemed to be in compliance with the Rules of the State Money Management Council, and Utah State Board of Regents Policy R541, Management and Reporting of Institutional Investments.

# 517.5 INVESTMENT ADVISORY COMMITTEES

The Investment Advisory Committees of the Endowment Pool and Defensive Return Pool shall include not more than two members of the Board of Trustees and no less than two independent investment management professionals.

Non-University committee members shall be invited to serve a five-year term and may be invited to serve a second five-year term.

# 517.6 REPORTING, AUDIT, & CONFLICT OF INTEREST REQUIREMENTS

Investment reports, audit, and conflict of interest requirements are in accordance with Utah State Board of Regents Policy R541, Management and Reporting of Institutional Investments.

# Utah State University Cash Management Investment Pool Investment Guidelines

# I. Purpose

The purpose of this document is to set forth the objectives and guidelines of the Utah State University Cash Management Investment Pool (CMIP). The CMIP is for the investment of Operating Funds and is to meet the short-term operating and capital needs of the University.

#### II. Definitions

- a. Operating Funds
- Funds not primarily for appreciation or the production of income.
- Money used for the operation of a higher education institution that is received by the higher education institution from state appropriations, government contracts and grants, or tuition and fees collected from students.

# III. Investment Objectives

The primary investment objectives of the Cash Management Investment Pool are:

- a. Safety of principal
- b. Maintenance of liquidity
- c. Generate optimal earned income for short-term needs

#### **IV.** Investment Guidelines

- a. Governing Regulations
- The Pool shall be invested to comply with the State of Utah Money Management Act, the Rules of the State Money Management Council.
- b. Eligible Investments
- Funds shall only be invested in authorized investments in accordance with the State of Utah Money Management Act, Section 51-7-11, "Authorized deposits or investments of Public Funds".

### V. References

- a. Utah Code Title 51, Chapter 7, (State Money Management Act)
- b. Utah Administrative Code Title R628 (Rules of the State Money Management Council)
- c. Utah State Board of Regents Policy R541 Management and Reporting of Institutional Investments

# Utah State University Defensive Return Pool Investment Guidelines

# I. Purpose

The purpose of this document is to set forth the objectives and guidelines of the Utah State University Defensive Return Pool for the implementation of investment strategy.

#### II. Definitions

#### a. Institutional Fund

- Means a fund that is primarily for appreciation or the production of income, and intended to be held in perpetuity.
- Institutional Funds do not include: program-related assets which are assets held to accomplish the purpose of the institution and not primarily for appreciation or the production of income.

# b. Internally Designated Funds Functioning as Endowments

• Funds, regardless of source, whose corpus is intended to be held in perpetuity by internal designation.

# **III.** Investment Objectives

The primary investment strategy of the Defensive Return Pool is designed to provide stable current income regardless of interest rate fluctuations.

#### a. Risk Considerations

- i. To accept the minimum level of risk required to achieve the Defensive Return Pool's return objective as stated below.
- ii. To minimize the likelihood of experiencing lower than expected returns.
- iii. To remain defensive by avoiding the risk of common equity markets.
- iv. To use diversification, where possible, to minimize exposure to company and industry specific risks in the aggregate investment portfolio.

#### b. Return Objectives

- i. To achieve the highest reasonably prudent annual income.
- ii. Over a ten-year period, out-perform the average annual return of the CMIP by a minimum of 2%.

#### IV. Investment Constraints

# a. Legal and Regulatory

The Defensive Return Pool Investment Advisory Committee intends to manage the assets of the Defensive Return Pool in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

#### b. Time Horizon

The assets of the Defensive Return Pool will be invested with a long-term time horizon consistent with the long-term mission of Utah State University.

# c. Liquidity

Given Utah State University's long-term horizon, liquidity for the purpose of spending will be a moderate concern. The Investment Advisory Committee will regularly monitor liquidity needs, spending projections, and the impact of changes in regulations or other circumstances.

#### d. Tax Considerations

Utah State University is a tax-exempt entity. Therefore, investments and strategies will be evaluated only on the basis of expected risks and potential returns.

#### V. Risk and Return Considerations

The Defensive Return Pool Investment Advisory Committee recognizes the risks associated with investing in common public equity markets and will avoid investing in such markets. Since the majority of the portfolio will be invested in fixed income or fixed income-like investments, senior debt selected for investment at the time of purchase will have an upper medium grade rating or better. Subordinated debt, hybrid bonds, and preferred equity will have an investment grade rating. All ratings must be from a Nationally Recognized Statistical Rating Organization. If two or more credit ratings are available, then at least two ratings must be as stated above. If a security is downgraded below the minimum threshold after the time of purchase, the Defensive Return Pool Investment Advisory Committee shall retain discretion to either hold or sell the investment prior to maturity.

#### VI. Diversification

The Defensive Return Pool Investment Advisory Committee recognizes that an important element of risk control is diversification. Therefore, investments will be allocated across multiple companies and industries and across many individual holdings.

#### VII. Asset Allocation

The Defensive Return Pool Investment Advisory Committee recognizes that the allocation of monies to certain asset classes will be the major determinant of the Defensive Return Pool's return and risk experience over time. Therefore, the Defensive Return Pool Investment Advisory Committee will allocate investments across certain asset classes that, based on historical and expected returns and risks, provide the highest likelihood of meeting the Defensive Return Pool's investment objectives.

#### a. Permissible Asset Classes

Assets in the Defensive Return Pool will be invested primarily in fixed income, fixed income-like, and alternative investments. Because investment in any particular asset class may or may not be consistent with the investment objectives of the Defensive Return Pool, the Defensive Return Pool Investment Advisory Committee has specifically indicated in Appendix A those asset classes that may be utilized when investing Defensive Return Pool assets.

# b. Long-Term Target Allocations

Based on the investment objectives and constraints of the Defensive Return Pool, and on the expected behavior of the permissible asset classes, the Defensive Return Pool Investment Advisory Committee will specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the Defensive Return Pool's overall market value, surrounded by a band of permissible variation resulting from market forces.

The long-term target allocations are intended as strategic goals, not short-term imperatives. Thus, it is permissible for the overall Defensive Return Pool's asset allocation to deviate from the long-term target, as would likely occur during asset class restructurings, and other temporary changes in the Defensive Return Pool.

#### c. Rebalancing

The specific plan for rebalancing will identify those assets that can be shifted at the lowest possible risk and cost, if the rebalancing cannot be accomplished solely by allocating contributions and withdrawals.

### VIII. Review of Investment Policy, Asset Allocation, and Performance

The Investment Policy will be reviewed at least annually by the Defensive Return Pool Investment Advisory Committee to ensure that the objectives and constraints remain relevant. However, the Defensive Return Pool Investment Advisory Committee recognizes the need for a stable long-term policy for the Defensive Return

Pool, and major changes to this policy will be made only when significant developments occur.

The Investment Advisory Committee will specifically evaluate the performance of the Defensive Return Pool relative to its objectives and to the returns available from the capital markets during the period under review.

# **IX.** Investment Costs

The Investment Advisory Committee intends to monitor and control investment costs.

# X. References

- a. Uniform Prudent Management of Institutional Funds Act (UPMIFA), Title 51, Chapter 8, Utah Code Annotated 2007.
- b. Utah State Board of Regents Management and Reporting of Institutional Investments Policy (R541)

# APPENDIX A

# PERMISSIBLE ASSET CLASSES

Asset Class	<b>Broad Asset Class</b>	
Preferred Stock	Global Equity	
Bonds and Notes	Fixed Income	
TIPS	Inv. Grade Fixed Income	
Cash/Short Duration Bonds	Inv. Grade Fixed Income	
Private Equity	Alternative Asset	
Real Estate	Alternative Asset	
Natural Resources	Alternative Asset	
Infrastructure	Alternative Asset	
Commodities	Alternative Asset	
Hedge Funds	Alternative Asset	

# Utah State University Endowment Pool Investment Guidelines

# I. Purpose

The purpose of this document is to set forth the guidelines, goals, and objectives of the Utah State University Endowment Pool for the implementation of investment strategy.

The Endowment Pool is intended to provide financial stability and permanent funding for current and future mission based initiatives. Investment guidelines are crucial to the long-term success of the Endowment Pool. As such, these guidelines are developed with the following goals in mind:

- To clearly and explicitly establish the objectives and constraints that govern the investment of Endowment Pool assets;
- To establish a long-term target asset allocation that has a high likelihood of meeting investment objectives given the explicit constraints.

#### II. Definitions

#### a. Institutional Fund

- A fund that is primarily for appreciation or the production of income, and intended to be held in perpetuity.
- Institutional Funds do not include: program-related assets which are assets held to accomplish the purpose of the institution and not primarily for appreciation or the production of income.

#### **b.** True Endowment

 A true endowment is defined as an endowment in which the donor stipulates that the corpus must be held inviolate and in perpetuity and invested to generate income to be spent for a specific purpose.

#### c. Internally Designated Funds Functioning as Endowments

o Funds, regardless of source, whose corpus is intended to be held in perpetuity by internal designation.

# **III.** Investment Objectives

The investment strategy of the Endowment Pool is designed to ensure the prudent investment of funds in such a manner as to provide real growth of assets over time while protecting the value of the assets from undue volatility or risk of loss.

#### a. Risk Objectives

i. To accept a level of risk as required to achieve the Endowment Pool's return objective as stated below.

- ii. To structure the portfolio to have a low likelihood of experiencing a loss over any five-year period.
- iii. To use extensive diversification to reduce exposure to company and industry specific risks within the aggregate investment portfolio.
- iv. To the extent possible, reduce the annual volatility in the asset base that supports the level of spending.

# b. Return Objectives

- i. In a manner consistent with the goals stated in Section I above, to achieve the highest, reasonably prudent real return possible.
- ii. To protect the corpus of assets in real (i.e., inflation adjusted) terms. Specifically, to achieve an average annual net-of-fee return no less than the sum of the spending rate (outlined in Section V), annual operating expenses, and the annual rate of inflation.

# **IV.** Investment Constraints

# a. Legal and Regulatory

The Investment Advisory Committee intends to manage the assets of Utah State University at all times in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

# b. Time Horizon

The assets of the Endowment Pool will be invested with a long-term time horizon, generally twenty years or more, consistent with the long-term mission of Utah State University.

# c. Liquidity

Given Utah State University's long-term horizon, liquidity for the purpose of spending will be a moderate concern. The Investment Advisory Committee will regularly monitor liquidity needs, spending projections, and the impact of changes in regulations or other circumstances.

#### d. Tax Considerations

Utah State University is a tax-exempt entity. Therefore, investments and strategies will be evaluated only on the basis of expected risks and potential returns.

# V. Spending Policy

For True Endowments, Utah State University aims to withdraw, for the spendable purpose(s) described in the gift agreement, no more than 5% of the average Endowment Pool market value for the preceding three fiscal years. In order to ensure a stable and predictable level of spending from year-to-year, fluctuations in annual investment returns will be "smoothed" by using a 12-quarter moving average of the Endowment Pool's market value for the three preceding fiscal years.

The University may withdraw an advancement fee from the Endowment Pool for the purpose of supporting on-going Advancement efforts. This fee will be based upon a budget approved by the President and will not exceed 1½ percent of the 12-quarter moving average of the portfolio fair market value for the three preceding fiscal years, with a budget lead time of one year.

Within these constraints, the Investment Advisory Committee recognizes that the amount withdrawn from the Endowment Pool for disbursements should be reviewed on an annual basis.

#### VI. Risk and Return Considerations

The Investment Advisory Committee recognizes the risks associated with investing in the capital markets (market risks), and will reduce wherever possible those risks for which Utah State University is unlikely to be compensated (non market or diversifiable risks).

# VII. Diversification

The Investment Advisory Committee recognizes that an important element of risk control is diversification. Therefore, investments will be allocated across multiple asset classes, chosen in part for their low correlation of returns. Within each asset class, the Investment Advisory Committee will seek to distribute investments across many individual holdings, thus expecting to further reduce volatility.

#### VIII. Asset Allocation

The Investment Advisory Committee recognizes that the allocation of monies to various asset classes will be the major determinant of the Endowment Pool's return and risk experience over time. Therefore, the Investment Advisory Committee will allocate investments across those asset classes that, based on historical and expected returns and risks, provide the highest likelihood of meeting the Endowment Pool's investment objectives.

#### a. Permissible Asset Classes

Because an investment in any particular asset class may or may not be consistent with the investment objectives of the Endowment Pool, the Investment Advisory Committee has specifically indicated in Appendix A those asset classes that may be utilized when investing Endowment Pool assets.

# b. Long-Term Target Allocations

Based on the investment objectives and constraints of the Endowment Pool, and on the expected behavior of the permissible asset classes, the Investment Advisory Committee will work with the Investment Advisor to specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the Endowment Pool's overall market value, surrounded by a band of permissible variation resulting from market forces.

The long-term target allocations are intended as strategic goals, not short-term imperatives. Thus, it is permissible for the overall Endowment Pool's asset allocation to deviate from the long-term target, as would likely occur during manager transitions, asset class restructurings, and other temporary changes in the Endowment Pool. Deviations from targets that occur due to capital market changes are discussed below.

Broad asset allocation targets are indicated in Appendix B.

# c. Rebalancing

In general, cash flows to and from the Endowment Pool will be allocated in such a manner as to move each asset class toward its target allocation.

The Investment Advisory Committee recognizes that, periodically, market forces may move the Endowment Pool's allocations outside the target ranges. The Investment Advisory Committee also recognizes that failing to rebalance the allocations could unintentionally change the Endowment Pool's structure and risk posture. However, the Investment Advisory Committee understands that constant rebalancing could result in a significant increase in explicit and implicit trading costs to the Endowment Pool. Consequently, the process of rebalancing allocations will occur periodically.

On at least an annual basis, if any allocation is outside the specified target range, assets will be shifted to return the strategy to the target range. The specific plan for rebalancing will identify those assets that can be shifted, recognizing possible risks and costs, if the rebalancing cannot be accomplished solely by allocating contributions and withdrawals.

# IX. Review of Investment Policy, Asset Allocation, and Performance

The Investment Policy will be reviewed at least annually by the Investment Advisory Committee to ensure that the objectives and constraints remain relevant. However, the Investment Advisory Committee recognizes the need for a stable long-term policy for the Endowment Pool, and major changes to this policy will be made only when significant developments occur.

The Investment Advisory Committee will specifically evaluate the performance of the Endowment Pool relative to its objectives and to the returns available from the capital markets during the period under review. In general, the Investment Advisory Committee will utilize relative, rather than absolute, benchmarks in evaluating performance.

# X. Investment Costs

The Investment Advisory Committee intends to monitor and control investment costs.

# XI. Investment Manager and Advisor Performance

The Investment Advisory Committee shall recommend to the Public Treasurer the engagement, termination, or continuation of external managers and investment advisor. Primary review of external manager performance will be the responsibility of the investment advisor. Primary review of investment advisor performance will be the responsibility of the Investment Advisory Committee.

#### XII. References

- Uniform Prudent Management of Institutional Funds Act (UPMIFA), Title 51, Chapter 8.
- Utah State Board of Regents Policy R-541, Management and Reporting of Institutional Investment.

# APPENDIX A

# PERMISSIBLE ASSET CLASSES

Asset Class	<b>Broad Asset Class</b>	
Public Domestic Equity	Global Equity	
Public Foreign Equity	Global Equity	
Emerging Market Equity	Global Equity	
Investment Grade Bonds	Inv. Grade Fixed Income	
TIPS	Inv. Grade Fixed Income	
Cash/Short Duration Bonds	Inv. Grade Fixed Income	
High Yield Bonds	Opportunistic Fixed Income	
Bank Loans	Opportunistic Fixed Income	
Emerging Markets Debt	Opportunistic Fixed Income	
Private Equity	Alternative Asset	
Real Estate	Alternative Asset	
Natural Resources	Alternative Asset	
Infrastructure	Alternative Asset	
Commodities	Alternative Asset	
Hedge Funds	Alternative Asset	

APPENDIX B

BROAD ASSET ALLOCATION TARGETS

	Target (%)	Range (%)
Global Equity	45	35-55
Investment Grade Fixed Income	15	10-20
Opportunistic Fixed Income	15	10-20
Alternative Assets	25	10-30



# **POLICY MANUAL**

#### OPERATING POLICIES AND PROCEDURES

Number 517

Subject: Investment Policies Effective Date: October 26, 2006

Date of Last Revision: February 19, 2014

# UTAH STATE UNIVERSITY INVESTMENT POLICIES

#### **517.1 PURPOSE**

To establish University policies and procedures related to the investment of public funds and gifts and the reporting of such investments in accordance with applicable statutes or rules.

#### **517.2 REFERENCES**

- A. Utah State Board of Regents Investment Policy R-541.
- B. State Money Management Act, Section 51, Chapter 7.
- C. Rules of the State Money Management Council.
- D. Uniform Prudent Management of Institutional Funds Act (UPMIFA), Section 51, Chapter 08.
- E. Utah State University Conflicts of Interest Policy (Policy 307).
- F. Utah State University Investment Guidelines and Investment Groupings.

#### **517.3 DEFINITIONS**

#### 3.1 State Money

Monies from legislative appropriations for the support and operation of the University.

#### 3.2 Public Funds

State money and all other funds, regardless of source, which are owned, held, or administered by the University.

#### 3.3 Donated Funds

Funds acquired by the University by gift, devise or bequest.

#### 3.4 Public Treasurer

A Utah State University employee who has been designated by the Board of Trustees as the University's Public Treasurer as defined in the State Money Management Act and who has the responsibility for the safekeeping and investment of public funds.

#### 3.5 Investments

As used in this policy, "investments" refers to all funds held by the University under provisions of the State Money Management Act or UPMIFA.

#### **517.4 GENERAL PROVISIONS**

The investment of public funds by the University shall comply with applicable statutory provisions, including the State Money Management Act, the rules of the State Money Management Council, the Uniform Prudent Management of Institutional Funds Act, and with policies of the State Board of Regents and the Board of Trustees.

The President of the University shall recommend for appointment by the Board of Trustees, an employee of the University to serve as the University's Public Treasurer and employees to serve as the Treasurer's designees. These nominees shall possess demonstrated skills and capabilities in the management of institutional cash and investments.

All gifts of securities shall be sold as soon as is prudent and proceeds of the sale shall be deposited into the University account for which the gift is intended unless otherwise directed by donors.

#### 4.1 Investment Objectives

The University shall manage its cash flow in a manner that will maximize cash available for investment. Available funds shall be invested in accordance with the following objectives:

- (1) Protection and safety of the principal.
- (2) Liquidity and term of investment which will provide funds for anticipated expenditures in a timely manner.
- (3) Investment of funds recognizing the needs of both operating accounts and endowed funds.

- (4) Conform to state law, pertinent bond resolutions or indentures, or other pertinent legal restrictions.
- (5) Maximize the rate of return consistent with the foregoing objectives.

#### 4.2 Investments Administered on an Individual Basis

- (1) The following types of funds and investments shall be administered on an individual basis in accordance with their terms, restrictions, and/or governing policies.
  - (a) Funds held in trust by others, the income of which alone accrues to the University.
  - (b) Investments of the State Land Board and any other state agencies administered on behalf of the University.
  - (c) Investments of funds restricted by donor agreements.
  - (d) Bond reserve investments in compliance with bond agreements.
  - (e) Funds approved for individual investment by the Investment Advisory Committee.

#### 4.3 Delegation of Responsibility

- (1) Board of Trustees
  - (a) The State Board of Regents has delegated to each institutional Board of Trustees, full responsibility to manage and report institutional investments in compliance with Regents Policy R-541.
  - (b) The Board of Trustees shall adopt institutional policy and procedure regarding investments, designate a Public Treasurer, and approve the format of reports submitted for its review.
  - (c) The Board of Trustees shall review and approve monthly reports of portfolio activity and quarterly performance reports of the institution's portfolio.
  - (d) The Board of Trustees shall require institutional compliance with the State Money Management Act, Rules of the Money Management Council, and UPMIFA.
  - (e) The Board of Trustees shall approve external professional investment advisor(s).
- (2) President of the University
  - (a) Recommend University investment policies, including changes or modifications, to the Board of Trustees for approval.
  - (b) Review and evaluate the University's investment performance.

- (c) Make recommendations to the Board of Trustees regarding external professional investment advisor(s).
- (d) Recommend to the Board of Trustees an employee to serve as Public Treasurer and other employees to serve as designees.
- (e) Appoint three individuals to serve on the Investment Advisory Committee.
- (3) Public Treasurer (Vice President for Business and Finance)
  - (a) The Public Treasurer shall be bonded in accordance with Rule Four of the Utah State Money Management Council and shall perform the following supervisory responsibilities:
    - 1. Chair the Investment Advisory Committee.
    - 2. Develop and submit investment policies, operating procedures, and asset allocation changes to the Investment Advisory Committee for review and recommend investment policies, including changes or modifications, to the President for approval.
    - 3. Review and evaluate the University's investment performance.
    - 4. Approve the distribution of investment earnings.
    - 5. Make recommendations to the President regarding external professional investment advisor(s).
    - 6. Approve and/or ratify University investment actions.
    - 7. Sign Public Treasurer assertion on reports.
    - 8. Supervise the daily investment program operation.
    - 9. Approve University investments except as delegated to external investment managers.
    - 10. Prepare an annual presentation of Investment Performance for the Utah State University Foundation and Board of Trustees
    - 11. Meet quarterly with the President's Council to review investment performance.
    - 12. Supervise the preparation of the transmittal letter for the President's signature transmitting applicable reports to the State Board of Regents.
    - 13. Approve quasi-endowment account requests to the Public Treasurer.

#### (4) Investment Advisory Committee

- (a) The Public Treasurer shall be assisted by an Investment Advisory Committee which shall include:
  - 1. Vice President for University Advancement or designee.
  - 2. Five Presidential Appointees, two of whom must be USU or USU Foundation Trustees and two of whom must be independent investment management professionals.
- (b) The Investment Advisory Committee shall:
  - 1. Monitor performance of internal and external investment managers.
  - 2. Review the University's current investment portfolio and investment results.
  - 3. Review the University's current investment strategy and recommend investment strategy to be employed for the future.
  - 4. Recommend appropriate revisions to investment policies and guidelines.
  - 5. Recommend to the Public Treasurer the engagement, termination or continuation of external managers and investment advisors.
  - 6. Forward committee recommendations for investment actions to the Public Treasurer for approval or disapproval.
  - 7. Consider all other items referred to the committee by the Public Treasurer.
  - 8. Meet at least quarterly or as often as may be necessary to fulfill its function.

#### **517.5 POLICY**

#### **5.1 Authority to Manage Public Funds**

The authority to manage the University's public funds, subject to investment transaction approvals required by section 517.4, is delegated to the University's Public Treasurer. If specifically approved by the Board of Trustees, the authority to invest public funds may also be delegated to independent investment manager(s).

#### **5.2 Approval of Investment Decisions**

Entering into repurchase agreements, the purchase of money market funds, redemption of securities, and the sale of securities donated to the university, in accordance with section 517.4, must be approved by the President, Public Treasurer, or Public Treasurer Designee.

All other investment purchases must be approved by two of the following listed University officials.

President or designee

and

Public Treasurer or designee

No person may engage in an investment transaction on behalf of Utah State University except as provided under the terms of this policy.

#### **5.3 Investment Pools**

Ordinarily, funds will be pooled for investment purposes.

- (a) Specific investment pools or portfolios may be established to:
  - 1. Ensure compliance with specific provisions of the State Money Management Act and rules of the State Money Management Council or UPMIFA.
  - 2. Ensure compliance with any legal restrictions, such as bond covenants or trust agreements.
  - 3. Ensure compliance with donor instruments relating to gifts or bequests.
  - 4. Meet investment objectives of groups of similar accounts.
  - 5. Provide liquidity to meet operating needs of the University.
- (b) Investment pools may be established only upon approval of the President or the Public Treasurer after consultation with the Investment Advisory Committee and the Chair of the Board of Trustees.
- (c) Guidelines for the operation and management of each investment pool will be periodically reviewed by the Investment Advisory Committee see section 517.4.3.4.b.

#### **5.4 Distribution of Pooled Investment Income**

Investment income will be distributed to all eligible accounts that provide funds for investment. Income distribution rates will be recommended by the Investment Advisory Committee and approved by the Public Treasurer. Eligible accounts include endowment, quasi-endowment, or reserve accounts as approved by the President or Public Treasurer. Investment income attributable to other types of accounts shall be credited to the President's discretionary earnings account.

#### **5.4 Reporting Requirements**

- (1) The Public Treasurer shall submit investments reports of the Cash Management Investment Pool, funds managed by external managers, funds separately invested, endowment trusts, and bond reserve funds monthly to the Board of Trustees.
- (2) All reports shall include the Public Treasurer's assertion that, to the best of the Treasurer's knowledge, the institution is in compliance with the Utah State Money Management Act and the rules of the Money Management Council and UPMIFA.
- (3) The Public Treasurer shall submit monthly reports to the Secretary of the Board of Trustees within 45 days of the end of the month for inclusion in the agenda of the next Board of Trustees' meeting.
- (4) The Public Treasurer shall submit quarterly reports of investment portfolios to the Secretary of the Board of Trustees within 60 days of the end of the quarter for inclusion in the agenda of the next Board of Trustees meeting.
- (5) The Secretary will place the reports on the agenda of the next regular Board of Trustees meeting.
- (6) The University shall submit to the Board of Regents a copy of the reports submitted to its Board of Trustees within 60 days of submission to the Board of Trustees. Reports submitted to the Board of Regents shall be accompanied by a transmittal letter to the Commissioner of the Utah System of Higher Education indicating that the President has reviewed the reports.
- (7) Annually, the University shall submit, in the format determined by the Office of the Commissioner of Higher Education, a summary report of its money management activities for the prior fiscal year. The report shall include the University internal auditor's opinion regarding: (1) the fairness of the report in accordance with generally accepted accounting principles: and (2) compliance with applicable state statutes, in particular; the State Money Management Act, rules of the Money Management Council, the Uniform Prudent Management of Institutional Funds Act, or policies of the Board of Trustees and the State Board of Regents.

#### **5.5 Internal Controls**

The University shall establish a system of internal controls which shall be evaluated by University internal auditors and independent external auditors annually. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by University employees and officers.

#### 517.6 INDEPENDENT INVESTMENT ADVISORS

The University shall use the services of a qualified investment advisor for investment consultation and performance review. The qualified advisor will be required to submit quarterly performance review reports to the Public Treasurer and Investment Advisory Committee. The qualified advisor must possess knowledge of the Utah State Money Management Act, the Rules of the Money Management Council, and the Uniform Prudent Management of Institutional Funds Act.

#### 517.7 INDEPENDENT INVESTMENT MANAGERS

External qualified investment managers may be retained by the University to manage one or more investment pools. Investment managers will be chosen on the basis of investment performance and investment reputation in the financial community as well as cost of services. Such appointments shall be subject to annual review.

#### 517.8 RELATIONSHIPS WITH FINANCIAL INSTITUTIONS

Qualified depositories as defined by the State Money Management Act shall be selected and retained in accordance with Regents Policy R-543.

#### 517.9 ETHICS AND CONFLICTS OF INTEREST

The Public Treasurer, University officials, and Investment Advisory Committee members involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which might impair their ability to make impartial investment decisions. Investment officials shall disclose confidentially to the University President and to the University Counsel, any material financial interests in financial institutions that conduct business with the University, and any large personal financial/investment positions that may affect performance of investment duties or the performance of the University's portfolio.

# **Utah State University Investment Guidelines and Investment Groupings**

#### **517.10 PURPOSE**

To establish University guidelines and groupings related to the investment of all funds within the control of the University.

#### **517.11 REFERENCES**

- A. Utah State Board of Regents Investment Policy R-541.
- B. State Money Management Act, Section 51, Chapter 7.
- C. Rules of the State Money Management Council.
- D. Uniform Prudent Management of Institutional Funds Act (UPMIFA), Section 51, Chapter 08.

#### **517.12 DEFINITIONS**

#### 12.1 Cash funds

All available cash from all University and agency funds.

#### 12.2 Reserve funds

Cash in excess of funds needed for operations and in excess of \$5,000 that is not needed for at least one year and that the Public Treasurer has authorized to be invested and earn a return on investment.

#### 12.3 Endowment funds

As used in these guidelines, "endowment funds" include true endowment funds, term endowment funds, and quasi-endowment funds.

#### 12.4 True endowment funds

As used in these guidelines, "true endowment funds" are institutional funds with respect to which a donor has stipulated, as a condition of the gift, that the gift is to be maintained inviolate and in perpetuity. True endowment funds are to be invested for the purpose of producing present or future income that may, also by donor stipulation, be expended or reinvested with the original gift. The principal, or corpus of the true endowment, must be maintained intact. Income that may be expended according to the donor's stipulation may be restricted or unrestricted as to the purpose for which it is expended, the time it may be expended, or both. Income that may not be expended, but rather added to the principal or corpus in accordance with the donor's stipulation, assumes or takes on the same restrictions as the original gift.

#### 12.5 Term endowment funds

Term endowment funds are similar to true endowments, except that, upon passage of a stated period (or time) or the occurrence of a particular event, all or part of the donation may be expended. True and term endowments are commonly referred to as donor restricted endowments.

#### 12.6 Quasi-endowment funds

Quasi-endowment funds are gifts or bequests that are retained and managed like an endowment. Principal and interest of these funds may be utilized in accordance with the terms of the quasi-endowment agreement.

#### 517.13 INVESTMENT GROUPINGS AND INVESTMENT POOL PROCEDURES

#### 13.1 Cash Management Investment Pool

- (1) Consists of available cash in excess of estimated daily operating requirements from all University and agency funds.
- (2) Funds in this pool may only be invested in investments that meet the criteria of Section 51-7-11 and 51-7-17 of the Utah State Money Management Act.
- (3) This pool will <u>not</u> be managed on a unit (market value) method.
- (4) Net earnings (realized gains/losses, dividends, and interest [net of expenses]) will be distributed to the fund groups, sub-fund groups, and to specific restricted fund accounts (when required by contractual agreement) that participate in the pool. The method of allocation will be based on the average daily cash balance. Net earnings distributed to the Endowment and Loan groups will be distributed annually to the individual funds participating in the pool.
- (5) A management fee may be assessed up to 2% using the average daily cash balance method of allocation on all quasi-endowment and reserve funds invested in the pool.
- (6) This pool will be managed by University personnel.

#### 13.2 Endowment Pool

- (1) The Endowment Pool consists of endowment funds that are not restricted by donors as to the type of investment.
- (2) Investments of these funds are invested under the total return concept of the Uniform Prudent Management of Institutional Funds Act, whereby "net appreciation, realized and unrealized, in the fair value of the assets of an endowment fund" may be appropriated for expenditure. UPMIFA was adopted into state law under Utah Code 13-29 and is governing regulation for the University's endowment funds.

- (3) This pool will be operated on a unit (market value) method.
- (4) The investment return objective of this pool will be to achieve a total rate of return, over a tenyear period, which exceeds the spending allocation rate plus the advancement/management fee by 2% per year on average.
- (5) The risk objective of this pool will be to construct an investment program that offers a high probability of achieving the stated investment return objective while keeping the frequency and magnitude of temporary declines at acceptable levels. A strategic asset allocation program will facilitate controlling downside volatility within acceptable ranges over a period of time.
- (6) The following asset allocation targets will guide the long-term investment activities for this pool:

Asset Class	<b>Strategic Allocation</b>	<b>Allocation Range</b>
Equities	50%	25% - 70%
Fixed Income	25%	20% - 45%
Alternatives	25%	0% - 30%

The Public Treasurer, with the advice of the Investment Advisory Committee, will manage the asset allocation mix within the above Strategic Allocation targets and Allocation Ranges. It is expected that the asset allocation mix will be diversified among asset classes and designed to meet the rate return and risk objectives.

### (7) Rebalancing:

- (a) Asset allocation ranges will be reviewed on a semi-annual basis.
- (b) The actual percentage allocations may vary as much as +/- 5% before rebalancing to the Allocation Ranges is required.
- (c) The Public Treasurer, with the advice of the Investment Advisory Committee, shall determine initial weighting and rebalancing parameters for allocation to the asset classes and within the asset class. The Public Treasurer may also accept advice from the University's investment advisor regarding asset allocation strategies.
- (d) The funds in this pool will be managed and invested by:
  - 1. Qualified external managers.
  - 2. Professional managers of commingled investment funds or mutual funds.
  - 3. University personnel managing the Cash Management Investment Pool.
- (e) In order to ensure a stable and predictable level of spending from year to year, fluctuations in annual investments will be "smoothed" by using a 12-quarter moving average of an

endowment's market unit value for the three preceding fiscal years. More specifically, each endowment will be allocated an amount of spending up to 5 percent of the average of endowment account balances over the most recent three year period. In the case of new endowments, the most recent one, two, or three year periods will be used. It is possible, particularly in the case of new endowment accounts, for the annual return to be less than the spending allocation in the short-term. Should any endowment account market value fall below its corpus value, spending on said endowment may be suspended and/or reduced to the amount of actual earnings.

Taking actual investment returns, inflation, and the advancement/management fee into consideration, the actual spending rate will be determined one year prior to the start of the fiscal year in which funds are to be expended. Portfolio returns in excess of the annual spending allocation (including realized/unrealized gains or losses, interest and dividends) shall be retained by the endowment in order to protect its value in real terms vs. inflation, and to grow the endowment's historical value over time.

The spending allocation amount will be distributed to the individual accounts using the unit method.

- (f) The University may withdraw an advancement/management fee from the endowment pool. This fee will be determined based upon a budget approved by the President and will not exceed 2 percent of the 12-quarter moving average of the portfolio fair market unit value for the three preceding fiscal years, with a budget lead time of one year.
- (g) Cash inflows and outflows will be allocated in accordance with the Asset Allocation Guidelines.
- (h) Special investment opportunities may necessitate an amendment to the Investment Guidelines and Investment Groupings.

#### 13.3 Separately Invested Funds

These are separate investments (non-pooled) generally consisting of donor restricted investments, investments under annuity agreements with donors, investments of agency funds, endowment and other trusts, or other separate investments recommended by the Investment Advisory Committee and approved by the Public Treasurer. Dividends, interest, gains or losses, and any associated expenses are recorded directly upon receipt or payment to the individual fund.

#### **13.4 Bond Trust Funds**

These funds are separate investments consisting of monies managed by an external trustee as part of a bond funding agreement. Investments are made pursuant to the bond funding agreement.

Investment of Bond Trust Funds are reviewed and discussed by the external trustee and the Public Treasurer to assure that the maximum possible earnings are attained.

#### 517.14 ELIGIBLE ENDOWMENT POOL INVESTMENTS

The following guidelines shall define eligible Endowment Pool investments and their parameters. These guidelines shall be subject to review on an ongoing basis.

#### 14.1 Equities

- (1) The equity segment may be diversified across a spectrum of market capitalizations by allowing investments in small, medium, and large-capitalization stocks.
- (2) The equity segment may be diversified across multiple regions, including the United States, developed foreign markets, and emerging markets.
- (3) Equity holdings should be readily marketable and diversified by issue, industry, and sector.
- (4) Equity managers may invest in short-term commercial paper, money-market mutual funds, other money market investments, and short-term bond investments as a surrogate for cash reserves on occasion. The intent is to have the investment manager remain fully invested.

#### 14.2 Fixed Income

- (1) Bond holdings should be diversified by country, issue, sector, coupon and quality and should be readily marketable.
- (2) Core bond portfolios must have a minimum quality of A or better.
- (3) Non-core fixed income may include returns derived from high yield funds and other non-investment grade securities. Non-core fixed income shall be limited to 20% of the portfolio.
- (4) Foreign securities shall be limited to 15% of a manager's portfolio, unless otherwise stated in the Investment Manager's guidelines.
- (5) Average portfolio duration should not exceed +/- 35% of the stated benchmark index, unless otherwise stated in the Investment Manager's guidelines.

#### 14.3 Alternative Investments

- (1) In addition to the aforementioned investments, the University may invest in alternative investment funds that derive returns primarily from distressed debt (hedged or non-hedged), private capital (including venture capital, private equity, both domestic and international), natural resources, commodities, private real estate assets or absolute return and long/short hedge funds (each an "Alternative Investment Fund").
- (2) The University may invest up to 30% of available Endowment Pool funds in Alternative Investments.

(3) The alternative investment segment of the portfolio should be diversified among types of investments. The following shall govern the investment of Alternative Investment Funds:

<u>Investment</u>	Range
Distressed Debt	0% - 10%
Private Capital, Natural Resources, Commodities and Private Real Estate	0% - 10%
Absolute Return and Long/Short Hedge Funds	0% - 20%

The above percentages are subject to prudent rebalancing practices.

#### **14.4 Unique Situations**

The Public Treasurer and the Investment Advisory Committee may execute alternative investment strategies to take advantage of one-time or unique situations.

#### **517.15 RISK TOLERANCE**

The following guiding principles and measures shall be followed to control undue portfolio volatility in any Investment Grouping:

- (1) The University recognizes that the primary fiduciary obligation regarding the Investment Groupings is to prudently invest the portfolio to meet the investment objectives that will fulfill the purpose of the Investment Grouping.
- (2) The University fully recognizes the likelihood of periodic market declines and is willing to accept the possibility of some short-term declines in market value in order to achieve potentially higher long-term investment returns.
- (3) Assets of each Investment Grouping are to be diversified to protect against large investment losses and to reduce the probability of excessive performance volatility.
- (4) Diversification of assets is to be achieved by:
  - (a) Allocating monies to various asset classes and investment styles within asset classes, and
  - (b) Retaining investment management firm(s) with complementary investment philosophies, styles, and approaches.
- (5) Efforts should be made to preserve the principal value of Investment Groupings, but preservation shall not be imposed as a condition on each investment transaction.

#### 517.16 PERFORMANCE EVALUATION AND REVIEW PROCESS

The Public Treasurer and the Investment Advisory Committee will evaluate the investment performance on a periodic basis, including but not limited to the following:

- (1) The overall performance of each Investment Grouping.
- (2) The overall performance of each investment manager's performance to the objectives of the Investment Grouping.
- (3) The Investment Groupings asset allocation mix to its Investment Guidelines and capital markets outlook.
- (4) The extent to how each investment manager has managed his or her portfolio consistent within that manager's stated investment philosophy and style.
- (5) The extent to how the investment manager adhered to these guidelines.
- (6) The risk and return profiles of each investment grouping and each investment manager to determine whether the Investment Grouping's goals and objectives are being met.
- (7) A reasonable time horizon for evaluating the Investment Grouping's investment performance relative to the selected benchmark on a long-term basis (five to ten years).

#### 517.17 REVIEW OF INVESTMENT GUIDELINES AND INVESTMENT GROUPINGS

The Public Treasurer and the Investment Advisory Committee will review the Investment Guidelines and Investment Groupings periodically to determine that it continues to serve the investment needs of the University and is appropriate in view of changes with State and Federal regulations, the University, the Investment Groupings, and the capital markets.



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>Utah State University – Non-State Funded Dairy Barn Project Approval</u>

#### Issue

Utah State University (USU) requests authorization to proceed with a non-state funded project to construct a new dairy barn at the Caine Dairy in Wellsville, Utah.

#### **Background**

Regent policy R710, *Capital Facilities*, requires that the Regents review major construction or remodeling projects that cost more than \$1,000,000 and are funded with non-state funds. Building Board approval is also required by state statute (63A-5-104) for "capital development" projects with more than \$500,000 of new space. USU proposes to use commodity revenues from the Agricultural Experiment Station to replace an aging dairy barn with a new building of approximately 25,280 square feet. The anticipated cost to construct this new facility is \$1,250,000 and no state appropriated funds will be used in its design, construction, operation, or maintenance.

USU operates the Caine Dairy Teaching and Research Center in Wellsville, Utah as part of its network of agricultural research stations. The dairy is among the country's leading dairy production research centers and allows students the opportunity to study animal nutrition, reproduction, health, and waste-handling. The current barn at the dairy is 35 years old and contains outdated infrastructure and equipment. A new barn will make use of modern diary technology, accommodate up to 124 dairy cows, and improve the learning environment for students and the public. Additional information about the project is provided in the attached letter and map from the University. Representatives from USU will be at the meeting to provide additional information and respond to questions from the Board.

#### Commissioner's Recommendation

The Commissioner recommends that the Board authorize the University to present this proposal to the Utah State Building Board for final approval.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA Attachments



















October 25, 2016

Commissioner David L. Buhler Utah State Board of Regents Board of Regents Building The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284

Subject: Dairy Barn at the Caine Dairy

Dear Commissioner Buhler:

Utah State University requests approval to construct a new dairy barn, a non-state funded project, located at the Caine Dairy in Wellsville, Utah.

The University's current dairy barn is 35 years old, near the end of its useful life, and equipped with outdated milking machines using outdated technology. Additionally, the waste is subject to rainfall and storm water adding a burden to the lagoon system since the current facility is not fully enclosed.

The proposed \$1,250,000, 25,280 square-foot fully enclosed pre-engineered steel building will house two robotic milking stations, a milk processing room, a robotic manure scraping system to reduce the burden on the lagoon system, and a robotic feed management system that can accommodate and provide space for 124 dairy cows. In addition to the dairy functions, the building will feature two offices, restrooms, and a utility room.

Investing in robotic operations, will allow students the opportunity to gain hands-on experience with the most up-to-date technology and will provide resources to the public through the University's extension role. No funds will be requested from the State for operations and maintenance. The project will be funded by Agriculture Experiment Station commodity revenues.

We appreciate your support and ask that you present this item to the Board of Regents for approval during the November 18, 2016 meeting.

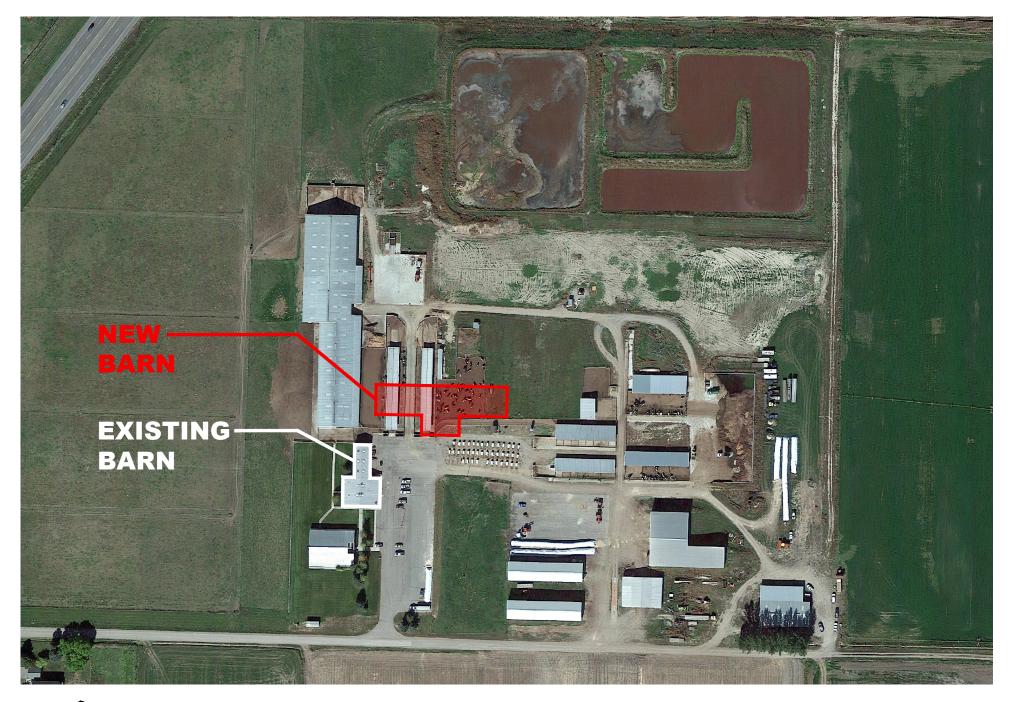
Sincerely,

David T. Cowley \\
Vice President for

**Business and Finance** 

C: Kimberly Henrie, Associate Commissioner for Finance & Facilities Rich Amon, Assistant Commissioner for Business Operations Stan Albrecht, President Charles Darnell, Associate Vice President for Facilities

1445 Old Main Hill Logan, UT 84322-1445 Ph: (435) 797-1146 Fax: (435) 797-0710 www.usu.edu/vpbus





# **DAIRY BARN**





#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 **Phone** 801.321.7101 **Fax** 801.321.7199 **TDD** 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Southern Utah University – Property Acquisition

#### Issue

Southern Utah University (SUU) requests Board approval to purchase eight residential properties contiguous to the Cedar City campus for \$1,500,000 (slightly under the appraised value of \$1,515,000) using institutional funds.

#### <u>Background</u>

Regent Policy R710, *Capital Facilities* requires the Board of Regents to approve institutional property purchases that exceed \$500,000. SUU requests Board approval to use institutional funds to purchase eight properties on 1.68 acres adjacent to the main campus for \$1,500,000. The property appraised for \$1,515,000 and is located directly north of the new Beverley Sorenson Center for the Arts and east of the main parking lot. Currently, the property is used for student housing. It consists of five standalone houses, two small apartment complexes with nine total apartments, and a vacant lot used for parking and access.

SUU is located near the heart of downtown Cedar City and property contiguous to campus rarely comes available for purchase. This proposed acquisition is unique in that the seller has been accumulating properties for several years and offers the opportunity to purchase all eight properties in one transaction. The University currently owns two parcels on the city block (see attached map) and this purchase would facilitate ownership of all but two small lots on the block. SUU will continue to operate the property as housing, currently generating \$120,000 per academic year in rental revenue, until otherwise determined by future need.

Additional information about this request may be found in the attached letter from the University with an accompanying map, purchase agreement, and executive summary of the appraisal report. SUU representatives will be available to respond to questions from the Board regarding this property transaction.

















# Commissioner's Recommendation

The Commissioner recommends that	t the Board authorize	Southern Utah	University t	o acquire	property
adjacent to the Cedar City campus.			-	-	

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA Attachments



October 12, 2016

David L. Buhler, Commissioner Utah System of Higher Education Board of Regents Building The Gateway 60 South 400 West Salt Lake City, UT 84101-1284

RE: Board of Regents review and approval of a proposed property purchase

Dear Commissioner Buhler,

Southern Utah University (SUU) has signed an offer to purchase property contiguous to campus that would expand its immediate footprint by 1.68 acres, as outlined on the attached parcel maps. This is an unusual and unique opportunity to purchase a large tract of land in downtown Cedar City, and is the culmination of years of discussions with the current investors.

Attached, please find a copy of the purchase agreement between Renaissance Properties and SUU to acquire all eight of their properties located on the block between 200 to 300 West, and University Blvd. to Harding Ave. This is the same block SUU's Alumni House and Public Safety building are located, and is immediately north of the new Southern Utah Museum of Art building. This purchase agreement was approved by the SUU Board of Trustees at their September 23, 2016, meeting.

As required in Regent Policy R710, *Capital Facilities*, SUU is seeking Board of Regent approval to purchase these properties along with all houses, apartment buildings, out buildings, parking lots, appliances, furniture and other associated equipment. An independent appraisal of the properties, included with this packet, supports the agreed upon purchase price of \$1.5 million.

The administration believes this is a critical purchase for the University. It allows for a significant expansion of our campus footprint in one purchase. It also allows SUU to determine future developments north of the new Beverley Center for the Arts while continuing to operating these units for student or Shakespeare Festival actors/stage crew housing.

Based on Board of Regent approval, the closing date will be set for the first week in January 2017. This allows for a clean delineation in rental income and earnings between semesters. All deposits and contracts will be forwarded to the University in order to assume complete responsibility for the units beginning Spring Semester 2017.

I look forward to responding to any questions that may arise during the November 18<sup>th</sup> meeting.

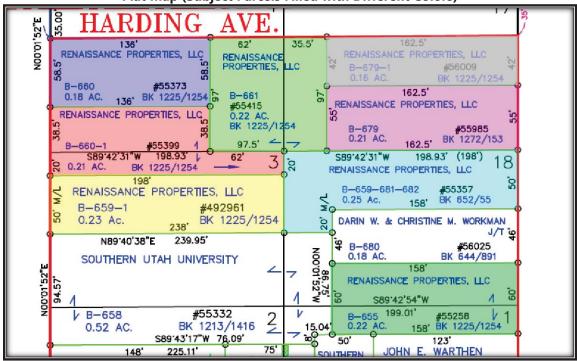
Best regards,

Marvin L. Dodge

#### **Aerial Photo**



**Plat Map (Subject Parcels Filled with Different Colors)** 





September 26, 2016

John Packer Tim Dulaney Renaissance Properties, LLC 141 E. 2<sup>nd</sup> Ave., #902 Salt Lake City, UT 84103

Dear Tim and John,

Southern Utah University (SUU and/or University) is interested in acquiring properties from you described in the attached Purchase Offer to expand the footprint of its main Cedar City campus. Based on our understanding of your desire to sell the property in question, we hope to find agreement on what has amounted to several discussions over a number of years.

We submit the attached purchase offer for parcels we have discussed in the recent past and hope you will consider this request favorably. SUU anticipates additional resources will be required to make necessary improvements to the properties, if the purchase is approved, in order to meet code requirements established by the state for the University. This would be in line with SUU's immediate plans are to continue to manage the properties as University housing.

Please let us know of your interest in selling these properties to the University at your earliest convenience.

Sincerely,

Marvin L. Dodge

CFO | Vice President for Finance and

Administrative Services

#### Purchase and Sale Agreement

This Purchase and Sale Agreement is made as of the 26th day of September, 2016, between Seller, Renaissance Properties, LLC, and Buyer, Southern Utah University (SUU and/or University). Buyer offers to purchase the following described properties together with all improvements and fixtures and the personal property as described below. The Purchase Price will be paid in full to Seller at Closing, and thereupon, Seller will deliver a General Warranty Deed conveying from Seller to Buyer Fee Simple Absolute Title to all properties.

Eight Properties collectively known as "Renaissance Properties":

#### Legal descriptions:

- Home at 21 N 200 W, Cedar City, Utah Parcel #B-0655
- Home at 53 N 200 W, Cedar City, Utah Parcel #B-0679
- Home at 57 N 200 W, Cedar City, Utah Parcel #B-0679-0001
- Vacant lot on 200 W, Cedar City, Utah Parcel #B-0659-0681-0682
- Home at 46 N 300 W, Cedar City, Utah Parcel #B-0660-0001
- Home at 58 N 300 W, Cedar City, Utah Parcel #B-0660
- MacBeth Manor (apartments), 265 W Harding Ave., Cedar City, Utah Parcel #B-0661
- Renaissance Apartments, 40 N 300 W, Cedar City, Utah Parcel #B-0659-0001

**EARNEST MONEY**- the Buyer has delivered to the Seller, via an escrow account at Cedar Land Title, as Earnest Money, the amount of \$15,000. In accordance with the State of Utah law, the properties shall be deemed to be "under contract" and not available for sale to any other parties. The earnest money shall be applied toward the Purchase Price at Closing.

#### Offer to Purchase

PROPERTY: All of the Renaissance Properties described above.

Included items – Unless excluded herein, this sale includes the following items if presently owned and attached to each of the properties: plumbing; heating; air conditioning fixtures/units, and equipment; ceiling fans; water heaters; built-in appliances; light fixtures and bulbs; bathroom fixtures; curtains, draperies and rods; window and door screens; storm doors and windows; window blinds; all water rights, awning; permanently installed carpets; automatic garage door openers and transmitters (if applicable); fencing; trees and shrubs; all furnishings including sofa's, beds, dinette sets, end and coffee tables, dressers, assorted seating, and all other items generally found within a furnished apartment.

Excluded items – those items currently within the properties to be excluded from the sale are as follows: NONE

#### THE PURCHASE PRICE IS TO BE PAID AS FOLLOWS:

 Purchase Price – The purchase price of the Renaissance Properties, all eight as specified within the legal descriptions above, is One Million Five Hundred Thousand Dollars (\$1,500,000).

Considerations – the following considerations are incorporated into this agreement.

a) Closing date shall be after January 1, 2017, but before January 6, 2017.

#### THE PURCHASE PRICE IS TO BE PAID AS FOLLOWS:

1. Purchase Price – The purchase price of the Renaissance Properties, all eight as specified within the legal descriptions above, is One Million Five Hundred Thousand Dollars (\$1,500,000).

Considerations – the following considerations are incorporated into this agreement.

- a) Closing date shall be after January 1, 2017, but before January 6, 2017.
- b) Buyer's earnest monies in the amount of \$15,000 will be held in escrow at Cedar Land Title. Said monies shall be forfeited by the Buyer to the Seller if Buyer decides to remove itself from this agreement. Buyer acknowledges the purchase price is supported by an independent appraisal of said properties by Morley & McConkie, LC., dated August 22, 2016, Appraiser File #16-173 CH.
- c) Seller agrees that at the time of Closing all properties will be free and clear of all encumbrances, including property tax paid in full as of date of Closing.
- 2. Title Insurance At closing, Seller agrees to pay for a standard-coverage owner's policy of title insurance insuring Buyer in the amount of the Purchase Price.
- 3. Condition of Title Seller represents that Seller has fee title to the properties and will convey good and marketable title to the Buyer at closing by general warranty deed. Buyer agrees to be responsible for taxes, assessments, utilities, and other services provided to the properties after Closing. By Closing, Seller will cause to be paid off all mortgages, trust deeds, judgements, mechanics liens, tax liens, warrants and other encumbrances on all properties, in order to convey Fee Simple Absolute Title to Buyer.
- 4. Condition of properties and appliances Buyer is buying the properties in "as is condition" with no warranties or offsets. Buyer will have access to the properties for inspection. Appliances and other personal property will be transferred by bill of sale free of encumbrances at Closing.
- 5. Current Rental Agreements and Tenant Deposits
  - a) Seller shall provide current rental agreements and pay or credit to the Buyer at closing any deposits, including but not limited to, security deposits, cleaning deposits, and prepaid rents.
  - b) Following the Closing, Buyer will assume all responsibilities of the 'Landlord/Lessor' under the existing rental agreements affecting the properties.
  - c) The Buyer will indemnify and hold the Seller harmless from and against any and all claims, liabilities and obligations that arise under said rental agreements following the Closing, but not before.
  - The parties understand and agree that the tenants in the respective properties should be notified of the pending change of ownership prior to the beginning of the Christmas Break. Unless otherwise agreed, Seller will be responsible for notifying all tenants of the pending change of ownership by or before December 8, 2016, and that they are to pay rent due for January, 2017, to Buyer.
- 6. Settlement and Closing Settlement and closing shall be handled and occur at a local Cedar Land Title Company, 415 N Main St #205, Cedar City, UT 84721; (435) 586-9984. Settlement shall be scheduled at a time convenient to the parties and the title company, Tuesday, January 3, 2017 through Friday, January 6, 2017.
- 7. Closing Costs Seller shall be solely responsible for all associated closing costs. Buyer and Seller acknowledge that there is no broker or listing agreement or commission due on this sale.
- 8. In the event of any disputes or court actions arising out of or relating to this Agreement, the prevailing party shall be entitled to an award of reasonable attorney fees and costs, to be paid by the non-prevailing party. This provision shall survive the Closing.

# ACCEPTANCE OF OFFER

Seller – Renaissance Properties, LLC.	
John W. Factor, Muraya Date 9/26/16	
Buyer – Southern Utah University Marvin L. Dodge, CFO/Vice President	
Mbhody Date 9/26/16	

# **APPRAISAL REPORT**

# **Property: Renaissance Properties**



# **Located At:**

Northeast Corner of 300 West and University Blvd. Cedar City, Utah 84720

# **Client:**

Mr. Brad Brown Southern Utah University 351 West University Blvd. Cedar City, UT 84720

### File No.

**Appraiser File #16-173 CH** 



ST. GEORGE, UTAH 84790

Cody Hymas, MAI Morley & McConkie L.C. August 22, 2016





#### REAL ESTATE APRAISERS AND CONSULTANTS

August 22, 2016

Mr. Brad Brown Southern Utah University 351 West University Blvd. Cedar City, UT 84720

Re: Renaissance Properties

Northeast Corner of 300 West and University Blvd.

Cedar City, Utah 84720 Appraiser File #16-173 CH

Tax ID No.: B-0655-0000-0000, B-0679-0000-0000, B-0679-0001-0000, B-0661-0000-0000, B-0660-0000-0000, B-0660-0001-0000, B-0659-0681-0682 and B-

0659-0001-0000

Dear Mr. Brown,

At your request, I have appraised the properties referenced above to form an opinion of market value as of August 9, 2016. I, Cody Hymas, MAI, inspected the subject of this appraisal on August 9, 2016. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

This appraisal and report consists of multiple single family residences, a 4-plex and a five-unit apartment. All properties are located in the northeast block of 300 West and University Boulevard. Currently all properties are tenant occupied and are used for student housing but have no affiliation with Southern Utah University. The improvements vary in terms of design, size, bedrooms, year built, quality and condition. Per the request of the client the retail value of each individual property was requested.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Brad Brown is the client in this assignment and Southern Utah University is the sole intended user of the appraisal report. The intended use is to assist in negotiations for a possible purchase. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal relies on the following hypothetical condition:

None.

This appraisal relies on the following extraordinary assumptions:

- The income and expense information provided by the property owner is correct and accurate.
- I did not view all properties as some of the tenants were not available, albeit, I did view the majority of units/rooms. This appraisal and report relies on the extraordinary assumption that all units/rooms have the same quality and condition as the units/rooms viewed.

The use of the extraordinary assumptions might have affected the assignment results.

Based upon my examination and study of the properties and the market in which they compete and subject to the extraordinary assumptions and limiting conditions contained later in this report, Market Value of the subject properties as of the effective date of this appraisal is as follows:

Market Value Conclusions						
Chapter	Property	Premise	<b>Market Value</b>			
1	Hamlet House	Leased Fee	\$155,000			
2	Vacant Lot	Fee Simple	\$60,000			
3	Montague House	Leased Fee	\$165,000			
4	Capulet House	Leased Fee	\$190,000			
5	MacBeth's Manor	Leased Fee	\$275,000			
6	Harding House	Leased Fee	\$150,000			
7	Juliet House	Leased Fee	\$155,000			
8	Renaissance Apart	Leased Fee	\$365,000			

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, in order for the value opinions set forth above to be valid.

Respectfully submitted Morley & McConkie, LC

Cody Hymas, MAI

UT State Certified General Appraiser UT #5504978-CG00 Expires April 30, 2018

CH/sd Enc



#### State Board of Regents

Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Weber State University – Series 2017 Refunding Bond Issue

#### Issue

Weber State University requests authorization to issue Series 2017 Student Facilities System Revenue Refunding Bonds to refund bonds previously issued in 2007.

#### **Background**

The 2007 Student Facilities System Revenue Refunding Bonds were issued in February 2007 for just over \$10 million and contain a call provision to repurchase and retire outstanding principal payments on April 1, 2017. Weber State University requests authorization to refund \$8,105,000 of the remaining principal while interest rates remain favorable.

The relevant parameters of the requested issue are:

- Principal amount not to exceed \$8,500,000
- Interest rate not to exceed 5%
- Discount from par not to exceed 2%
- Final maturity not to exceed 15 years from the date of issue

Additional information about the issue may be found in the attached materials:

- A copy of the request letter from the University
- A financing summary from the financial advisor
- A draft of the Approving Resolution

Representatives from the University and their financial advisor will be in attendance at the meeting to provide additional information and answer questions from the Board.

















# Commissioner's Recommendation

The Comm	<u>issioner rec</u>	<u>ommends</u>	approval	of the p	roposed	<b>Authorizing</b>	Resolution	to refund	Weber	State
University's	Series 200	7 Student	Facilities	System	Revenu	e Refunding	Bonds as	proposed.	<u>.</u>	

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA Attachments October 25, 2016

Dr. David Buhler, Commissioner Utah System of Higher Education Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, UT 84101-1284

Dear Commissioner Buhler:

Weber State University seeks authorization to refinance 2007 Series Revenue Bonds for the purpose of achieving net-present-value savings based on current interest rates. We are hopeful to achieve up to 10% savings by doing so. Further, we intend to take these savings at the tail-end of the debt service schedule–effectively reducing by two years the term of this bond deal.

As background, in 2001, WSU issued \$12 million in student facility revenue bonds to finance construction of the University Village Student Housing project. These original bonds were refinanced in 2007. Beginning in January 2017, these refinanced bonds can be called. Current market rates make it very favorable for WSU to exercise this call and reissue new bonds. Our intent is to get to market as soon as is allowable under the 2007 deal.

The parameters resolution the Regents are asked to approve calls for a principal amount of \$8.5 million, at interest rates not to exceed 5%, and maturity dates not to exceed 15 years.

Bond Counsel for the issue is Chapman and Cutler. WSU's financial advisor is Zions Bank. Our intention is to sell the bonds via competitive bid in early December 2016 and close in early January 2017.

Please place this item on the Regents November 18th action agenda.

Sincerely,

Dr. Norm Tarbox

Vice President for Administrative Services

### Weber State University Student Facilities System Revenue Refunding Bonds, Series 2017 Preliminary Summary Sheet

Proposed Issue: Student Facilities System Revenue Refunding Bonds

Total Approximate Issue Size: \$7,350,000

Use of Funds: To generate debt service savings by refunding the

previously issued Series 2007 Student Facilities System Revenue Refunding Bonds; satisfy any reserve fund requirements; and pay associated costs of issuance.

Detail of Proposed Series 2017 Bonds:

Principal Amount: Not to exceed \$8,500,000

Interest Rate: Not to exceed 5%

Maturity Date: Not to exceed 15 years

Aggregate Discount: Not to exceed 2% Underwriter's Discount: Not to exceed 2%

Bond Rating: AA from S&P utilizing the

State Moral Obligation

Bond Insurance: TBD, provided by AGM,

BAM, or National PFG

Source of Repayment: Student Facilities System

Revenues

Timetable Considerations: The Series 2007 Bonds are "callable," and can be paid

off beginning January 1, 2017. The 2007 bonds refunded the previously issued 2001A bonds. As a result, this is a "current period" refunding. Assuming that the Regents grant authorization at their November 18, 2016 meeting, and that the savings generated by issuing the Series 2017 Bonds continues to exceed 10% of debt service, the University anticipates selling bonds

via a competitive sale on or around the week of December 5, and closing the first week of January.

The State Board of Regents of the State of Utah (the "Board") met in regular session at Utah Valley University on November 18, 2016, commencing at \_\_\_\_\_ a.m. The following members of the Board were present:

Daniel W. Campbell	Chair
France A. Davis	Vice Chair
Ty Aller	Member
Jesselie Barlow Anderson	Member
Nina Barnes	Member
Leslie Castle	Member
Wilford Clyde	Member
Marlin K. Jensen	Member
Patricia Jones	Member
Steven J. Lund	Member
Robert S. Marquardt	Member
Steven R. Moore	Member
Robert W. Prince, DDS	Member
Harris H. Simmons	Member
Mark Stoddard	Member
Spencer F. Stokes	Member
Teresa L. Theurer	Member
Joyce Valdez	Member
John H. Zenger	Member.

ABSENT:

As required by Section 52-4-203, Utah Code Annotated 1953, as amended, written minutes and a recording of this meeting are being kept. After the meeting had been duly convened and called to order by the Chair and the roll had been called with the above result, and after other business had been conducted, the Chair announced that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the State Board of Regents of the State of Utah, Weber State University Student Facilities System Revenue Refunding Bonds, Series 2017. The following resolution was introduced in written form by Regent \_\_\_\_\_, and after full discussion, pursuant to motion duly made by Regent \_\_\_\_\_ and seconded by Regent \_\_\_\_\_, was adopted by the following vote: ABSENT:

The resolution is as follows:

NAY:

#### RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS WEBER STATE UNIVERSITY STUDENT FACILITIES SYSTEM REVENUE REFUNDING BONDS, SERIES 2017 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$8,500,000; AUTHORIZING THE EXECUTION OF A NINTH SUPPLEMENTAL INDENTURE OF TRUST, AN ESCROW AGREEMENT, AN OFFICIAL STATEMENT AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the State Board of Regents of the State of Utah (the "*Board*") is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended;

WHEREAS, pursuant to the provisions of Title 53B Chapter 1, Utah Code Annotated 1953, as amended, the Board is authorized to act as the governing authority of Weber State University (the "*University*") for the purpose of exercising the powers contained in Title 53B, Chapter 21, Utah Code Annotated 1953, as amended (the "*Act*");

WHEREAS, pursuant to the Act, the Board previously issued its Weber State University Student Facilities System Revenue Refunding Bonds, Series 2007 (the "*Prior Bonds*");

WHEREAS, pursuant to the Act and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, the Board is, for and on behalf of the University, authorized to issue revenue refunding bonds payable from a special fund into which the revenues of the University may be deposited;

WHEREAS, the Board considers it desirable and necessary for the benefit of the residents of the State of Utah to issue a series of revenue refunding bonds to be designated as the "State Board of Regents of the State of Utah, Weber State University, Student Facilities System Revenue Refunding Bonds, Series 2017" (the "Bonds"), for the purpose of refunding the Prior Bonds maturing on or after April 1, 2018 (the "Refunded Bonds"), paying costs of issuance of the Bonds, and satisfying a debt service reserve requirement;

WHEREAS, the Bonds will be issued in an aggregate principle amount of not to exceed \$8,500,000 and will be issued pursuant to the General Indenture of Trust dated as of July 1, 1997, as heretofore amended and supplemented (the "General Indenture"), and as further supplemented by a Ninth Supplemental Indenture of Trust dated as of January 1, 2017 (the "Supplemental Indenture" and together with the General Indenture, the "Indenture"), each by and between the Board, acting for and on behalf of the University, and Wells Fargo Bank, N.A., as trustee (the "Trustee");

WHEREAS, the Bonds shall be payable solely from the revenues and other moneys pledged therefor under the Indenture and shall not constitute nor give rise to a general obligation or liability

of the State of Utah, the Board or the University or constitute a charge against the general credit of the State of Utah, the Board or the University;

WHEREAS, there has been presented to the Board at this meeting a form of a Preliminary Official Statement relating to the Bonds (the "Preliminary Official Statement") and a form of the Supplemental Indenture; and

WHEREAS, pursuant to Section 53B-21-102(3)(m) of the Act, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee of the Board the authority to approve the final principal amounts, terms, maturities, interest rates and purchase prices at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this resolution (the "*Resolution*"), provided such terms do not exceed the parameters set forth in this Resolution, and the authority to approve and execute all documents relating to the issuance of the Bonds.

Now, Therefore, Be It Resolved by the State Board of Regents of the State of Utah. As follows:

- Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.
- Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the Board or the University directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.
- Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statement in such form as shall be approved by the Chair or Vice Chair of the Board or the President or Vice President for Administrative Services of the University. The Chair or Vice Chair of the Board or the President or the Vice President for Administrative Services of the University are authorized to execute such certificates as shall be necessary to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Chair or Vice Chair of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and deliver on behalf of the Board and the University a final Official Statement, in substantially the form and with substantially the same content as the Preliminary Official Statement, with such alterations, changes or additions as may be necessary to finalize the Official Statement. The use and distribution of the Official Statement are hereby authorized.

Section 4. The Supplemental Indenture, in substantially the form presented to the Board at this meeting, is in all respects authorized, approved and confirmed. The Chair or Vice Chair and Secretary of the Board and the President or the Vice President for Administrative Services of the University are hereby authorized to execute and deliver the Supplemental Indenture, in the form and with substantially the same content as presented to the Board at this meeting, for and on behalf of the Board and the University, with such alterations, changes or additions as may be authorized pursuant to the terms of this Resolution. The Chair or Vice Chair and Secretary of the

Board and the President or the Vice President for Administrative Services of the University are hereby authorized to execute and deliver an Escrow Agreement among the Board, the University and Wells Fargo Bank, N.A., providing for the refunding of the Refunded Bonds (the "Escrow Agreement").

Section 5. For the purpose of providing funds to be used for the purpose of (a) refunding the Refunded Bonds, (b) funding a deposit to a debt service reserve fund or paying the premium on any surety bond utilized in lieu of such deposit, and (c) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds in the aggregate principal amount of not to exceed \$8,500,000. The Bonds shall bear interest at the rates, shall mature in the principal amounts and on the dates, and shall satisfy a minimum debt service savings threshold, as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee as provided below, all within the parameters set forth in *Schedule A* attached hereto and incorporated herein by reference.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Chair or Vice Chair and the Secretary of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and seal the Bonds and to deliver the Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the Bonds are hereby incorporated in this resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 7. The Bonds shall be sold to the initial purcahser (the "Underwriter") pursuant to a public sale at a discount of not to exceed 2% of the face amount of the Bonds. Pursuant to Section 53B-21-102(3)(m) of the Act, the Chair or Vice-Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee (with concurrence of the President or the Vice President for Administrative Services of the University) is hereby authorized to specify and agree as to the final principal amounts, interest rates, maturities and purchase price with respect to the Bonds for and on behalf of the Board and the University by the execution of the Indenture, such bond purchase contract or other instrument as may be necessary to confirm the award of the Bonds to the Underwriter, and any changes to the Supplemental Indenture from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution.

Section 8. The appropriate officers of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education, and Secretary of the Board and the President and Vice President for Administrative Services of the University, are hereby authorized to take all action necessary or reasonably required by the Indenture and the Escrow Agreement to carry out, give effect to and consummate the transactions as contemplated thereby, and are authorized to take all action necessary in conformity with the Act.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President or the Vice President for Administrative Services of the University, are authorized to make any alterations, changes or additions to the Supplemental Indenture, the Bonds, the Escrow Agreement, the Preliminary Official Statement, or any other document herein authorized and approved that may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, the provisions of this Resolution, any related resolution adopted by the Board, or the provisions of laws of the State of Utah or the United States.

Section 10. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education, and Secretary of the Board and the President and Vice president for Administrative Services of the University, are hereby authorized and directed to accept a commitment for, and agree to the terms of, a bond insurance policy or other credit enhancement that such officer or officers determine to be in the best interests of the Board and the University, execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein, including, without limitation, such (i) continuing disclosure undertakings or agreements as shall be necessary under Rule 15c2-12 of the Securities and Exchange Commission and (ii) such certificates and agreements as shall be necessary to establish and maintain the tax-exempt status of interest on the Bonds under the provisions of the Internal Revenue Code of 1986, as amended.

Section 11. Upon their issuance, the Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the Bonds, the Indenture, the Escrow Agreement, or any other instrument, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 12. After any of the Bonds are delivered by the Trustee to the Underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 13. All proceedings, resolutions and actions of the Board and the University and their officers and employees taken in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.

Section 15. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 16. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED by the State Board of Regents of the State of Utah this 18th day of November 2016.

	STATE BOARD OF REGENTS OF THE STATE OF UTAH	
	Chair	
Attest:		
Secretary		

After the conduct of other business n	ot pertinent to the above, the meeting was, on motion
duly made and seconded, adjourned.	
	Chair
ATTEST:	
Secretary	_

STATE OF UTAH	)
	: ss
COUNTY OF UTAH	)

I, the undersigned, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah (the "Board").

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of the Board held on November 18, 2016 and of a resolution adopted at such meeting, as such minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 18th day of November, 2016.

Secretary		

STATE OF UTAH ) : ss.
COUNTY OF UTAH )

I, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah (the "*Board*"), do hereby certify, according to the records of the Board in my official possession, and upon my own knowledge and belief, that:

in accordance with the requirements of Section 52-4-202, Utah Code (a) Annotated 1953, as amended, I gave public notice of the agenda, date, time and place of the November 18, 2016 public meeting held by the members of the Board by causing a Notice of Public Meeting to be posted at the principal office of the Board at 60 South 400 West in Salt Lake City, Utah, on \_\_\_\_\_, 2016, at least 24 hours prior to the convening of such meeting, in the form attached hereto as Exhibit A; such Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the Board until the convening of the meeting; causing a copy of such Notice of Public Meeting, in the form attached hereto as Exhibit A, to be provided on \_\_\_\_\_, 2016, at least 24 hours prior to the convening of such meeting, to the *Deseret* News and The Salt Lake Tribune, newspapers of general circulation within the geographic jurisdiction of the Board, and to each local media correspondent, newspaper, radio station or television station that has requested notification of meetings of the Board; and causing a Notice of Public Meeting to be posted on \_\_\_\_\_\_, 2016 at the Utah Public Notice Website at least 24 hours before the convening of the meeting;

- (b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2016 Annual Meeting Schedule of the Board was given, specifying the date, time and place of the regular meetings of the Board scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the Board in the form attached as *Exhibit B* to be posted during or before January 2016, at the principal office of the Board in Salt Lake City, Utah, such Notice of Annual Meeting Schedule having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date hereof, and by causing a copy of such Notice of Annual Meeting Schedule to be provided during or before January 2016, to a newspaper of general circulation within the geographic jurisdiction of Salt Lake City, Utah; and
- (c) the Board has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as *Exhibit C*). In accordance with such provisions and the aforementioned procedures, notice was given to each member of the Board and to members of the public at least 24 hours before the meeting to allow members of the Board and the public to participate electronically in the meeting, including a description of how they could be connected to the meeting. The Board held the meeting at a regularly designated location and provided space and facilities at such anchor location so that interested persons and the public could attend and participate.

IN WITNESS WHEREOF, I have hereunto	subscribed my official signature, this 18th day of
November, 2016.	
	Connectours
	Secretary

#### SCHEDULE A

#### **PARAMETERS**

PRINCIPAL AMOUNT: Not to exceed \$8,500,000.

TERM: Not to exceed 15 years from their date or dates.

INTEREST RATE: Fixed rates such that no coupon rate exceeds 5.00% per annum.

SALE PRICE: Not less than 98% of the principal amount of the Bonds.

SAVINGS THRESHOLD: Not less than [3]% (net present value) of the debt service on the

Refunded Bonds

# EXHIBIT A

[ATTACH NOTICE OF PUBLIC MEETING]

# Ехнівіт В

[ATTACH NOTICE OF ANNUAL MEETING SCHEDULE]

# EXHIBIT C

[ATTACH ELECTRONIC MEETING POLICY]



Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 Phone 801.321.7101 Fax 801.321.7199 TDD 801.321.7130 www.higheredutah.org

November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Salt Lake Community College – Herriman Land Purchase Follow-up

#### Issue

During the September 2016 Board of Regents meeting the Board approved allowing Salt Lake Community College (SLCC) to move forward with the purchase of property adjacent to its Herriman Campus. The Board requested an update of the final decision regarding the property purchase at the November Board meeting.

#### **Background**

In September, SLCC requested approval to use institutional plant reserves to purchase 1.77 acres of property adjacent to the Herriman campus for the appraised value of \$870,000. The property request originated from the realignment of a future roadway by the city of Herriman on the northern edge of SLCC's Herriman Campus property. The Board approved the SLCC property purchase with a request for SLCC to reach out to the seller and the city for additional information regarding the property before purchasing and report back to the Board at its November meeting.

After renewed negotiations with the seller and the city, additional requirements regarding the anticipated use of the property, not previously disclosed by the developer, were outlined which resulted in SLCC determining not to pursue the property acquisition. College officials will be present at the meeting to respond to any questions from the Board.

#### Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA



















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November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Fiscal Health Dashboard

#### Issue

At the July Board meeting, the Board requested the Office of the Commissioner develop a fiscal health dashboard to give the Board greater insight to the key factors that help determine the financial health and wellbeing of a college or university in the Utah System of Higher Education. This is an update on the status of that project.

#### **Background**

To address the Board's growing interest in receiving reports on the financial health and wellbeing of the Utah System of Higher Education, the Commissioner has directed staff to develop an online fiscal health dashboard for each institution. The expectation is the dashboards will be in a format that is online and easy to access, provide a snapshot of how the institution is performing on the identified metric as compared to an established benchmark, and outline the performance trend overtime.

There are several variations on how financial health of an institution can be measured and assessed. The American Governing Board (AGB) suggests a list of various metrics boards may want to consider when reviewing the financial wellbeing of an institution of higher education including:

Trends in institutional enrollment Revenue allocation Institution debt Expenditures Capital needs Financial trends vs. peers

Currently the Commissioner's Office collects a significant amount of data from institutions including enrollment, completion, tuition, budget and financial, student financial aid, staffing counts and salary comparisons, and space inventories. This information is published annually in the USHE Data Book and posted on the USHE website <a href="https://www.higheredutah.org">www.higheredutah.org</a>.

In addition to Data Book, the Commissioner's Office has developed 9 different dashboard reports that review enrollments, completion, workforce data, high school performance, and USHE peer comparisons. However, USHE currently does not have a dashboard for fiscal health measures.

















Over the last several months the Commissioner's staff has worked on developing the first phase of the fiscal health project. The first phase of the dashboard project will focus on key metrics for the following areas:

- Enrollment Trends
- Revenue
- Expenditures
- Financial Ratios

Additional information regarding tuition and fees, student debt, faculty/staff levels and salaries, and facilities will be added in future phases of the project.

Staff has identified several key metrics for each of these areas and has developed some recommended benchmarks to help the Board and others understand how the USHE institutions are performing against the proposed benchmark. The Commissioner's Office will be working with the institutions over the next couple of months to continue to refine the information. Some of the metrics that will be reported include:

Annualized Budget Related FTE Annualized Budget Related Non Resident FTE Retention of Full-time Students % of Part-time Students Average undergrad credit hours taken Diversity of student body Total Revenue per FTE Total Expenditure per FTE Tax Funds vs. Tuition Total Expenses vs. Total Revenue Tax funds per FTE Instructional Expenses per FTE Academic Support Expenses per FTE Student Services Expenses per FTE Institutional Support Expenses per FTE Personal Services vs Total Expense Viability Ratio Leverage Ratio

Primary Reserve Return on Net Assets Ratio

Staff has engaged with our website contractor to begin building the online dashboards for the higheredutah.org website and is on track to be presented to the Board at the January meeting for review and feedback.

#### Commissioner's Recommendation

This is an information item only; no action is required.

David L	. Buhler		
Commis	ssioner of Hi	igher Educ	ation

DI B/KI H



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November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Institutional Residences Annual Report

#### Issue

Regent Policy R207, *Institutional Residences for Colleges and Universities in the Utah System of Higher Education*, requires USHE institutions to submit an annual report which summarizes both the actual and budgeted expenditures for maintenance, repair, utilities, insurance, and domestic assistance associated with the institutional residences.

### **Background**

Regents have asked for an annual update regarding the expenditures associated with institutional residences. Each year, USHE institutions are required to submit to the Commissioner a report summarizing the current fiscal year budgeted expenditures approved by the institutional Boards of Trustees for the institutional residences, detailing budgeted expenditures for maintenance costs, custodial and domestic assistance, and insurance.

Institutions use this report to not only inform the Regents about expenditures for the institutional residences, but to also to maintain proper institutional internal control; to ensure that institutional residence budgets are set and approved by Trustees; to monitor annual expenditures against approved budget; to support the institutional residence as a sanctioned institutional offering, and to provide transparency regarding the facility's operation and maintenance costs.

The attached report summarizes the approved budget and expenditures for each institutional residence over the past three fiscal years. Footnotes have been added to describe the following: any significant change from prior years; any significant variances between the budgeted and actual expenditures; and/or any significant capital improvements to the residence.

#### Commissioner's Recommendation

This is an information item only; no action is needed.

David L. Buhler Commissioner of Higher Education

DLB/KLH/BLS Attachment

















# Institutional Residences Operation and Maintenance Report FY 2014-2017

		2013	3-14	1	201	4-1!	5		2015-16				2016-17		
	ı	Budget		Actual	Budget		Actual		Budget		Actual		Budget	Source of Funds	Square Footage
UU	\$	60,900	\$	60,844	\$ 63,000	\$	59,519	\$	64,100	\$	57,203	\$	63,600	Discretionary	8,803
USU	\$	72,000	\$	71,667	\$ 72,000	\$	63,940	\$	72,000	\$	51,263	\$	72,000	E&G	12,403
WSU <sup>1</sup>	\$	27,400	\$	21,292	\$ 28,300	\$	21,220	\$	28,300	\$	21,209	\$	28,300	E&G	-
SUU <sup>2</sup>	\$	67,000	\$	69,890	\$ 68,000	\$	31,075	\$	83,000	\$	46,104	\$	92,000	E&G	11,314
Snow	\$	7,000	\$	13,926	\$ 12,000	\$	4,386	\$	10,900	\$	8,186	\$	12,000	E&G	6,128
DSU <sup>3</sup>	\$	19,650	\$	12,869	\$ 59,500	\$	64,798	\$	72,000	\$	20,476	\$	34,000	E&G, Discretionary	5,246
UVU <sup>4</sup>	\$	191,940	\$	161,823	\$ 48,687	\$	32,447	\$	40,940	\$	21,468	\$	41,500	E&G, Discretionary, Donor	6,235
SLCC <sup>5</sup>	\$	36,100	\$	9,584	\$ 20,000	\$	20,000	\$	24,370	\$	24,370	\$	24,370	Discretionary	-

Board Policy R207 provides for institutional coverage of expenses for maintenance, repair, utilities, insurance, and domestic assistance serving institutional purposes. Policy requires annual reports for the previous year's actual expenses and the current year's budget, as summarized in the table above.

Footnotes to this table contain explanations of significant budget variances including capital improvements.

<sup>&</sup>lt;sup>1</sup> WSU amounts reflect housing allowance and institutional functions.

<sup>&</sup>lt;sup>2</sup> SUU replaced carpet in the institutional residence in FY 2014. The HVAC replacement funded with capital improvement dollars scheduled for FY 2016 was postponed to FY 2017 due to higher priority items.

<sup>&</sup>lt;sup>3</sup> DSU addressed deferred maintenance issues by replacing carpet, tile, and paint in FY 2015. Institution elected not to proceed with ADA access improvements originally budgeted for FY 2016.

<sup>&</sup>lt;sup>4</sup> UVU remodeled and increased square footage of the institutional residence in FY 2014 as approved by the Board of Regents.

<sup>&</sup>lt;sup>5</sup> SLCC sold the institutional residence in FY 2014, therefore subsequent amounts reflect only housing allowance.



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November 9, 2016

#### **MEMORANDUM**

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Annual Report on Leased Space

#### Issue

Regent Policy R710, *Capital Facilities*, requires that the Commissioner provide the Board with an annual report on leased space for the USHE system. A summary of this report will also be submitted to DFCM and the Building Board for inclusion in the State Building Board Five-year Building Program document.

#### **Background**

Each of the eight institutions has submitted its detailed list of leased space currently under contract. This information has been summarized in the following table:

Institution	Leases	New Leases	Square Feet	Rent
University of Utah	42	2	220,700	\$3,777,454
U of U Healthcare	88	7	873,918	\$19,284,229
Utah State University	26	3	174,315	\$936,869
Weber State University	7	1	53,362	\$454,766
Southern Utah University	15	0	70,464	\$569,265
Snow College	0	0	0	\$0
Dixie State University	1	0	4,600	\$107,782
Utah Valley University	3	0	N/A	\$46,607
Salt Lake Community College	10	0	143,863	\$1,584,909
Total	192	13	1,541,222	\$26,761,881

As requested by the Board, staff has highlighted the significant changes from the prior year's report which include:

- University of Utah the addition of a \$2.9 million annual lease for medical billing operations as well as 8 other leases, primarily for the health care system.
- Utah State University the removal of an \$186,000 lease for USU Advancement in Research Park.
- Weber State University the removal of the \$50,000 Farmington UCAID (Utah Center for Applied Innovation and Design) lease.
- Dixie State University the removal of the \$231,000 University Plaza building lease.

















A more detailed summary showing the sources of funding for the leases is attached for your information. A list of all leases, including additional detail about each of the institutional leases, is on file in the Office of the Commissioner.

# Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA Attachment

# **Annual Leased Space Report - 2016**

For the Period from July 1, 2015 to June 30, 2016

		New		Aver	0		nnual Lease	Source of	
Location	Leases	Lease	Gross Sq. Ft.	Pei	r Sq. Ft.		Payment	Funding	Type of Space
University of Utah									
Building Leases:									
Residential, Various Locations	6	1				\$	65,868	State/Other	Residential
Washington D.C., Hinkley Institute Apartments	7					\$	222,420	Other	Residential
Murray, Reading Clinic	1		9,618		16.93	\$	162,811	Other	Classroom
Continuing Education, Bountiful	1		29,856	\$	3.04	\$	90,796	State	Classroom
Continuing Education, Sandy	1	1	23,953	\$	21.20	\$	507,692	State	Classroom
Continuing Education, St. George	1		6,600	\$	16.17	\$	106,715	State	Classroom
Geography Records of Environment and Disturbance Lab	1		10,298	\$	30.38	\$	312,901	State	Classroom/Office
Red Zone Stores, Various Locations	3		13,512	\$	21.67	\$	292,755	Other	Retail/Non-assignable
Human Resources Payroll	1		29,977	\$	24.48	\$	733,960	Other	Office
Technology Venture Communications	1		14,314	\$	24.88	\$	356,077	Other	Office
Subtotal University Operations Leases	23	2	138,128	\$	20.65	\$	2,851,995		
Healthcare - Residential Facilities, Various Locations	2		49,992	\$	12.77	\$	638,640	Clinical	Residential
Healthcare - AirMed, Various Locations	7		55,359	\$	1.99	\$	110,163	Clinical	Hanger/Residential
Healthcare - Primary Children's Hospital	11	1	76,053	\$	25.87	\$	1,967,514	Clinical	Clinical
Healthcare - Dialysis Centers, Various Locations	15		101,300	\$	21.26	\$	2,154,120	Clinical	Clinical
Healthcare - Clinics, Various locations	28	5	186,360	\$	26.06	\$	4,857,132	Clinical	Clinical
Healthcare - Clinical Research and Admin, Research Park	24		266,028	\$	25.01	\$	6,653,068	Clinical	Office/Laboratory
Healthcare - Medical Billing Operations	1	1	138,826	\$	20.92	\$	2,903,592	Clinical	Office
Subtotal Healthcare Leases	88	7	873,918	\$	22.07	\$	19,284,229		
Land and Storage Leases:									
Storage, Various locations	8		82,572			\$	385,036	State/Other	Storage
KUER/KUED Communication/Transmitter Sites	9		N/A			\$	101,432	Other	Ground
Parking Leases, Salt Lake City	2		N/A			\$	438,991	Other	Parking
Subtotal Land and Storage Leases	19	0	82,572			\$	925,459		
TOTAL - UU	130	9	1,094,618	\$	21.87	\$	23,061,683		

	# of	New		<b>Average Cost</b>	Annual Lease	Source of	
Location	Leases	Lease	Gross Sq. Ft.	Per Sq. Ft.	Payment	Funding	Type of Space

Utah State University							
Building Leases:							
Apartments for Student Interns, Washington D.C.	4		6,157	\$ 24.31	\$ 149,688	Other	Residential
Cache County 4H Cache Makers, Logan	1		3,150	\$ 11.81	\$ 37,212	Grant	Classroom/Office
Center Persons w. Disabilities - Early Intervention, Various	4		6,503	\$ 5.97	\$ 38,821	Other	Classroom/Office
Center Persons w. Disabilities - Technical Assistance, Logan	1		4,291	\$ 17.49	\$ 75,060	Other	Classroom/Office
CTE Program-Trucking & Hvy. Equip. Operations, Blanding	1		56,628	\$ 0.12	\$ 6,900	State	Classroom/Office
Development Office, Salt Lake City	1		1,601	\$ 10.99	\$ 17,592	Other	Office/Other
Life Span Learning Centers, Brigham City	4		49,474	\$ 3.49	\$ 172,755	State/Other	Classroom/Office/Laboratory/Storage
Montezuma Creek Seminary Building, Blanding	1		2,354	\$ 2.55	\$ 6,000	State	Classroom/Office
Regional Campus, Orem/Provo	1		3,507	\$ 15.89	\$ 55,723	Other	Classroom/Office
Regional Campus, Salt Lake City	2		27,395	\$ 8.95	\$ 245,280	Other	Classroom/Office
Small Business Development Center, Logan	1	1	1,281	\$ 10.60	\$ 13,584	Other	Classroom/Office
UCC Program, West Valley City	1	1	2,194	\$ 5.74	\$ 12,600	Other	Office/Other
UCC Regional Office, Cedar City	1		1,180	\$ 12.20	\$ 14,400	Other	Office/Other
UCC Residential, Cedar City	1	1	812	\$ 7.39	\$ 6,000	Other	Residential
USU Commercialization & Regional Development, Logan	1		5,000	\$ 12.73	\$ 63,654	Other	Office/Other
UT Academic and Institutional Services, Nephi	1		2,788	\$ 7.75	\$ 21,600	Other	Classroom/Office
TOTAL - USU	26	3	174,315	\$ 5.37	\$ 936,869		

Weber State University	Weber State University											
Building Leases												
Continuing Education - Startup Ogden	1		27,000	\$	0.00	\$	10	State	Classroom/Office			
Continuing Education - United Way Building, Ogden	1	1	5,648	\$	8.94	\$	50,515	State	Classroom/Office			
UCAID - Davis ATC, Kaysville	1		210	\$	20.86	\$	4,380	Other	Office			
Instructional Center - Davis High School, Kaysville	1		1,600	\$	10.26	\$	16,420	State	Classroom			
Instructional Center - Morgan High School, Morgan	1		411	\$	0.11	\$	450	State	Classroom			
Instructional Center - Station Park, Farmington	1		10,937	\$	24.00	\$	262,488	State	Classroom			
Instructional Center - WSU West, Roy	1		7,556	\$	15.95	\$	120,503	State/Other	Classroom/Office			
TOTAL - WSU	7	1	53,362	\$	8.52	\$	454,766					

Ĭ		# of	New		Average Cost	Annual Lease	Source of	
ı	Location	Leases	Lease	Gross Sq. Ft.	Per Sq. Ft.	Payment	Funding	Type of Space

Southern Utah University							
Building Leases							
Business Resource Center, Cedar City	1		4,335	\$ 1.66	\$ 7,200	Other	Office
Community Engagement, Cedar City	1		2,658	\$ 10.85	\$ 28,836	State	Office
Community Outreach Center, Cedar City	1		11,705	\$ 15.08	\$ 176,520	State	Office
Early Intervention, Cedar City	1		1,080	\$ 9.56	\$ 10,320	Other	Classroom
Global Engagement, Cedar City	1		4,097	\$ 8.86	\$ 36,312	State	Office
Head Start, Various Locations	7		28,514	\$ 8.55	\$ 243,812	Other	Classroom/Office
Utah Center for Rural Health, Cedar City	1	2	2,075	\$ 8.53	\$ 17,700	Other	Residential
Utah Shakespeare Festival, Cedar City	1		16,000	\$ 2.25	\$ 36,000	Other	Office/Other
Subtotal Building Leases	14		70,464	\$ 7.90	\$ 556,700		
Land Leases:							
Parking Services, Cedar City	1		N/A		\$ 12,565	State	Parking
TOTAL - SUU	15	0	70,464	\$ 7.90	\$ 569,265		

#### **Snow College - No Leases**

Dixie State University										
Building Leases:										
Larkin Properties, St. George	1		4,600	\$	23.43	\$	107,782	State	Office/Other	
TOTAL - DSU	1	0	4,600	\$	23.43	\$	107,782			

Utah Valley University						
Land Leases:						
Provo Airport	3	N/A	\$	46,607	State/Other	Ground/Hanger
TOTAL - UVU	3		\$	46,607		

	# of	New		<b>Average Cost</b>	Annual Lease	Source of	
Location	Leases	Lease	Gross Sq. Ft.	Per Sq. Ft.	Payment	Funding	Type of Space

Salt Lake Community College											
Building Leases:											
Airport Center, Salt Lake City	2		20,937	\$	6.33	\$	132,605	State	Classroom/Office/Lab/Hanger		
Central Receiving, Salt Lake City	3		25,200	\$	4.58	\$	115,416	State	Storage		
Library Square, Salt Lake City	1		32,725	\$	15.06	\$	492,781	State	Classroom/Office		
Westpointe Center, Salt Lake City	1		35,700	\$	17.50	\$	624,754	State/Other	Classroom/Office		
Writing Center, Salt Lake City	1		1,545	\$	7.06	\$	10,905	State	Classroom/Office		
West Valley Center, West Valley City	2		27,756	\$	7.51	\$	208,448	State	Classroom/Office		
TOTAL - SLCC	10	0	143,863	\$	11.02	\$	1,584,909				

	# of	New		Average Cost	Annual Lease
USHE Institutions	Leases	Lease	Gross Sq. Ft.	Per Sq. Ft.	Payment
Building Leases	169	13	1,458,650	\$ 17.67	\$ 25,777,250
Land Leases	23	0	82,572		\$ 984,631
TOTAL - USHE	192	13	1,541,222		\$ 26,761,881



Board of Regents Building, The Gateway 60 South 400 West Salt Lake City, Utah 84101-1284 **Phone** 801.321.7101 **Fax** 801.321.7199 **TDD** 801.321.7130 www.higheredutah.org

November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>USHE – Annual Contracts and Grants Report</u>

#### <u>Issue</u>

Regent Policy R532, *Acceptance and Approval of Contracts and Grants*, requires that USHE institutions submit an annual report summarizing the number and dollar amounts of awards received during the previous fiscal year.

#### **Background**

Regents recognize that institutional contracts and grants provide significant benefits to the institutional community and society as a whole, such as research gains and job creation. To ensure that Regents are informed about the contracts and grants that institutions are engaged in, the Board has requested that an annual report be provided for each fiscal year that summarizes both the number of and dollar amount of awards received.

For FY 2016, the total number of contracts and grants decreased by -42 or -1%, but the total dollar amount increased by \$32.5 million or 4.9% from the prior fiscal year. Specifically, four of the eight institutions showed a dollar amount increase over the prior year with significant contributions by the research universities.

#### Commissioner's Recommendation

This is an information item only; no action is needed.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS Attachment

















Utah System of Higher Education											
	Contracts and Grants Report										
	Fiscal Year 2015 Fiscal Year 2016 % Change										
Institution	No.	Total \$ Amount	No.	Total \$ Amount	No.	Amount					
University of Utah											
Research	1,632	\$285,790,443	1,575	\$313,601,234	-3.5%	9.7%					
Instruction	170	29,712,588	198	33,703,560	16.5%	13.4%					
Clinical	303	52,677,018	263	52,598,072	-13.2%	-0.1%					
Other	461	49,119,648	508	38,490,058	10.2%	-21.6%					
TOTAL UU	2,566	\$417,299,697	2,544	\$438,392,924	-0.9%	5.1%					
	-	-	•								
Utah State University											
Research	970	\$127,905,706	1,015	\$155,922,661	4.6%	21.9%					
Instruction	55	3,623,895	48	5,552,090	-12.7%	53.2%					
Clinical											
Other	393	55,094,293	359	36,646,544	-8.7%	-33.5%					
TOTAL USU	1,418	\$186,623,894	1,422	\$198,121,295	0.3%	6.2%					
Weber State University											
Research	40	\$1,855,461	28	\$1,860,631	-30.0%	0.3%					
Instruction	21	4,144,151	17	3,846,670	-19.0%	-7.2%					
Clinical											
Other	79	11,596,986	66	11,043,323	-16.5%	-4.8%					
TOTAL WSU	140	\$17,596,598	111	\$16,750,624	-20.7%	-4.8%					
	•										
Southern Utah University											
Research	12	\$157,186	10	\$90,123		-42.7%					
Instruction	5	140,123	7	195,205	40.0%	39.3%					
Clinical											
Other	78	8,233,836	79	8,518,052	1.3%	3.5%					
TOTAL SUU	95	\$8,531,145	96	\$8,803,380	1.1%	3.2%					
	1										
Snow College											
Research	1	\$1,200	1	\$113,991	0.0%	9399.3%					
Instruction	16	1,417,443	11	2,575,037	-31.3%	81.7%					
Clinical											
Other	4	237,020	8	163,900	100.0%	-30.8%					
TOTAL Snow	21	\$1,655,663	20	\$2,852,928	-4.8%	72.3%					

	Utah System of Higher Education										
Contracts and Grants Report  Fiscal Year 2015  Fiscal Year 2016  % Change											
	Fisc	al Year 2015	Fisc	al Year 2016	% Change						
Institution	No.	Total \$ Amount	No.	Total \$ Amount	No.	Amount					
Dixie State University											
Research	4	\$128,402	2	\$73 <i>,</i> 574	-50.0%	-42.7%					
Instruction											
Clinical											
Other	27	2,071,068	34	1,952,939	25.9%	-5.7%					
TOTAL DSU	31	\$2,199,470	36	\$2,026,513	16.1%	-7.9%					
Utah Valley University											
Research	12	\$189,153	17	\$806,952	41.7%	326.6%					
Instruction	10	6,887,845	13	6,094,308	30.0%	-11.5%					
Clinical											
Other	36	7,210,953	34	7,185,373	-5.6%	-0.4%					
TOTAL UVU	58	\$14,287,951	64	\$14,086,633	10.3%	-1.4%					
Salt Lake Community College											
Research	5	\$371,966	5	\$265,231	0.0%	-28.7%					
Instruction	20	5,204,396	21	5140542	5.0%	-1.2%					
Clinical											
Other	29	2,631,799	22	2425748	-24.1%	-7.8%					
TOTAL SLCC	54	\$8,208,162	48	\$7,831,521	-11.1%	-4.6%					
Total USHE											
Research	2,676	\$416,399,517	2,653	\$472,734,397	-0.9%	13.5%					
Instruction	297	51,130,441	315	57,107,412	6.1%	11.7%					
Clinical	303	52,677,018	263	52,598,072	-13.2%	-0.1%					
Other	1,107	136,195,603	1,110	106,425,937	0.3%	-21.9%					
TOTAL USHE	4,383	\$656,402,579	4,341	\$688,865,818	-1.0%	4.9%					



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November 9, 2016

**MEMORANDUM** 

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: <u>USHE – Fall 2016 Third-week Enrollment Report</u>

#### <u>Issue</u>

Annually the Board receives several reports from the Commissioner's Office regarding student enrollment at each of the eight USHE colleges and universities. This report provides the first view of student enrollment for the 2016-17 academic year based on the number of students enrolled by the third-week of fall semester.

The third-week enrollment numbers are preliminary in nature and do not include new enrollments that occur after the third-week census date (e.g. 2<sup>nd</sup> block registrations and non-credit CTE enrollments). These additional enrollments will be included in the end-of-term reports that will be provided at the March 2017 Board meeting.

#### **Background**

USHE institutions reported an increase of 2.78% in total student headcount (4,739 additional students) when compared to 2015 fall semester third-week enrollments and an increase in both total FTE of 2,939 (2.44%) and budget-related FTE of 1,755 (1.60%).

Seven of the eight USHE institutions experienced growth compared to fall 2015. Southern Utah University reported the largest percentage growth with an 11.94% increase in budget-related headcount and an 8.45% increase in budget-related FTE. Utah State University reported a minor decrease in their third-week enrollment numbers attributed mainly to the timing of recording international student enrollment in relation to the third-week snapshot date.

The 2016 fall third-week FTE enrollment at USHE institutions is 51% female (88,805 students) and 49% male (86,704 students). The ethnic mix of students reported an increase of over 1,700 students. The largest change was an increase of 10.74% in Hispanic or Latino students as compared to the fall third-week snap shot in 2015. It should be noted that some of this increase is due to improved data gathering where the percentage of students in the category of "Unknown" for race ethnicity decreased by 60% over 9,000 students.

















Total and budget-related headcounts and FTE numbers are provided in the attached tables and graphs. Also included as an attachment are USHE headcounts summarized by gender and ethnicity. Additional headcount data may be found at <a href="http://higheredutah.org/data/enrollments/">http://higheredutah.org/data/enrollments/</a>

# Commissioner's Recommendation

This it	em is	s for	information	only;	no	action	İS	necessar	у.

David L. Buhler Commissioner of Higher Education

DLB/KLH/JAC Attachments

Fall 2016 3rd Week Headcount Enrollment Report

TOTAL HEADCOUNT (Budget Related & Self Support)	2015	2016	CHANGE	CHANGE
University of Utah	31,673	32,061	388	1.23%
Utah State University	28,622	28,118	- 504	-1.76%
Weber State University	25,955	26,809	854	3.29%
Southern Utah University	8,881	9,299	418	4.71%
Snow College	5,111	5,350	239	4.68%
Dixie State University	8,503	8,993	490	5.76%
Utah Valley University	33,211	34,978	1,767	5.32%
Salt Lake Community College	28,814	29,901	1,087	3.77%
USHE	170,770	175,509	4,739	2.78%

BUDGET RELATED HEADCOUNT	2015	2016	CHANGE	CHANGE
University of Utah	31,115	31,252	137	0.44%
Utah State University	26,081	25,778	- 303	-1.16%
Weber State University	18,311	18,418	107	0.58%
Southern Utah University	7,254	8,120	866	11.94%
Snow College	4,563	4,822	259	5.68%
Dixie State University	7,567	7,753	186	2.46%
Utah Valley University	26,356	27,479	1,123	4.26%
Salt Lake Community College	23,831	23,335	- 496	-2.08%
USHE	145,078	146,957	1,879	1.30%

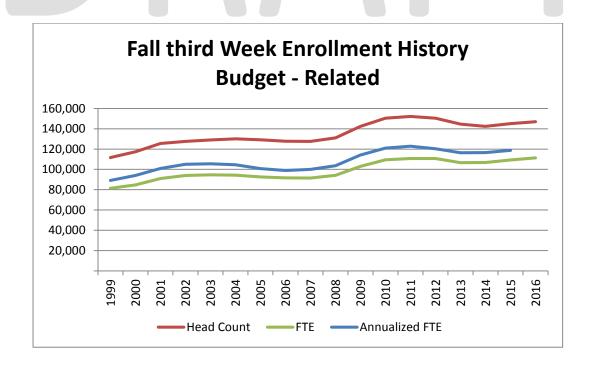
Fall 2016 3rd Week FTE Student Enrollment Report

TOTAL FTE				
(Budget Related & Self Support)	2015	2016	CHANGE	CHANGE
University of Utah	26,911	27,439	529	1.96%
Utah State University	22,141	21,974	- 167	-0.75%
Weber State University	16,046	16,509	464	2.89%
Southern Utah University	6,929	7,260	331	4.78%
Snow College	3,909	4,034	125	3.20%
Dixie State University	6,381	6,852	471	7.38%
Utah Valley University	22,591	23,706	1,115	4.94%
Salt Lake Community College	15,553	15,624	71	0.46%
USHE	120,460	123,399	2,939	2.44%

BUDGET RELATED FTE	2015	2016	CHANGE	CHANGE
University of Utah	26,573	26,981	408	1.53%
Utah State University	20,512	20,470	- 42	-0.20%
Weber State University	13,026	12,980	- 46	-0.35%
Southern Utah University	6,425	6,968	543	8.45%
Snow College	3,620	3,734	114	3.14%
Dixie State University	6,021	6,343	322	5.35%
Utah Valley University	19,689	20,470	781	3.97%
Salt Lake Community College	13,724	13,401	- 324	-2.36%
USHE	109,591	111,346	1,755	1.60%

Notes:

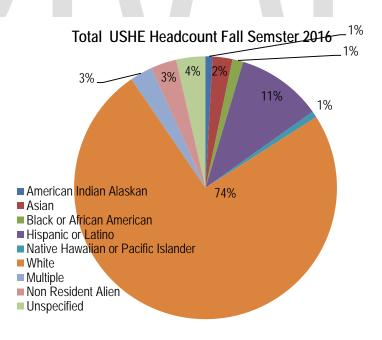
Rounding Error - FTEs are calculated then rounded to the nearest one



Fall 2016 3rd Week Total Headcount by Gender & Ethnicity

GENDER	2015	2016	CHANGE	CHANGE
Female	85,268	88,805	3,537	4.15%
Male	85,502	86,704	1,202	1.41%
Total	170,770	175,509	4,739	2.78%

Ethnicity	2015	2016	CHANGE	CHANGE
American Indian Alaskan	1,475	1,513	38	2.58%
Asian	3,898	4,280	382	9.80%
Black or African American	2,230	2,349	119	5.34%
Hispanic or Latino	16,699	18,492	1,793	10.74%
Native Hawaiian or Pacific Islander	1,227	1,364	137	11.17%
White	119,955	130,751	10,796	9.00%
Multiple	3,963	4,879	916	23.11%
Non Resident Alien	5,678	5,578	- 100	-1.76%
Unspecified	15,645	6,303	- 9,342	-59.71%
Total	170,770	175,509	4,739	2.78%





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November 9, 2016

#### **MEMORANDUM**

TO:

State Board of Regents

FROM:

David L. Buhler

SUBJECT:

General Consent Calendar

The Commissioner recommends approval of the following items on the Regents' General Consent Calendar:

#### A. Minutes

 Minutes of the Board Meetings: September 15-16, 2016, Utah State University, Logan, Utah; October 18, 2016, Conference Call, Board of Regents Building, Salt Lake City, Utah; October 26, 2016, Utah State University, Logan Utah. (Attachment).

#### B. Grant Proposals

- University of Utah Ed Institute of Education Sciences; "Student Outcomes in SSOS"; \$1,379,527. Andrea K Rorrer, Principal Investigator.
- 2. University of Utah Ed Institute of Education Sciences; "Rolling Out Telepresence"; \$1,330,474. Aaron Jason Fischer, Principal Investigator.
- University of Utah USDA National Inst of Food and Agriculture; "WIFOO: Wireless Food Safety"; \$1,183,247. Carol H Mastranelo, Principal Investigator.
- 4. University of Utah NIH National Institute Environmental Health Sciences; "TRPV3 & Wood Smoke"; \$1,902,816. Christopher A Reilly, Principal Investigator.
- 5. University of Utah US Department of Defense; "BBCBT Replication Study-Lejeune"; \$4,918,545. Craig Bryan, Principal Investigator.
- 6. University of Utah NIH National Cancer Institute; "C-ELCS-Renewal"; \$3,600,198. Ken R Smith, Principal Investigator.
- 7. University of Utah NIH National Inst Dental Craniofacial Research; "Resolution of Inflammation"; \$3,103,304. Olga Juliana Baker, Principal Investigator.
- 8. University of Utah NIH National Inst of General Medical Sciences; "Stress Fivers & Cell Adhesio"; \$2,450,772. Mary C Beckerle, Principal Investigator.

















- 9. University of Utah Damon Runyon Cancer Research Foundation; "Basal Cell Extrusion"; \$1,200,000. Jody Rosenblatt, Principal Investigator.
- University of Utah DHHS National Institutes of Health; "MRS Technology for Stroke";
   \$3,634,865. Dennis L Parker, Principal Investigator.
- 11. University of Utah NIH National Institute of Mental Health; "Neurobiology in Depression"; \$3,593,132. Jon-Kar Subieta, Principal Investigator.
- 12. University of Utah DHHS National Institutes of Health; "MRI for Heart Failure"; \$2,611,861. Edward Victor Rebok Di Bella, Principal Investigator.
- 13. University of Utah NIH National Institutes of Health; "Biological Affinity R01 Resub"; \$2,573,860. Young-Wook Won, Principal Investigator.
- 14. University of Utah NIH National Inst child Hlth & Human Dev; "NIPS in Infant Sepsis"; \$2,241,598. Christian C Yost, Principal Investigator.
- 15. University of Utah National Science Foundation; "Career: Genetic Programs"; \$2,001,666. Christopher T Gregg, Principal Investigator.
- 16. University of Utah NIH National Eye Institute; "Retinal Remodeling"; \$1,902,816. Bryan W Jones, Principal Investigator.
- 17. University of Utah NIH National Eye Institute; "Biochem & Pharm of Mac Caroten"; \$1,902,497. Paul S Bernstein, Principal Investigator.
- 18. University of Utah NIH National Eye Institute; "Mechanobiology of Glaucoma"; \$1,890,125. David Krizaj, Principal Investigator.
- 19. University of Utah DHHS National Institutes of Health; "Renal Hypoxia of Glom Fibrosis"; \$1,889,944. Lei Zhang, Principal Investigator.
- University of Utah Medtronic Inc; "Evolut R Low Risk Study"; \$1,692,975. David A Bull, Principal Investigator.
- 21. University of Utah NIH National Institute of Mental Health; "Depression Across Lifespan"; \$1,663,093. Sara L Weisenbach, Principal Investigator.
- 22. University of Utah DHHS National Institutes of Health; "Paclitaxel for TBI Application"; 41,289,860. Donna Cross, Principal Investigator.

- 23. University of Utah National Multiple Sclerosis Society; "Damage in MS Cervical Spine"; \$1,157,272. Eun-Kee Jeong, Principal Investigator.
- 24. University of Utah National Science Foundation; "NSF Career-Douglass"; \$1,064,407. Adam Douglass, Principal Investigator.
- 25. University of Utah National Science Foundation; "Smart TBI Risk Reduction"; \$2,055,860. Mark Andrew Minor, Principal Investigator.
- 26. University of Utah NIH Office of the Director; "Molecular Design"; \$3,500,000. Eric W Schmidt, Principal Investigator.
- 27. University of Utah DHHS National Institutes of health; "Oral Gene Deliver"; \$1,893,750. You Han Bae, Principal Investigator.
- 28. University of Utah DHHS National Institutes of Health; "Disease Preconception Exposure"; \$1,522,513. Wayne K Potts, Principal Investigator.
- 29. University of Utah DHHS National Institutes of Health; "A practical Biomarker Immunoas"; \$1,268,000. John C Conboy, Principal Investigator.
- 30. University of Utah NIH National Institute on Aging; "Innovative Normative Solutions"; \$1,141,250. Yana Suchy, Principal Investigator.
- 31. University of Utah NIH National Heart Lung & Blood Inst; "Ambivalence and Health"; \$1,141,250. Bert N Uchino, Principal Investigator.
- 32. University of Utah DHHS National Institutes of health; "R01 Renewal Epithelial"; \$2,235,027. Jody Rosenblatt, Principal Investigator.
- 33. University of Utah NIH National Institute Dental Craniofacial Research; "Therapies for Tooth Agenesis"; \$1,668,750. Rena D'Souza, Principal Investigator.
- 34. University of Utah NIH national Inst Child Hlth & Human Dev; "Kennan R24 Resub Sept 2016"; \$5,804,905. Heather Todd Keenan, Principal Investigator.
- 35. University of Utah NIH National Inst Arthrit Muscoskel Skin Dis; "Hospital Readmissions"; \$3,724,995. Man Hung, Principal Investigator.

- 36. University of Utah NIH national Cancer Institute; "Early Detection Biosensing"; \$3,112,046. Margit Janat Amsbury, Principal Investigator.
- 37. University of Utah Army Medical Research & Materiel Command; "Transhumeral Amputee Implants"; \$3,000,000. Kent N Bachus, Principal Investigator.
- 38. University of Utah NIH National Center for Complmt & Integtv Health; "Placebo Eff. In Fibromyalgia"; \$2,373,363. Jon-Kar Zubieta, Principal Investigator.
- 39. University of Utah DHHS National Institutes of Health; "Pampar"; \$2,319,528. John C Fang, Principal Investigator.
- 40. University of Utah DHHS National Institutes of Health; "Shepherd Dp2 Innovator"; \$2,284,500. Jason Dennis Shepherd, Principal Investigator.
- 41. University of Utah DHHS National Institutes of Health; "Nicotine and Microglia"; \$1,903,750. Lorise C Gahring, Principal Investigator.
- 42. University of Utah NIH National Eye Institute; "NEW Submission"; \$1,903,750. Jun yang, Principal Investigator.
- 43. University of Utah DHSH National Institutes of Health; "Nicotinic A7 Imprinting"; \$1,903,750. Scott W Rogers, Principal Investigator.
- 44. University of Utah Army Med Research Inst of Chemical Defense; "Adult Counteract"; \$1,734,860. Francis Edward Dudek, Principal Investigator.
- 45. University of Utah Washington University in St Louis; "Hotaling Sub Washu Cser2"; \$1,634,001. James Morris Hotaling, Principal Investigator.
- 46. University of Utah University of Colorado at Denver; "Genomics of Platelet Biology"; \$1,531,572. Andrew S Weyrich, Principal Investigator.
- 47. University of Utah NIH National Institute of Mental Health; "Burst-Suppression Anesthesia"; \$1,521,563. Brian James Mickey, Principal Investigator.
- 48. University of Utah Army Medical Research Acquisition Activity; "Pediatrict Counteract"; 41,053,207. Francis Edward Dudek, Principal Investigator.
- 49. University of Utah America Association for Cancer Research; "Verma AACR August 2015"; \$1,032,923. Anupam Verma, Principal Investigator.

- 50. University of Utah DOD Defense Advanced Research Projects Agency; "2016 DARPA Trades"; \$2,103,406. Robert Michael Kirby II, Principal Investigator.
- 51. Utah State University US National Science Foundation; "Science Technology Integration leveraging Teacher Supports"; \$1,199,833. Colby Tofel-Grehl, Principal Investigator
- 52. Utah State University US National Science Foundation; "WF-22173: SSI: An Interactive Software Infrastructure for Sustaining Collaborative Community Innovation"; \$2,401,939. David G Tarboton, Principal Investigator.
- 53. Utah State University US Department of Agriculture; "Incentives, Markets, and Management to Sustain Water for Agriculture in the Upper Colorado River Basin"; \$4,994,152. Kelly L Kopp, Principal Investigator.
- 54. Utah State University Department of Defense; "Bluebird CubeSat Component Study"; \$1,489,849. Amy Secrist.
- 55. Utah State University Misc Federal Sponsors; "CubeSat and GEOINT Research and Development Task Order 0001 Virtual Imagery processing Capability Bridging FY 2017"; \$6,499,970. Glen Wada, Principal Investigator.
- 56. Utah State University US Dept of Int Bureau of Land Management; "Completion of BLM 3<sup>rd</sup> and 4<sup>th</sup> Order HAAF for Utah Sage-grouse Management Areas, BLM Priority and General Habitat Areas"; \$1,000,000. Terry A Messmer, Principal Investigator.
- 57. Utah State University US Dept of Hlth. And Hum. Svcs. National Institutes of Health; "Long-term trajectories of subjectively-and polysomnographically-assessed sleep patterns as predictors of neuroendocrine dysregulation and weight gain in adults"; \$2,091,510. Eric Noel Reither, Principal Investigator.
- 58. Utah State University US National Aeronautics & Space Administration; "Sounding of the Atmosphere Using Broadband Emission Radiometry CubeSate"; \$2,313,792. Charles m Swenson, Principal Investigator.
- 59. Utah State University US Dept of Agriculture and Food Research Initiative; "Osmia lignaria: Strategies to ensure and enhance the native bee's and relatives' role in pollination of agricultural and natural ecosystems"; \$1,000,527. Karen Marie Kapheim, Principal Investigator.
- 60. Utah State University US Dept of Ed. Institute of Education Sciences; "The GAME Project"; \$1,399,742. Patricia Seray Moyer-Packenham, Principal Investigator.

- 61. Utah State University US Dept of Ed. Institute of Education Sciences; "Randomized Controlled Trial of the Supporting Knowledge in Language and Literacy Program for Children who are At-Risk"; \$3,497,544. Ron Gillam, Principal Investigator.
- 62. Utah State University US National Aeronautics & Space Administration; "MEDUSA"; \$1,937,218. Ryan Davidson, Principal Investigator.
- 63. Utah State University NASA Jet Propulsion Laboratory; "Near Earth Object Camera"; \$19,471,720. Jed Hancock, Principal Investigator.
- 64. Utah State University Jacobs Technology, Inc; "P5 ADIU"; \$3,300,000. Bennett Keller, Principal Investigator.
- 65. Utah State University National Institutes of Health; "Dietary prevention of inflammation-associated colorectal cancer by black raspberries and cocoa powder: role of the gut microbiome"; 41,733,838. Abby Benninghoff, Principal Investigator.
- 66. Utah State University UT Department of Workforce Services; "Utah Food Sense"; \$1,421,517. Heidi Reese LeBlanc, Principal Investigator.
- 67. Utah State University US National Science Foundation; "S12-SSI: Collaborative Research: Cyber-infrastructure for Advancing Gydro-logic Knowledge through Collaborative integrations of Data, Science, Modeling, and Analysis"; \$3,407,892. David G Tarboton, Principal Investigator.
- 68. Utah State University National Institutes of Health; "Dietary prevention of inflammation-associated colorectal cancer by black raspberries and cocoa powder: role of the gut microbiome and impact on intestinal inflammation"; \$1,728,834. Abby Benninghoff, Principal Investigator.
- 69. Utah State University UT Dept of Hum. Svcs. Child and Family Services; "Title IV E Child Welfare Training Project FY 17 FY 21"; \$3,582,589. Derrik R Tollesfson, Principal Investigator.
- 70. Utah State University US National Science Foundation; "Collaborative Research: Consortium of Resonance and Rayleigh lidars"; \$2,033,830. Tao Yuan, Principal Investigator.
- 71. Utah State University Air Force Space and Missiles Command; "Space Situational Awareness Environmental Monitoring Radio Frequency Beacon Ground Receivers"; \$1,199.971. Tim Neilsen, Principal Investigator.

- 72. Utah State University Air Force; "Kokanee"; \$1,018,126. Jim Perry, Principal Investigator.
- 73. Utah State University Lockheed Martin Space Systems; "Multislit Solar Explorer"; \$3,200,000. Erik Syrstad, Principal Investigator.
- 74. Utah State University Air Force Research Laboratory; "Dynamic Sensor Support Task Order 0007 Mycroft"; \$1,980,000. John Santacroce, Principal Investigator.
- 75. Utah State University Air Force Research Laboratory; "Dynamic Sensor Support Task Order 0008 Rockstar"; \$2,570,000. Adam Shelley, Principal Investigator.

### C. Awards

- University of Utah US Agency for International Development; "SAID-PCASW"; \$2,000,000.
   Steven John Burian, Principal Investigator
- 2. University of Utah National Science Foundation; "BSF CNH"; \$1,499,990. Brenda Bowen, Principal Investigator.
- 3. University of Utah Army Medical Research Acquisition Activity; "MORE: Targeting Chronic Pain": \$3,434,996. Eric L Garland, Principal Investigator.
- University of Utah HRSA Emergency Med Srvcs Child National Research CTR; "Emergency Medical Services for Children Data Coordinating"; \$2,500,000. Michael J Dean, Principal Investigator
- 5. University of Utah Army Medical Research Acquisition Activity; "Towards Personalized Medicine"; \$1,799,965. Bryan E Welm, Principal Investigator.
- 6. University of Utah NIH National Heart Lung & Blood Inst; "Spring-Option 3"; \$2,576,295. Alfred K Cheung, Principal Investigator.
- 7. University of Utah DOT National Highway Traffic Safety Admin; "NEMSIS TAC"; \$1,500,000. Newell C Mann, Principal Investigator.
- 8. University of Utah NIH National Inst of General Medical Sciences; "Conus Peptides"; \$2,007,869. Baldomero M Olivera, Principal Investigator.
- 9. University of Utah NIH National Inst of General Medical Sci; "Structural Biology Center for HIV/Hot Interactions in T"; \$4,122,974. Wesley I Sundquist, Principal Investigator.
- 10. University of Utah NIH National Center for Advancing Translt Sciences "Dean U24 NCATS Sept 2015"; \$3,622,562. J Michael Dean, Principal Investigator.

- 11. University of Utah CDC National Inst Occupational Safety & Health; "Occupational Safety and Health"; \$1,476,000. Kurt Timothy Hegmann, Principal Investigator.
- 12. Utah State University US Department of Education; "STARS!"; \$2,234,400. Eric D Pakenham, Principal Investigator.
- 13. Utah State University US Dept of Int. Bureau of Land Management; "BLM/USU National Aquatic Monitoring Center"; \$1,178,997. Charles P Hawkins, Principal Investigator.
- 14. Utah State University US Department of Education; "Utah State University STARS! GEAR UP Partnership"; \$2,336,400. James T Dorward, Principal Investigator.
- 15. Utah State University Naval Research Lab; "Naval Research Laboratory Intelligence, Surveillance, and Reconnaissance Systems Task Order 0001-Marine Corps Common Ground System 2014 and 2016"; John Kratz, Principal Investigator.
- 16. Utah State University US National Science Foundation; "NRT": Graduate Climate Adaptation Research that Enhances Education and Responsiveness of science at the management-policy int."; \$2,689,908. Nancy J Huntly, Principal Investigator.
- 17. Utah State University US Dept of Ag. National Institute of Food & Ag (NIFA); "2016 Western SARE prime Award Plan of work"; \$4,980,272. Rhonda L Miller, Principal Investigator.
- 18. Utah State University Air Force Space and Missiles Command; "Space Situational Awareness Environmental Monitoring Radio Frequency Beacon Ground Receivers"; \$1,199,971. Tim Neilsen, Principal Investigator.
- 19. Utah State University Mic Federal Sponsors; "CubeSat and GEOINT Research and Development Task Order 0001 Virtual Imagery Processing Capability Bridging FY2017"; \$6,290,202. Glen Wada, Principal Investigator.

#### D. Academic Items Received and Approved

- New Programs
  - University of Utah Emphasis in Air, Water and Health within the BA/BS in Environmental & Sustainability Studies
  - University of Utah Emphasis in Climate and Energy within the BA/BS in Environmental & Sustainability Studies
  - University of Utah Emphasis in Ecological Literacy and Social Change within the BA/BS in Environmental & Sustainability Studies
  - University of Utah Emphasis in Food Systems and Community Resilience within the BA/BS in Environmental & Sustainability Studies

- University of Utah Emphasis in Land Management, Conservation, and Place within the BA/BS in Environmental & Sustainability Studies
- University of Utah Graduate Certificate in Hydrology and Water Resources
- University of Utah Minor in Joint Military Leadership

## 2. Name Change

- Southern Utah University Institute of Policy Analysis (IPA) to W. Edwards Deming Incubator for Public Affairs (WEDIPA)
- Southern Utah University School of Graduate and Continuing Studies to Graduate & Online School

#### 3. Discontinuation

- University of Utah Master of Arts in Geography
- Weber State University Chemistry Option 2 within the Bachelor of Science in Chemistry

## 4. Three-Year Review

University of Utah – Doctor of Dental Surgery (DDS)

### 5. Seven-Year Review

- University of Utah Department of Educational Leadership and Policy
- University of Utah Department of Educational Psychology
- University of Utah Department of Linguistics
- University of Utah Department of Political Science
- University of Utah S.J. Quinney College of Law

David L. Buhler

Commissioner of Higher Education

Dil Rhle

DLB/LO Attachment

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH TAGGART STUDENT CENTER THURSDAY, SEPTEMBER 15, 2016

Attendance	1
Presentation of USHE Institutional State Funded & Non-State Funded Capital Development Projects	1
Adjournment	2

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH TAGGART STUDENT CENTER THURSDAY, SEPTEMBER 15, 2016

# COMMITTEE OF THE WHOLE MINUTES

Regents Present

Daniel W. Campbell, Chair

Nina R. Barnes

Jesselie B. Anderson

Ty B. Aller

Wilford W. Clyde

Robert S. Marquardt

Harris H. Simmons

Mark R. Stoddard

Teresa L. Theurer

Marlin K. Jensen

Steve Moore

John H. Zenger

Regents Absent

France A. Davis. Vice Chair

Robert W. Prince Leslie Brooks Castle

Joyce P. Valdez

Patricia Jones

Steve Lund

### Office of the Commissioner

David L. Buhler, Commissioner of Higher Education

Kimberly L. Henrie, Associate Commissioner for Planning, Finance and Facilities

#### Institutional Presidents Present

David W. Pershing, University of Utah

Stan L. Albrecht, Utah State University

Scott L Wyatt, Southern Utah University

Gary L. Carlston, Snow College

Matthew S. Holland, Utah Valley University

Richard B. Williams, Dixie State University

Deneece G. Huftalin, Salt Lake Community College

Other Commissioner's Office and institutional personnel were also present. The signed role is on file in the Commissioner's Office.

Chair Campbell called the meeting to order at 1:00 p.m. He opened the meeting by stating the order of institutional presentations and turned the time over to President Pershing to begin.

The Regents heard presentations on the following proposed state-funded projects:

- University of Utah Medical Education & Discovery (MED)/Rehabilitation Hospital
- Utah State University Biological and Natural Resources Renovation
- Weber State University Lindquist Hall Renovation (Social Sciences Building)
- Dixie State University Human Performance Center

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- Utah Valley University New Business School Building
- Salt Lake Community College Herriman Campus General Education Building

The Regents heard a presentation on the following proposed State Funded Land Banking Request:

Snow College – Ephraim Campus Land Bank

The Regents heard presentations on the following proposed Non-state funded projects:

- University of Utah University Guest House Expansion
- Dixie State University Legend Solar Stadium
- Salt Lake Community College Jordan Campus Student Center

Chair Campbell thanked the committee for their hard work. Regent Marquardt noted that all projects are needed and is hopeful we will be able to fund as many as possible. He thanked the presenters and presidents for their efforts. Chair Campbell asked if there were any questions for the committee. No questions were asked.

No action was taken on this item at this time. The board will vote to approve the prioritization of the projects during the Committee of the Whole September 16, 2016.

The Committee of the Whole adjourned at 2:28 p.m.

Loreen Olney, Executive Secretary

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH TAGGART STUDENT CENTER FRIDAY, SEPTEMBER 16, 2016

Attendance	1
State of the University	1
Oath of Office – Ty B. Aller	2
General Consent Calendar	2
Approval of Calendar for 2017-18 Board of Regent Meetings	2
JSHE – Institutional State Funded Capital Development Projects for 2017-18	2
JSHE – Institutional Non-State Funded Capital Development Projects and Land Bank Requests for 2017-18	2
JSHE – 2017-18 Operating Budget Request	2
and Bank Requests for 2017-18	2
Reports of Board Committees  Academic and Student Affairs Committee	3
StepUp to Higher Education Initiative 2016 Finance/Facilities Committee	3

U U U U Si U	SHE – Revision of Policy R345, <i>Information Technology Resource Security</i> SHE – Institutional Non-State Funded Capital Development Projects and Land Bank Requests for 2017-18 ISHE – Institutional State – Funded Capital Development Projects for 2017-18 ISHE – State Authorization Reciprocity Agreement (SARA) Institution Membership Fees IHEAA – Amendment to Authorizing Resolution: Student Loan Backed Notes Itah State University – Series 2016 Taxable Research Revenue Bonds Itah State University – Series 2016 Student Fee and Housing System Revenue Bonds Outhern Utah University – Aviation Program Capital Asset Report ISHE – 2015-16 End-of-year Enrollment Report ISHE – Annual Report on Foreign Gifts and/or Donations
Adjournme	ent4

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH TAGGART STUDENT CENTER THURSDAY, SEPTEMBER 16, 2016

# COMMITTEE OF THE WHOLE MINUTES

#### Regents Present

Daniel W. Campbell, Chair

Nina R. Barnes

Jesselie B. Anderson

Ty B. Aller

Wilford W. Clyde

Robert S. Marquardt

Harris H. Simmons

Mark R. Stoddard

Teresa L. Theurer

Marlin K. Jensen

Steve Moore

John H. Zenger

Regents Absent

France A. Davis, Vice Chair

Robert W. Prince

Leslie Brooks Castle

Joyce P. Valdez

Patricia Jones

Steve Lund

### Office of the Commissioner

David L. Buhler. Commissioner of Higher Education

Kimberly L. Henrie, Associate Commissioner for Planning, Finance and Facilities

#### Institutional Presidents Present

David W. Pershing, University of Utah

Stan L. Albrecht, Utah State University

Scott L Wyatt, Southern Utah University

Gary L. Carlston, Snow College

Matthew S. Holland, Utah Valley University

Richard B. Williams, Dixie State University

Deneece G. Huftalin, Salt Lake Community College

Other Commissioner's Office and institutional personnel were also present. The signed role is on file in the Commissioner's Office.

Chair Campbell called the meeting to order at 12:32 p.m. Chair Campbell welcomed the Board and turned the time over to President Albrecht.

#### State of the University

President Albrecht welcomed everyone and opened by expressing his appreciation for the honor of being President of USU, and offered his thanks to the many people whom he has worked with along the way. He said for the past several years he has used this presentation to talk about USU, but this time he will just say there are hundreds of wonderful things happing on campus, and would now like to change directions and

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reflect on his twelve year journey as president of USU. He talked about major joys, frustrations and disappointments, and worries looking forward.

Chair Campbell expressed his and the Regents' deep appreciation for President Albrecht's love for Utah State and the difference he has made.

### Oath of Office - Ty B. Aller

Having been appointed to the Board of Regents, Ty B. Aller took the Oath of Office.

## General Consent Calendar (TAB X)

On a motion by Regent Marquardt, and seconded by Regent Theurer the following items were approved on the Regents' General Consent Calendar:

- A. Minutes Minutes of the Board meeting July 15, 2016, Southern Utah University, Cedar City, Utah.
- B. Grant Proposals
- C. Awards
- D. Academic Items Received and Approved

# Approval of Calendar for 2017-18 Board of Regents Meetings (TAB Y)

Regent Jensen moved to approve as outlined in Tab Y, the motion was seconded by Regent Stoddard and the motion carried.

# USHE - Institutional State-Funded Capital Development Projects for 2017-18 (TAB P)

Regent Marquardt noted the Capital Development Committee met yesterday after the Committee of the Whole to prioritize the projects. This list was presented to the Finance and Facilities Committee where it was unanimously approved. The ranking is as follows:

- 1. University of Utah Medical Education and Discovery
- 2. Dixie State University Human Performance Center
- 3. Weber State University Lindquist Hall (Social Science)
- 4. Utah State University Biology and Natural Resources
- 5. Utah Valley University Business School
- 6. Salt Lake Community College Herriman Campus General Ed.

Regent Marquardt moved to approve, the motion was seconded by Regent Zenger and the motion carried.

## <u>USHE – Institutional Non-State Funded Capital Development Projects and</u> <u>Land Bank Requests for 2017-18</u> (TAB O)

Regent Marquardt noted the Regents heard presentations on these projects in yesterday's Committee of the Whole. Regent Marquardt moved to approve as outlined in Tab O. The motion was seconded by Regent Simmons and the motion carried.

# USHE - 2017-18 Operating Budget Request (TAB M)

Commissioner Buhler stated the Board has four primary roles; one of those is to present the operating budget request. He reviewed a report on the value of education. The budget request takes into consideration the Board's strategic objectives of Affordable Participation, Timely Completion, and

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Innovative Discovery. The strategic plan calls for a 5% annual increase in state funding. However, this year we are requesting a 7.5% increase in order to minimize the tuition rate increase to a 2% first-tier increase. The request consists of three priorities: Compensation, Student Growth and Market Demand. He also noted this item authorizes him to make subsequent technical adjustments related to compensation, student growth, market demand and Regents' Scholarship. There was discussion about the process and funding. Chair Campbell mentioned there was no funding last year for growth. Commissioner Buhler stated it is important that legislation fund new growth or student costs will continue to rise. Commissioner Buhler expressed his appreciation to the Presidents for their efforts in preparing the budget request. **Regent Barnes moved to approve as outlined in Tab M, the motion was seconded by Regent Lund and the motion carried.** 

## Reports of Board Committees

Academic and Student Affairs Committee

University of Utah - Education Specialist in School Psychology (TAB A)

<u>Utah State University – Bachelor of Arts/Bachelor of Science in English Teaching Composite with Emphases in American Studies, Literature, and Writing (TAB B)</u>

<u>Utah State University – Bachelor of Science in Climate Science</u> (TAB C)

<u>Weber State University – Bachelor of Science in Nutrition Education with Emphases in Integrative Nutrition</u> and Sports Nutrition (TAB D)

Regent Theurer noted these were approved in Committee and moved to approve as outlined in Tabs A, B, C, D. The motion was seconded by Regent Stoddard and the motion carried.

Revision of Regent Policy R165, Concurrent Enrollment (TAB E)

Regent Theurer noted this policy revision came about because of the passage of two new bills. **Regent**Theurer moved to approve as outlined in Tab E. The motion was seconded by Regent Aller and the motion carried.

Revision of Regent Policy R470, General Education, Common Course Numbering, Lower-Division Pre-Major Requirements, Transfer of Credits, and Credit by Examination (TAB F)

Regent Theurer noted this was a good revision and it was approved in committee. Regent Theurer moved to approve as outline in Tab F. The motion was seconded by Regent Barnes and the motion carried.

Utah State University Completion Report (TAB G)

Utah Scholars Initiative 2016 (TAB H)

StepUp to Higher Education Initiative 2016 (TAB I)

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Regent Theurer shared her excitement about Tab G, Utah State University Completion Report and encouraged Regents to read the report. She also noted Tab H and I were good reports. This is information only; no action was taken.

Finance and Facilities

<u>Utah State University – Long-term Lease for the USU Salt Lake Education Center</u> (TAB J)

<u>Utah State University – Property disposal in Carbon County (TAB K)</u>

Salt Lake Community College – Property Acquisition in Herriman (TAB L)

USHE – Revision of Policy R345, Information Technology Resource Security (TAB N)

UHEAA – Amendment to Authorizing Resolution: Student Loan Backed Notes (TAB R)

Regent Marquardt briefly described each item and moved to approve as outlined in Tabs J, K, L, N, R. The motion was seconded by Regent Anderson and the motion carried.

<u>USHE – State Authorization Reciprocity Agreement (SARA) Institution Membership Fees (TAB Q)</u>
Regent Marquardt noted this has to do with online programs and moved to approve as outlined in Tab Q. The motion was seconded by Regent Clyde and the motion carried.

Utah State University – Series 2106 Taxable Research Revenue Bonds (TAB S)

<u>Utah State University – Series 2016 Student Fee and Housing System Revenue Bonds (TAB T)</u>

Southern Utah University - Aviation Program Capital Asset Report (TAB U)

USHE - 2015-16 End-of-year Enrollment Report (TAB V)

USHE - Annual Report on Foreign Gifts and/or Donations (TAB W)

Regent Marquardt noted Tabs S, T, U, V, W are all informational repots; no action was taken.

It was moved by Regent Stoddard and seconded by Regent Barns to meet in Executive Session for the sole purpose of discussing the character, professional competence, or physical or mental health of individuals.

The Committee of the Whole adjourned at 1:46 p.m.

Loreen Olney, Executive Secretary

# STATE BOARD OF REGENTS MEETING BOARD OF REGENTS BUILDING, COMMISSIONER'S OFFICE CONFERENCE CALL TUESDAY, OCTOBER 18, 2016

Attendance	1
Utah Valley University – Property Acquisition	•
Adjournment	

# STATE BOARD OF REGENTS MEETING BOARD OF REGENTS BUILDING, COMMISSIONER'S OFFICE CONFERENCE CALL TUESDAY, OCTOBER 18, 2016

# EXECUTIVE COMMITTEE MEETING MINUTES

Regents Present
Daniel W. Campbell, Chair\*
France A. Davis\*
Jesselie B. Anderson
Robert S. Marquardt
Robert W. Prince
John H. Zenger

#### Office of the Commissioner

David L. Buhler, Commissioner of Higher Education\*
Kimberly L. Henrie, Associate Commissioner\*
Rich Amon, Assistant Commissioner for Business Operations\*
Loreen Olney, Executive Secretary to the Board of Regents\*

# Institutional Staff Val Peterson, Utah Valley University

Chair Campbell called the Executive Committee to order at 12:30 p.m. Roll was called and a quorum established.

# <u>Utah Valley University – Property Acquisition (TAB A)</u>

Val Peterson noted the property is one mile from campus. Chair Campbell questioned the appraisal because it is the exact amount of the purchase price; did the purchase or appraisal come first? Val Peterson did not have the answer but noted there were four other offers; UVU had first position. Chair Campbell asked for clarification of space and opened floor for questions. There were no additional questions. Chair Campbell noted the property is strategically located and that is good. Commissioner Buhler recommended the purchase.

It was moved by Vice-chair Davis to approve as outlined in TAB A. The motioned was seconded by Regent Zenger. The motion was unanimously approved and carried.

Val Peterson expressed his appreciation. The meeting adjourned at 12:39 p.m.

Loroon Oli	ney, Executive Sec	rotary*
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<sup>\*</sup> Those who appeared in person.

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH ALUMNI HOUSE/ECCLES CONFERENCE CENTER WEDNESDAY, OCTOBER 26, 2016

Attendance	.1
Oath of Office (Spencer F. Stokes)	.1
Acknowledgments	.2
Utah State University Presidential Appointment	.2
Adjournment	.2

# STATE BOARD OF REGENTS UTAH STATE UNIVERSITY, LOGAN, UTAH TAGGART STUDENT CENTER WEDNESDAY, OCTOBER 26, 2016

# COMMITTEE OF THE WHOLE MINUTES

Regents Present

Daniel W. Campbell, Chair

France A. Davis, Vice Chair

Ty B. Aller

Jesselie B. Anderson

Nina R. Barnes

Wilford W. Clyde

Marlin K. Jensen

Patricia Jones

Steve Lund

Steven Moore (day session)

Robert S. Marguardt (day session)

Robert W. Prince

Harris H. Simmons

Mark R. Stoddard

Spencer F. Stokes (day session)

Teresa L. Theurer

Joyce P. Valdez

John H. Zenger (day session)

#### Office of the Commissioner

David L. Buhler, Commissioner of Higher Education

### Institutional Presidents Present

Stan L. Albrecht, Utah State University (Evening Committee of the Whole)

Chair Campbell called the meeting to order at 8:00 a.m. He welcomed Regents in attendance and introduced new Regent, Spencer F. Stokes.

#### Oath of Office – Spencer F. Stokes

Having been appointed to the Board of Regents, Spencer F. Stokes took the Oath of Office.

It was moved by Regent Stoddard and seconded by Regent Simmons to meet in Executive Session for the sole purpose of discussing the character and professional competence of the applicants for the Utah State University Presidential Search. The motion carried. The Regents met in executive session from 8:05 a.m. to 3:30 p.m.

Chair Campbell called the Board of Regents Committee of the Whole to order again at 5:30 p.m.

Regents Absent Leslie Brooks Castle Minutes of Meeting October 26, 2016 Page 2

### Acknowledgements

Chair Campbell recognized on the stand members of the Board of Regents, the Executive Committee of the Utah State University Trustees, and President and Joyce Albrecht. He noted that early this year President Albrecht announced his retirement. Chair Campell said he cannot overstate President Albrecht's impact on the University. His vision has elevated the University beyond the most optimistic expectations; he leaves a legacy culminating in an outstanding faculty and remarkable scholarship, a student-centered education experience and a growing national and international reputation for innovation and distinction. Utah State University now stands ready to continue on the trajectory President Albrecht has set.

Chair Campbell turned the time over to President and Joyce Albrecht. Joyce Albrecht thanked everyone for their support and wished the new President the same joy and success they have enjoyed over the past 12 years. President Albrecht said the last 12 years has been an amazing journey. He urged everyone to support the new President in the same manner they have supported him.

Chair Campbell recognized the Search Committee and thanked them for their work; he also thanked the Commissioner's staff for leading the search committee.

Search Committee Chair Regent Theurer recognized the efforts and work of the Commissioner's office. She thanked the search committee and community for their input, work and efforts in this process.

Search Committee Vice-Chair Trustee Chair Ron Jibson expressed his gratitude for President and Joyce Albrecht and for their leadership. He thanked Commissioner Buhler and his staff, as well as the Regents, Trustees and Search Committee for their work. He also thanked Regent Theurer for her leadership on the search committee.

#### Utah State University Presidential Appointment

Regent Theurer, Chair of the Search Committee, moved to appoint Noelle Cockett as the next president of Utah State University. It was seconded by Regent Jensen. The motion carried unanimously.

President and Mr. Cockett were introduced to the audience. Chair Campbell, Commissioner Buhler, and Utah State University Trustee Chair Ron Jibson each congratulated and welcome them. President Cockett said she is deeply humble and honored to be selected as the 16<sup>th</sup> president of Utah State. Mr. Cockett also said how honored they are and he recognized their children in the audience.

The Committee of the Whole adjourned at 5:53 p.m.

Loreen	Olney	, Ex	(ec	cutiv	/e	Se	cre	tary