

January 16, 2019

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – FY2020 Operating Budget Request Revisions

Issue

The Board is asked to review and approve the proposed revisions to the FY2020 operating budgeting in preparation for the 2019 Legislative Session. The proposed changes do not increase the amount of the budget, but rather a change in use for the proposed funds.

Background

During the September 2018 Board meeting, the Board adopted its FY2020 Operating Budget Request. Since that time, the Commissioner's Office has received requests from Weber State University and Snow College to update their proposed budget request needs to address critical emerging needs on campus since the September approval.

Weber State University is asking the Board to consider the following changes to its FY2020 budget request

- Decrease its Affordable Access request from \$1,000,000 to \$750,000 by reducing the proposed increase in student scholarships from \$700,000 to \$450,000
- Decrease its Timely Completion request from \$2,500,000 to \$2,155,000 by reducing its request for annual software maintenance from \$400,000 to \$300,000 and reducing targeted need-based scholarships focused on completion from \$450,000 to \$250,000.
- Increase its Workforce and Research request from \$600,000 to \$1,200,000 by categorizing its STEM request previously reported under the Student Growth and Capacity request of \$600,000.
- Decrease its Student Growth and Capacity request from \$1,400,000 to \$1,395,000 by making the following changes to its request in this category:
 - Increasing the ask for wireless infrastructure costs from \$75,000 to \$125,000
 - Increasing the ask for security infrastructure costs from \$75,000 to \$125,000
 - Adding a new request to address High Impact Faculty & Staff for \$450,000
 - Re-categorize the \$600,000 STEM request to Workforce and Research

Snow College is asking the Board to consider the following changes to its FY2020 budget request.

- Decrease its Timely Completion request from \$215,000 to \$170,000 by reducing the salary and benefits request associated with its predictive analytics software and student success expansion request.
- Increase its request in the student Growth and Capacity request by \$45,000 to add an additional patrol officer to the colleges department of public safety.

If the Board approves the request to modify the use of funds as proposed by these two institutions, the FY2020 USHE Operating Budget Request would be modified as follows and highlighted in the attachment.

FY20 USHE Operating Budget Request		
Budget Category	Original Request	Modified Request
Affordable Access	\$14,430,200	\$14,180,200
Timely Completion	\$15,711,287	\$15,411,287
Workforce & Research	\$9,419,800	\$10,019,800
Student Growth & Capacity	\$18,651,800	\$18,601,800
USHE Total	\$58,213,087	\$58,213,087

Commissioner's Recommendation

The Commissioner recommends that the Board approve the proposed FY2020 Operating Budget Request revisions for the 2019 Legislative Session.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS
Attachment

Proposed

Utah System of Higher Education

January 16, 2019

Budget Request Summary

ESTIMATED FY 2019-20 STATE TAX FUNDS BEGINNING BASE BUDGET \$1,019,164,000

	Proposed
USHE OPERATING BUDGET PRIORITIES (Ongoing Increase)¹	\$58,213,087

<p>Compensation^{2,3}</p> <p>Internal Service Rate Fund Increases⁴</p> <p>Affordable Access 14,180,200</p> <p style="padding-left: 20px;">Regents' & New Century Scholarships</p> <p style="padding-left: 20px;">Statewide College Advising Corps</p> <p style="padding-left: 20px;">Institution Based Student Aid, Student Employment & Internships</p> <p style="padding-left: 20px;">First Gen and Underserved Student Access Programs</p> <p>Timely Completion 15,411,287</p> <p style="padding-left: 20px;">3-year Bachelor Degree Pilot Program (SUU)</p> <p style="padding-left: 20px;">Advising, Retention, and Student Success Programs</p> <p style="padding-left: 20px;">Online Programs</p> <p>Workforce and Research 10,019,800</p> <p style="padding-left: 20px;">Health Professions and Related Programs</p> <p style="padding-left: 20px;">Engineering, IT, and Related Technologies</p> <p style="padding-left: 20px;">Construction, Composites and Diesel Technologies/Technicians</p> <p>Student Growth & Capacity 18,601,800</p> <p style="padding-left: 20px;">Cyber Security (HETI)</p> <p style="padding-left: 20px;">Noncredit CTE Investment (Hinkins)</p> <p style="padding-left: 20px;">New Faculty for High Demand, High Growth Programs</p> <p style="padding-left: 20px;">Student Services and Operational Support</p> <p style="padding-left: 20px;">Institution IT, Classroom Equipment & Data Technology</p> <p style="padding-left: 20px;">Institution Salary Equity</p> <p>Total - USHE Operating Budget Priorities \$58,213,087</p> <p style="text-align: right; margin-right: 20px;">5.7%</p>
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Notes:

- ¹ Based on form B-1 Institutional Budget Needs
- ² Compensation estimate based on a 2.0% salary increase and 5% health (\$34,375,310) - a 25% match in Tuition would be \$8,213,200 or an average tuition increase of 1%
- ³ USHE would also request any state retirement increases approved by Legislature for employees on the URS plans
- ⁴ The estimated Internal State Rate Funds increase for FY20 would require approximately \$1,177,949 in additional tuition dollars.

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Compensation ^{2,3}	
Internal Service Rate Fund Increases ⁴	
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Regents' & New Century Scholarships	
Statewide College Advising Corps	
Institution Based Student Aid, Student Employment & Internships	
First Gen and Underserved Student Access Programs	
Timely Completion	15,711,287
3-year Bachelor Degree Pilot Program (SUU)	
Advising, Retention, and Student Success Programs	
Online Programs	
Workforce and Research	9,419,800
Health Professions and Related Programs	
Engineering, IT, and Related Technologies	
Construction, Composites and Diesel Technologies/Technicians	
Student Growth & Capacity	18,651,800
Cyber Security (HETI)	
Noncredit CTE Investment (Hinkins)	
New Faculty for High Demand, High Growth Programs	
Student Services and Operational Support	
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Total - USHE Operating Budget Priorities	\$58,213,087
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