



January 17, 2020

General Consent Calendar

The Commissioner recommends approval of the following items on the Regents' General Consent Calendar:

A. MINUTES

1. Minutes of the Board Meeting November 15, 2019, Utah Valley University, Orem, Utah (Attachment)

B. ACADAEMIC AND STUDENT AFFAIRS ITEMS

Information:

Career and Technical Education Report: Fiscal Year 2018-19 (Attachment)

Engineering and Computer Technology Initiative Annual Report from the Technology Initiative Advisory Board (Attachment)

Action Items:

Revision to Policy R609A, *Regents' Scholarship*¹

This revision is a minor technical change that reflects current practice. It defines full-time enrollment at 12 credit hours, which matches the federal definition for purposes of financial aid. (Attachment)

7 Year Review

- University of Utah – Department of Occupational and Recreational Therapies
- University of Utah – Department of Pharmaceutics and Pharmaceutical Chemistry

Information:

- University of Utah – Master of Science in Cardiovascular Perfusion

Notification:

New Program

- Weber State University – Post-Masters Certificate in Educational Leadership
- Utah Valley University – Emphasis in Criminal Justice within the BA/BS in Integrated Studies
- Utah Valley University – Emphasis in Gifted and Talented within the Master of Education
- Utah Valley University – Emphasis in Personal and Social Impact within the BA/BS in Integrated Studies
- Utah Valley University – Post-Masters Certificate in Educational Leadership

New Administrative Unit

- Weber State University – Department of Library Teaching & Informative Services

Name Change

- Weber State University – Department of Geography to Department of Geography, Environment and Sustainability
- Weber State University – Department of Psychology to Department of Psychological Science
- Utah Valley University – AAS in Digital Cinema to AAS in Digital Cinema Production

- Utah Valley University – BS in Digital Cinema to BS in Digital Cinema Production
- Utah Valley University – Minor in Exercise Science and Outdoor Recreation to Minor in Exercise Science

Program Change and Name Change

- Utah Valley University – AAS in Pre-Professional Respiratory Therapy to AAS in Respiratory Therapy

Program Change

- Utah Valley University – BS in Respiratory Therapy

D. REPEAL OF POLICIES

R343, *Telecommunication for Off-Campus Learning*

R354, *Statewide Open Broadcast Courses and Programs*

R355, *Planning, Funding, and Delivery of Courses and Program via Statewide Telecommunications Networks*

E. FINANCE AND FACILITIES ITEMS

Action Items:

1. Utah Valley University – Investment Policy Revision (Attachment)
2. USHE – Affordability Task Force (Attachment)

F. GRANT PROPOSALS

1. University of Utah – NIH Natl Inst Deaf & Other Comm Disorder; “Holman R01 Cholinergic Signal”; \$1,906,250. Holly A Holman, Principal Investigator.
2. University of Utah – DHHS National Institutes of Health; “High-Throughput Brain Cancer C”; \$1,284,171. Yantao Fan, Principal Investigator.
3. University of Utah – DHHS National Institutes of Health; “R01-Lands Cycle Insulin”; \$2,922,253. Katsuhiko Funai, Principal Investigator.
4. University of Utah – NIH National Institute of Nursing Rsrch; “Linder Modular R01 Oct 2019”; \$1,906,250. Lauri A Linder, Principal Investigator.
5. University of Utah – National Science Foundation; “Fair Representations”; \$1,175,036. Suresh Venkatasubramanian, Principal Investigator.
6. University of Utah – NIH National Inst of General Medical Sci; “Phil-R01-Oct 2019”; \$3,987,655. Baldomero M Olivera, Principal Investigator.
7. University of Utah – NIH National Cancer Institute; “Therapeutic Tec”; \$1,906,250. Shawn C Owen, Principal Investigator.
8. University of Utah – NIH National Inst of General medical Sci; “Phil-R01-Oct 2019”; \$1,884,730. Philip Moos, Principal Investigator.
9. University of Utah – DHHS National Institutes of Health; “Homeostasis of Breathing”; \$3,987,655. Baldomero M Olivera, Principal Investigator.
10. University of Utah – NIH National Inst of General Medical Sci; “Flagellar Morphogenesis”; \$3,587,012. Kelly T Hughes, Principal Investigator.
11. University of Utah – NIH National Inst of General Medical Sci; “Type-III Secretion”; \$1,906,250. David F Blair, Principal Investigator.

12. University of Utah – NIH National Inst of General Medical Sci; “N-Alkaaloids”; \$1,906,250. Janis Louie, Principal Investigator.
13. University of Utah – DHHS National Institutes of Health; “ZBTB-TXN”; \$1,887,531. Bethany Anne Koehntop, Principal Investigator.
14. University of Utah – US Department of Defense; “Adjustment Disorders”; \$1,120,724. Feea Rose Leifker, Principal Investigator.
15. University of Utah – American Association for Cancer Research; “AARP Round 2”; \$3,999,999. Martin McMahon, Principal Investigator.
16. University of Utah – DHHS National Institutes of Health; “Assoc of HDV with Sjogren’s”; \$3,681,528. Melodi Lynn Weller, Principal Investigator.
17. University of Utah – NIH National Heart Lung & Blood Inst; “Dosdall Ranjan Sach R01 10-19”; \$3,105,890. Derek James Dosdall, Principal Investigator.
18. University of Utah – DHHS National Institutes of Health; “R01-FOXN3 Hepatic Cluco”; \$2,727,103. Amnon Schlegel, Principal Investigator.
19. University of Utah – DHHS National Institutes of Health; “Patel_CMML”; \$1,023,860. Ami Patel, Principal Investigator.
20. University of Utah – NIH National Cancer Institute; “Potter_K99_10.12.19”; \$1,015,734. David Wetter, Principal Investigator.
21. University of Utah – NIH National Cancer Institute; “Aspirin and Melanoma”; \$3,159,397. Douglas Grossman, Principal Investigator.
22. University of Utah – DHHS National Institutes of Health; “Microglia Neurologic Disease”; \$11,429,915. Mario R Capecchi, Principal Investigator.
23. University Of Utah – NIH National Institute of Mental Health; “Predicting Suicide Death”; \$3,812,500. Hilary H Coon, Principal Investigator.
24. University of Utah – NIH National Institute on Aging; “Utah ADRC”; \$3,429,944. Mark Andrew Supiano, Principal Investigator.
25. University of Utah – NIH National heart Lung & Blood Inst; “Tristani-Firouzi R01 Oct 2019”; \$2,988,753. Martin Tristani-Firouzi, Principal Investigator.
26. University of Utah – DHHS National Institutes of Health; “Role of MK2 in Crohn’s Disease”; \$2,718,492. Ellen Beswick, Principal Investigator.
27. University of Utah – US Department of Defense; “NSAIDS Metrc Pain II Study”; \$2,498,857. Thomas F Higgins, Principal Investigator.
28. University of Utah – NIH National Heart Lung & Blood Inst; “Stem Cell Therapy with UAB”; \$2,316,870. Alfred K Cheung, Principal Investigator.
29. University of Utah – NIH National Heart Lung & Blood Inst; “Tristani-Firouzi PCGC Oct2019”; \$2,096,875. Martin Tristani-Friouzi, Principal Investigator.
30. University of Utah – Society for Pediatric Sedation; “Barney SPS Aug 2019”; \$2,003,144. Bradley John Barney, Principal Investigator.
31. University of Utah – NIH National Eye Institute; “Pigment Regeneration”; \$1,994,189. Frans Johan Vinberg, Principal Investigator.

32. University of Utah – NIH Natl Inst Diabetes Digest Kidney Dis; “P2Y2 an Acid-Base Transport”; \$1,931,875. Bellamkonda K Kishore, Principal Investigator.
33. University of Utah – NIH National Eye Institute; “Cellular & Molecular Mech”; \$1,906,250. David Krizaj, Principal Investigator.
34. University of Utah – DHHS National Institutes of Health; “Stanfield R01 10 2019”; \$1,906,250. Gillian Marie Standfield, Principal Investigator.
35. University of Utah – DHHS National Institutes of Health; “R35 Greg Ducker (NIGMS) MIRA”; \$1,906,250. Gregory Stuart Ducker, Principal Investigator.
36. University of Utah – DHHS National Institutes of Health; “Patterned Silicone R01 Oct2019”; \$1,906,250. Jayant Agarwal, Principal Investigator.
37. University of Utah – DHHS National Institutes of Health; “Seizures & Epilepsy PA-19-056”; \$1,906,250. Jay Spanpanato, Principal Investigator.
38. University of Utah – NIH National Eye Institute; “Mechanisms Underlying CD3ZETA”; \$1,906,250. Ning Tian, Principal Investigator.
39. University of Utah – Brigham & Womens Hospital; “Rutter U54 Sub”; \$1,854,400. Jared P Rutter, Principal Investigator.
40. University of Utah – DHHS National Institutes of Health; “Doodleconsent ADRD”; \$1,849,795. Erin Witter Rothwell, Principal Investigator.
41. University of Utah – NIH National heart Lung & Blood Inst; “Obstructive Lung Disease”; \$1,841,913. Eun-Kee Jeong, Principal Investigator.
42. University of Utah – NIH National Heart Lung & Blood Inst; “Fike R01 Resub Nov 2019”; \$1,600,296. Candice Denise Fike, Principal Investigator.
43. University of Utah – DHHS National Institutes of Health; “R01 DK114456 Matt Bettini”; \$1,525,000. Matthew Louis Bettini, Principal Investigator.
44. University of Utah – Cleveland Medical Center; “Genetic Inflammatory Biomarker”; \$1,336,677. Kenward B Johnson, Principal Investigator.
45. University of Utah – DHHS Agency for Healthcare Resh & Quality; “Faster Back”; \$1,193,189. Kurt Timothy Hegmann, Principal Investigator.
46. University of Utah – National Aeronautics & Space Admn; “UAM Automated Certification”; \$5,492,995. Jacob Dean Hochhalter, Principal Investigator.
47. University of Utah – NIH National Inst of General Medical Sci; “Microfluidic Manufacturing”; \$12,934,109. Himanshu Jayant Sant, Principal Investigator.
48. University of Utah – National Science Foundation; “FEMSHOP”; \$1,380,360. Hari Sundar, Principal Investigator.
49. University of Utah – University of Southern California; “PATCH”; \$1,170,284. Mary W Hall, Principal Investigator.
50. University of Utah – DHHS National Institutes of Health; “R01RESUB-PRDM16 NHLBI”; \$3,149,487. Kara Bottiggi Dassel, Principal Investigator.

51. University of Utah – National Science Foundation; “Pseudomonas Ecology & Evol”; \$2,496,620. Frederick R Adler, Principal Investigator.
52. University of Utah – National Science Foundation; “CRESPIR”; \$1,488,566. Tino Shawish Nyawell0, Principal Investigator.
53. University of Utah – AAA Foundation For Traffic Safety; “Practice with L2 Automation”; \$1,599,816. David Lee Strayer, Principal Investigator.
54. University of Utah – NIH National Cancer Institute; “01.25.19_McMahon_Spore_Resub”; \$11,590,000. Martin McMahon, Principal Investigator.
55. University of Utah – NIH National Cancer Institute; “Camp_NIH_R01_11.15.19”; \$3,803,440. Nicola J Camp, Principal Investigator.
56. University of Utah – DJJS National Institutes of Health; “Rural Cancer Survivors Cohort”; \$2,969,069. Mia Hashibe, Principal Investigator.
57. University of Utah – DHHS National Institutes of Health; “ERK Adhesions”; \$2,668,486. Michelle C Mendoza, Principal Investigator.
58. University of Utah – DHHS National Institutes of Health; “PAR4 REN-Platelet Function”; \$2,657,650. Paul Francis Bray, Principal Investigator.
59. University of Utah – DHHS National Institutes of Health; “R01REN-WNK Signal”; \$2,611,273. Aylin Rodan, Principal Investigator.
60. University of Utah – DHHS National Institutes of Health; “Del-In-Silico”; \$2,361,819. Raphael Franzini, Principal Investigator.
61. University of Utah – DHHS National Institutes of Health; “R01REN-UVEAL”; \$1,906,250. Shannon J Odelberg, Principal Investigator.
62. University of Utah – NIH National heart Lung & Blood Inst; “Shaw HL152691 Transfer”; \$1,906,250. Robin Mark Shaw, Principal Investigator.
63. University of Utah – NIH National Heart Lung & Blood Inst; “Branklin R01 Nov 2019”; \$1,906,250. Sarah Franklin, Principal Investigator.
64. University of Utah – DHHS National Institutes of Health; “R01Reusb-Translational Control”; \$1,143,750. Corrine Kolka Welt, Principal Investigator.
65. University of Utah – NIH National Cancer Institute; “New CD33-Targeting”; \$1,906,250. Paul J Shami, Principal Investigator.
66. University of Utah – DHHS National Institutes of Health; “Rheostatic Mechanisms”; \$1,906,250. Allie H Grossmann, Principal Investigator.
67. University of Utah – NIH National Cancer Institute; “Combined Trametinib”; \$1,336,975. Conan Grant Kinsey, Principal Investigator.
68. University of Utah – DHHS National Institutes of Health; “Tr01 RFA-RM-19-007 B. Bass”; \$6,324,699. Brenda L Bass, Principal Investigator.
69. University of Utah – DHHS National Institutes of Health; “discovery of Biomarkers/Pain”; \$5,112,509. Kenward B Johnson, Principal Investigator.
70. University of Utah – NIH National Institute on Drug Abuse; “R01 Resubmission”; \$3,368,138. Sunday Thomas Azagba, Principal Investigator.

71. University of Utah – NIH National Inst Child Hlth & Human Dev; “LCVP Resubmission”; \$3,346,200. Jeffrey Anderson, Principal Investigator.
72. University of Utah – DHHS National Institutes of Health; “Effects of Sleep Extension”; \$3,176,644. Kelly Glazer Baron, Principal Investigator.
73. University of Utah – DHHS Office of Minority Health; “R01_Sex Orientation_Azagba”; \$3,041,359. Sunday Thomas Azagba, Principal Investigator.
74. University of Utah – DHHS National Institutes of Health; “Storke, MRI & Deep Learning”; \$2,974,792. Edward Victor Rebok Di Bella, Principal Investigator.
75. University of Utah – NIH National Cancer Institute; “R01_Rural vs Urban Tobacco US”; \$2,964,570. Sunday Thomas Azagba, Principal Investigator.
76. University of Utah – NIH National Institute on Drug Abuse; “METZ R01”; \$2,762,615. Torri Derback Metz, Principal Investigator.
77. University of Utah – NIH National Cancer Institute; “R01_NCI_Azagba_Tribal Tobacco”; \$2,742,438. Sunday Thomas Azagba, Principal Investigator.
78. University of Utah – DHHS National Institutes of Health; “R01 PA-19-056 Resub Adam Bress”; \$2,714,438. Adam Bress, Principal Investigator.
79. University of Utah – DHHS National Institutes of Health; “R01 Resub-DC018040 Dr. Deans”; \$2,685,341. Michael Robert Deans, Principal Investigator.
80. University of Utah – NIH National Institute on Drug Abuse; “R01 NIAA_Azagba_Drugged Driv”; \$2,630,375. Sunday Thomas Azagba, Principal Investigator.
81. University of Utah – DHHS National Institutes of Health; “R01 Renewal Megan Williams”; \$2,553,450. Megan E Williams, Principal Investigator.
82. University of Utah – DHHS National Institutes of Health; “Clark R01 Resub”; \$2,495,047. Nathan Clark, Principal Investigator.
83. University of Utah – DHHS National Institutes of Health; “Janis Weis R01 PA-19-056”; \$2,287,500. Janis J Weis, Principal Investigator.
84. University of Utah – NIH National Institute Environl Hlth Sci; “PSR Consortium”; \$2,003,001. Matthew A Hughes, Principal Investigator.
85. University of Utah – DHHS National Institutes of Health; “R01 DK119316-01 A1 11.5.19”; \$1,925,460. Diane M Ward, Principal Investigator.
86. University of Utah – DHHS National Institutes of Health; “DP5 Bailey”; \$1,906,250. Brian D Evavold, Principal Investigator.
87. University of Utah – DHHS National Institutes of Health; “R01 PAR-18-869 Elissa Ozanne”; \$1,906,250. Elissa Ozanne, Principal Investigator.
88. University of Utah – DHHS National Institutes of Health; “R01 RFA-MH-20-140”; \$1,818,371. Oleksandr Shcheglovitov, Principal Investigator.
89. University of Utah – NIH Natl Inst Neurolog Disorders Stroke; “Schober R01 Resub Nov 2019”; \$1,515,000. Michelle E Schober, Principal Investigator.

90. University of Utah – CDC Natl Inst Occupational Safety & Hlth; “Dermal Exposures”; \$1,398,050. Rachael Mary Jones, Principal Investigator.
91. University of Utah – NIH National Institute on Drug Abuse; “Fellow: Nasser Sharareh”; \$1,095,768. Rachel Hess, Principal Investigator.
92. University of Utah – Blackrock Microsystems; “Micro-Seeg SBIR”; \$1,086,444. John David Rolston, Principal Investigator.
93. University of Utah – National Science Foundation; “CRCNS”; \$1,735,484. Christopher R Butson, Principal Investigator.
94. University of Utah – National Science Foundation; “Collaborative Research”; \$1,125,000. Allen Reed Sanderson, Principal Investigator.
95. Utah State University – Pacificorp; “Power Balance and Demand Response for a Charging intermodal Hub”; \$1,959,603. Regan Zane, Principal Investigator.
96. Utah State University – US Department of Energy; “Microalgae Cultivation Intensification using a Rotating Algae Biofilm Reactor”; \$3,110,120. Ronald C Sims, Principal Investigator.
97. Utah State University – National Institutes of Health; “Determining the Structure and Function of Newly Discovered Immune Systems”; \$1,765,976. Ryan Neal Jackson, Principal Investigator.
98. Utah State University – National Institutes of Health; “Molecular sensors for metabolic programming of the sperm epigenome and offspring physiology”; \$1,784,409. Mirella L Meyer-Ficca, Principal Investigator.
99. Utah State University – National Institutes of Health; “Response Inhibition in Reactive Balance Control”; \$2,444,999. David Andrew Ernest Bolton, Principal Investigator.
100. Utah State University – Institute of International Education; “Undergraduate Chinese Language Flagship Program”; \$1,316,494. Ko-Yin Sung, Principal Investigator.
101. Utah State University – James M. Cox Foundation; “USU Blanding Clinical Services Building”; \$8,500,000. Michele May Lyman, Principal Investigator.
102. Utah State University – NASA Goddard Space Flight Center; “Atmospheric Waves Experiment”; \$6,140,601. Burt Lamborn, Principal Investigator.
103. Utah State University – Ball Aerospace and Tech; “Wide Field Infrared Survey Telescope”; \$13,299,698. Jeff Coleman, Principal Investigator.
104. Utah State University – Naval Research Lab; “Digital Communication Matrix Phase 2”; \$1,300,195. Shawn Nielson, Principal Investigator.
105. Utah State University – NASA Jet Propulsion Laboratory; “Near Earth Object Surveillance Mission Phase B Instrument Development”; \$3,512,830. Curtin Bingham, Principal Investigator.
106. Utah State University – Aerojet Rocketdyne Inc.; “Aerojet Propulsion ElextroX Follow-on”; \$1,730,205. Tim Nielsen, Principal Investigator.
107. Utah State University – US National Science Foundation; “GRIT: Girl Scouts Researching and Inventing Animal-Centered Technologies”; \$2,165,006. Kristin Anne Searle, Principal Investigator.

108. Utah State University – Health Resources and Services Administration; “Early Hearing Detection and Intervention National Technical Resource Center”; \$3,399,997. Karl R White, Principal Investigator.
109. Utah State University – US National Aeronautics & space Administration; “Wave-Ionosphere Coupling Study”; \$6,953,707. Charles M Swenson, Principal Investigator.
110. Utah State University – US National Science Foundation; “CNH2-L: The long-term robustness of agroecosystems to population growth and climate variation”; \$1,588,934. Jacob C Freeman, Principal Investigator.
111. Utah State University – US National Science Foundation; “Expedition Science- Science as a way of knowing for early learners”; \$1,631,143. Nancy J Huntly, Principal Investigator.
112. Utah State University –US National Science Foundation; “Critical-Zone Collaborative Network Hub: Collaborative Research: Enabling, Supporting, and Communicating Critical Zone Research”; \$1,027,836. Jeffery S Horsburgh, Principal Investigator.
113. Utah State University – Foundation; “Water partitioning from mountains”; \$1,375,929. Bethan Teresa Neilson, Principal Investigator.
114. Utah State University – Misc Federal Sponsors; “CubeSat and GEOINT Research and Development Task Order 0004”; \$2,075,467. Ryan Beus, Principal Investigator.
115. Utah State University – Air Force Research Laboratory; “Advanced Military Space Sensor System Task Order 03”; \$35,999,997. Craig Jones, Principal Investigator.
116. Utah State University – Missile Defense Agency; “Missile Defense Agency Seeker Window Characterization”; \$1,429,480. Deron Scott, Principal Investigator.
117. Utah State University – Clark County, Nevada; “Vegetation Map for Clark County”; \$1,503,539. Robert Douglas Ramsey, Principal Investigator.
118. Utah State University – Substance Abuse and Mental Health Services; “Integrated Solutions: Moab Mental Health and Housing Consortium”; \$1,960,835. Sandra H Sulzer, Principal Investigator.
119. Utah State University – Lockheed Martin; “Iris Radio for Lockheed Martin Internal Research and Development”; \$1,966,568. Tim Neilsen, Principal Investigator.

G. AWARDS

1. University of Utah – DOE National Energy Technology Lab; “Neural Network Optimization”; \$1,903,859. Kody Merlin Powell, Principal Investigator.
2. University of Utah – National Science Foundation; “Deep Integration of Thin Flex”; \$1,199,998. Carlos Mastrangelo, Principal Investigator.
3. University of Utah – National Science Foundation; “Majorana Fermions”; \$1,635,591. Vikram V Deshpande, Principal Investigator.
4. University of Utah – HRS Emrgcy med Srvs Chld Natl Resr Ctr; “Dean EMSC HSA Mar 2017”; \$1,500,000. J Michael Dean, Principal Investigator.
5. University of Utah – NIH Natl Ctr for Advncing Translt Scnces; “Dean U24 NCATS Sept 2015”; \$5,532,380. J Michael Dean, Principal Investigator.
6. University of Utah – DOT Natl Highway Traffic Safety Admn; “NEMSIS TAC”; \$3,615,000. Newell C Mann, Principal Investigator.

7. University of Utah – National Multiple Sclerosis Society; “Casper NMSS Renewal Oct 2018”; \$3,490,520. Theron Charles Casper, Principal Investigator.
8. University of Utah – NIH National Institute on Drug Abuse; “ABCD-PRISM”; \$2,200,000. Deborah Ann Yurgelun-Todd, Principal Investigator.
9. University of Utah – NIH Natl Inst Neurolog Disorders Stroke; “J Shepherd’s Transformative”; \$1,068,443. Jason Dennis Shepherd, Principal Investigator.
10. University of Utah – Gordon and Betty Moore Fdn; “Data Driven Discovery”; \$1,073,226. Blair Sullivan, Principal Investigator.
11. University of Utah – NIH Office of the Director; “Stanford Echo UG3/UH3 Apr 2016”; \$2,563,792. Joseph Stanford, Principal Investigator.
12. University of Utah – NIH National Cancer Institute; “PDX Trial”; \$1,240,655. Alana Lee Welm, Principal Investigator.
13. University of Utah – Shire Human Genetic Therapies; “SHP611-201”; \$2,102,733. Joshua Leitch Bonkowsky, Principal Investigator.
14. University of Utah – NIH National Institute on Drug Abuse; “Greater Intermountain Node”; \$1,372,731. Adam Joseph Gordon, Principal Investigator.
15. Utah State University – US Dept of Ag. – Food and Nutrition Service; “Create Better H.”; \$1,556,718. Heidi Reese LeBlanc, Principal Investigator.
16. Utah State University – Air Force; “Solo”; \$1,021,746. Matt Dayley, Amy Secrist, Don Thompson, Principal Investigators.
17. Utah State University – ARGO-ITALY; “Flight IRIS Radio for Argotec”; \$1,145,000. Tim Neilsen, Principal Investigator.
18. Utah State University – Utah State Board of Education; “Professional Development and Technical Assistance Event Planning Services”; \$6,000,000. John D Copenhaver, Principal Investigator.
19. Utah State University – NASA Goddard Space Flight Center; “Atmospheric Waves Experiment”; \$1,595,561. Burt Lamborn, Principal Investigator.
20. Utah State University – Missile Defense Agency; “Future Operationally Resilient Ground Evolution Open Repository and Code Escrow”; \$1,846,448. Tom Bernhardt, Principal Investigator.
21. Utah State University – Pacificorp; “Power Balance and Demand Response for a Charging Intermodal Hub”; \$1,895,576. Regan Zane, Principal Investigator.
22. Utah State University – NASA Goddard Space Flight Center; “Atmospheric Waves Experiment”; \$4,524,577. Burt Lamborn, Principal Investigator.
23. Utah State University – Ball Aerospace and Tech; “Wide Field Infrared Survey Telescope”; \$1,233,631. Jeff Coleman, Principal Investigator.
24. Utah State University – Lockheed Martin Space Systems; “Diamondback”; \$2,000,000. Amy Secrist, Principal Investigator.
25. Utah State University – Missile Defense Agency; “Seeker Component Technology Subject Matter Expert”; \$1,300,000. Ping Hagler, Principal Investigator.

STATE BOARD OF REGENTS
UTAH STATE UNIVERSITY, LOGAN, UTAH
SEPTEMBER 13, 2019

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BOARD OF REGENTS
UTAH VALLEY UNIVERSITY, OREM, UTAH
FRIDAY, NOVEMBER, 15, 2019

COMMITTEE OF THE WHOLE
MINUTES

Regents Present

Harris Simmons, Chair
Nina R. Barnes, Vice Chair
Jessellie B. Anderson
Lisa-Michele Church
Wilford W. Clyde
Sanchiata Datta
Alan E. Hall
Marlin K. Jensen
Ron Jibson
Patricia Jones
Steven Lund
Crystal Maggelet
Sheva Mozafari
Cristina Ortega
Robert W. Prince
Mark Stoddard
Thomas E. Wright

Regents Absent

Office of the Commissioner

Dave R. Woolstenhulme, Interim Commissioner of Higher Education
Rich Amon, Associate Commissioner for Planning, Finance and Facilities
Julie Hartley, Assistant Commissioner for Academic Affairs
Geoffrey Landward, Assistant Commissioner and Board Secretary

Institutional Presidents Present

Ruth V. Watkins, University of Utah
Noelle Cockett, Utah State University
Scott L. Wyatt, Southern Utah University
Astrid S. Tuminez, Utah Valley University
Richard B. Williams, Dixie State University
Deneece G. Huftalin, Salt Lake Community College
Brad L. Mortensen, Weber State University
Brad J. Cook, Snow College

Chair Simmons called the meeting to order at 9:12 a.m.

On a motion from Regent Mozafari and seconded by Regent Jones, the Regents met in executive session for the sole purpose of discussing the character, professional competence, or physical or mental health of individuals, until 11:15 a.m.

Committee of the Whole

Resolution

Regent Simmons read a resolution acknowledging the induction of the University of Utah into the Association of American Universities. **On a motion to accept and seconded by Regent Jones, the motion passed.**

Committee Reports (TAB A)

Regent Jones provided an update on the Academic and Student Affairs Committee as detailed in TAB A. Regent Clyde provided an update on the Finance and Facilities Committee as detailed in TAB A. Regent Anderson provided an update on the Workforce, Access, and Advocacy as detailed in TAB A. This is an information item only; no action was taken.

College Access Advising Program Update (TAB B)

Nicole Bat, Director, Utah College Advising provided some background information and an update on the College Access Advising Program. She also reviewed 2019-2020 goals. Details are provided in TAB B. This is an information item only; no action was taken.

K-20 Summit Follow-up and Joint Board Resolution (TAB C)

Regent Barnes read the Joint Resolution to Direct Education Leaders to Develop a State Postsecondary Education Access Framework. **Regent Barnes made a motion to approve the resolution; Regent Datta seconded the motion and the motion carried.**

NCHEMS Report (TAB D)

Commissioner Woolstenhulme noted he along with Chair Simmons and Vice Chair Barnes met with the leadership of UTECH and have created a Position Statement. He reviewed the NCHEMS report. There was a lot of discussion, but no consensus. Chair Simmons ask Regents and Presidents, if they have substantive changes, provide to Commissioner by Friday, November 21, 2019. **No action as taken.**

New Agenda Item Discussion

Regent Harris asked the Regents to think about items they would like to discuss and submit them to the Commissioner's office.

USHE – Non-State Funded Legislative Requests for 2020-21 (TAB E)

Regents heard presentations on the following projects as detailed in TAB E:

University of Utah – Health Science Campus Office Space – **Regent Prince made a motion to approve as outlined in TAB E; Regent Clyde seconded the motion and the motion carried.**

University of Utah – 102 Tower Building Purchase - **Regent Jibson made a motion to approve as outlined in TAB E; Regent Lund seconded the motion and the motion carried.**

University of Utah – Health Sciences Garage and Roadway Improvements – **Regent Hall made a motion to approve as outlined in TAB E; Regent Barnes seconded the motion and the motion carried.**

University of Utah – Rio Tinto Kennecott Building Addition for Engineering – **Regent Jibson made a motion to approve as outlined in TAB E; Regent Stoddard seconded the motion and the motion carried.**

Utah State University – Blanding Professional Career and Technical Ed. Lab – **Regent Jibson made a motion to approve as outlined in TAB E; Regent Jones seconded the motion and the motion carried.**

Salt Lake Community College – Westpointe Building – **Regent Mozafari made a motion to approve as outlined in TAB E; Regent Stoddard seconded the motion and the motion carried.**

USHE – Growth Funding Task Force (TAB F)

Associate Commissioner Rich Amon provided an overview of the model proposed by the Growth Funding Task Force and noted this item is to adopt an additional budget request for the 2020 General Session. **Regent Stoddard made a motion to approve as outlined in TAB F; Regent Jibson seconded the motion and the motion carried.**

Transfer Project Update

This item was deferred to a later meeting due to time constraints.

Prior Learning Assessment Policy R472 (TAB G)

Assistant Commissioner Julie Hartley provided a review of the policy and noted this addresses some gaps in the current policy. **Regent Jones made a motion to approve as outlined in TAB G; Regent Barnes seconded the motion and the motion carried.**

State Scholarships Redesign (TAB H)

Regent Mozafari noted the task force has met several times and is now proposing six recommendations; these recommendations are described in TAB H. **Regent Church made a motion to approve as outlined in TAB H; Regent Hall seconded the motion and the motion carried.**

Legislative Advocacy (TAB I)

Regent Church spoke briefly about tax reform. She encouraged Regents to get to know their institutions and be engaged with legislators.

Campus Safety Summit Discussion

Regent Barnes noted she and Regent Mozafari have been working with the University of Utah to put together this forum. We will be discussing several topics including mental health, Title IX, student safety, diversity and inclusion, public safety, and many more.

Entrepreneurial Summit Report (TAB J)

Regent Hall provided a brief overview of the Entrepreneurial Summit he held on October 25, 2019.

General Consent Calendar (TAB K & L)

On a motion by Regent Jensen and seconded by Regent Lund the following items were approved on the Regents' General Consent Calendar

- Minutes – Minutes of the Board meeting September 12 & 13, 2019, Utah State University, Logan, Utah.
- Grant Proposals
- Awards
- Academic and Student Affairs Items
- Finance and Facilities Items

On a motion by Regent Lund and seconded by Regent Datta, the meeting was closed.

The meeting adjourned at 3:34 p.m.

Geoffrey Landward, Secretary

Date Approved: January 24, 2020



MEMORANDUM

January 17, 2020

Career and Technical Education Report: Fiscal Year 2018-19

Each year the Office of the Commissioner of Higher Education prepares a report on Career and Technical Education. Career and Technical Education (CTE) can be defined as organized educational programs offering sequences of courses directly related to preparing individuals employment in occupations requiring other than a baccalaureate or advanced degree. The CTE report for FY2018-19 is attached to this memo.

Highlights of the report include:

- 71,199 postsecondary students enrolled in USHE CTE courses in 2018-19. (Full-time equivalent enrollment totaled 17, 932.)
- 6,142 CTE credentials were awarded to 5,437 distinct students by USHE institutions in 2018-19.
- 120+ new CTE certificate programs have been developed by USHE institutions since 2011, as a result of direct collaboration with business and industry.
- The median fifth-year wages for all individuals who earned a USHE CTE associate degree in 2014 was \$70,753.
- The median fifth-year wages for individuals who earned a USHE CTE associate degree in 2014 – and who did not earn a higher award prior to summer 2019—was \$51,951.
- The job placement rate for recent USHE CTE graduates is 89% (based on 2017-18 graduates, the most current year available for this data).
- 2018-19 USHE CTE graduates are estimated to earn more than \$2 billion in added income and generate more than \$290 million in additional taxes over 30 years of employment.
- 19,821 high school students enrolled in concurrent CTE courses offered by USHE institutions during 2018-19.
- 22,500+ CTE certificates and associate degrees were earned by USHE students over the last four years.
-

Commissioner's Recommendation

This report is for information to the Board of Regents. No action is required.

Attachment



Career and Technical Education Annual Report, 2019

Career and Technical Education is a key ingredient in meeting the needs of Utah's economy. Utah System of Higher Education institutions offer CTE programs in all regions of the state, working closely with local business and industry leaders to develop and deliver programs specifically tailored to local workforce needs. Within USHE, CTE courses and programs are offered at Utah State University, Weber State University, Southern Utah University, Snow College, Dixie State University, Utah Valley University, and Salt Lake Community College.

During the 2018-19 academic year, CTE courses comprised more than 21% of the total undergraduate courses offered at USHE institutions and accounted for over 18% of undergraduate degrees and certificates awarded.

This report includes data on a broad array of CTE offerings, credit and non-credit, provided by USHE institutions. These CTE offerings prepare students for employment in current or emerging occupations that require postsecondary credentials other than a baccalaureate or advanced degree. This report also provides data on statewide programs like Short Term Intensive Training and Custom Fit, where industry-specific courses are provided by USHE institutions.

Highlights from the report:

- 71,199 postsecondary students enrolled in USHE CTE courses in 2018-19. (Full-time equivalent enrollment totaled 17,932.)
- 6,142 CTE credentials were awarded to 5,437 distinct students by USHE institutions in 2018-19.
- 120+ new CTE certificate programs have been developed by USHE institutions since 2011, as a result of direct collaboration with business and industry.
- The median fifth-year wages for all individuals who earned a USHE CTE associate degree in 2014 was \$70,753.
- The median fifth-year wages for individuals who earned a USHE CTE associate degree in 2014 – and who did not earn a higher award prior to summer 2019 – was \$51,951.
- The job placement rate for recent USHE CTE graduates is 89% (based on 2017-18 graduates, the most current year available for this data).
- 2018-19 USHE CTE graduates are estimated to earn more than \$2 billion in added income and generate more than \$290 million in additional taxes over 30 years of employment.

- 19,821 high school students enrolled in concurrent CTE courses offered by USHE institutions during 2018-19.
- 22,500+ CTE certificates and associate degrees were earned by USHE students over the last four years.

Partnering with industry, streamlining credit, & getting students to the workforce quickly—Regional CTE Councils

USHE institutions participate in one of eight regional CTE councils joined by representatives from public school districts and, where applicable, a college within the Utah System of Technical Colleges. These councils meet regularly to coordinate activities and curriculum, assess industry needs for CTE programs, and identify potential programs that could be developed or strengthened within each region. Regional CTE leaders also consult closely with leaders in industry and workforce development to identify certificate programs to be developed and/or strengthened, focusing on:

- Determining the availability of current CTE offerings in the region
- Developing regional coordination among three CTE stakeholder providers: Utah System of Higher Education, Utah State Board of Education, and the Utah System of Technical Colleges
- Identifying regionally relevant certificates and other programs that could be offered in high-demand, high-wage occupations
- Identifying how certificates and other credentials can complementarily stack to additional certificates, associate degrees, or other programs
- Identifying ways these programs, or portions thereof, might be provided for delivery in high schools through Concurrent Enrollment courses

This partnership approach focuses on short-term certificates (16-29 credits) as a first step for students seeking a college credential and as a short-term option for older adults retooling for a career change or career advancement. It is expected that students will be more likely to complete a meaningful board-approved credential by the time of high school graduation or shortly thereafter. High school and college students who complete certificates will:

- Be prepared for an entry-level position in a career that is in-demand and well-paying
- Be on an efficient pathway to a one-year certificate and/or degree

CTE Credentials

USHE institutions offer three primary types of CTE credentials:

- **Associate of Applied Science Degrees**—Designed to lead students directly to employment; requires two years of preparation. The AAS degree includes a core set of general education

courses that prepare students in composition, computation, and human relations. In some cases, AAS programs can serve a dual purpose to prepare students for the workforce while also serving as a pathway to a bachelor's degree. The Bachelor of Applied Science degree was approved by the Board of Regents in 2018¹. This new degree is able to incorporate Associate of Applied Science degrees as stackable credentials.

- **Certificates of Completion**—Awarded for completion of programs that are typically one-year in length and that prepare students for employment. Certificates of Completion also have a general education component.
- **Certificates of Proficiency**—Short-term programs, less than one year in length, that prepare students for specific employment skills.

Tuition & Fees

During 2018-19, full-time tuition and fees for credit-based CTE programs ranged from \$1,871 to \$3,712 per semester for all seven USHE institutions that provide a CTE role.

According to a recent [report from the College Board](#), tuition at Utah's public universities is the third lowest in the nation with an average annual 2019-20 tuition of \$7,160 (compared to the U.S. average of \$10,440)². It typically takes full-time students one to four semesters to complete a CTE credential, depending on whether a student is working on a certificate or an AAS degree. Many of the USHE CTE programs seamlessly stack into four-year degrees³, allowing students efficient and cost-effective means of earning additional college credentials once they complete a CTE program.

Though seven USHE institutions provide CTE programs⁴, non-credit, competency-based CTE programs are offered through Salt Lake Community College's School of Applied Technology⁵, Snow College⁶, and select regional campuses of Utah State University⁷ to fulfill the need for technical education in regions

¹ R401, *Approval of New Programs, Program Changes, Discontinued Programs, and Program Reports*, <https://ushe.edu/ushe-policies/r401-approval-of-new-programs-program-changes-discontinued-programs-and-program-reports/>

² College Board, *2019-20 published in-state tuition and fees at public four-year institutions by state*, <https://research.collegeboard.org/trends/college-pricing/figures-tables/published-state-tuition-and-fees-public-four-year-institutions-state>

³ Utah State Board of Education, *CTE Career Pathways*, <https://www.schools.utah.gov/cte/pathways>

⁴ Utah State Legislature, *53B-16-101. Establishment of institutional roles and general courses of study*, https://le.utah.gov/xcode/Title53B/Chapter16/53B-16-S101.html?v=C53B-16-S101_1800010118000101

⁵ Utah State Legislature, *53B-16-209. Salt Lake Community College -- School of Applied Technology -- Career and technical education -- Supervision and administration -- Institutional mission*, https://le.utah.gov/xcode/Title53B/Chapter16/53B-16-S209.html?v=C53B-16-S209_2017050920170701

⁶ Utah State Legislature, *53B-16-205. Establishment of Snow College Richfield campus -- Supervision and administration -- Transition -- Institutional mission*, <https://le.utah.gov/xcode/Title53b/Chapter16/53b-16-S205.html>

⁷ Utah State Legislature, *53B-16-207. Utah State University regional institutions -- Career and technical education -- Supervision and administration*, https://le.utah.gov/xcode/Title53B/Chapter16/53B-16-S207.html?v=C53B-16-S207_2019051420190701

where UTech does not have a presence. These non-credit, competency-based CTE programs are offered at tuition rates assessed by contact hour and are considerably less than tuition for credit-based CTE courses.

Earnings & Job Placement for USHE CTE Graduates

For 2014 CTE program completers who did not earn a higher award prior to summer 2019, the median fifth-year annual wages for CTE certificates of less than two years are \$37,814, and \$51,951 for associate degrees. Median fifth-year annual wages for non-CTE associate degrees are \$41,061. In other words, students who earned a USHE associate degree in a CTE area of study had median fifth-year annual wages that were \$10,890 higher than their peers who completed non-CTE associate degrees. More detailed wage information is available in the table below and at ushe.edu/wage-information⁸. Although results show wage gains for CTE completers, the data may be impacted by a variety of factors including the type of program, timing of when students continue their education, immediate short-term industry demand, and more.

The data below represents students who completed a CTE certificate or degree and did not complete a higher-level credential. Data were also examined for all students who completed a CTE associate degree, including those who continued their studies and earned higher level credentials. Average fifth-year earnings for this population of students was \$70,753.

USHE CTE 1 st - & 5 th -Year Wages			
	Median 1 st -Year Wages	Median 5 th -Year Wages	Wage Growth
CTE Programs			
Certificates	\$28,019	\$37,814	\$9,794
Associate Degrees	\$39,311	\$51,951	\$12,640
Non-CTE Associate Degrees	\$28,537	\$41,061	\$12,524

The table below shows placement rates for 2017-18 CTE graduates from USHE institutions by area of study⁹.

USHE CTE Job Placement Rate by Area of Study	
Classification of Instructional Program (CIP) Group	Placement Rate
Agriculture, Agriculture Operations, And Related Sciences	63.6%
Architecture and Related Services	100.0%
Business, Management, Marketing, And Related Support Services	77.0%
Communication, Journalism, And Related Programs	87.9%
Communications Technologies/Technicians and Support Services	81.0%
Computer and Information Sciences and Support Services	80.1%
Construction Trades	80.0%
Education	77.2%
Engineering	84.2%
Engineering Technologies and Engineering-Related Fields	70.6%

⁸ Utah System of Higher Education, *Wage Information*, <https://ushe.edu/wage-information/>

⁹ National Center for Education Statistics, *IPEDS Classification of Instructional Programs*, <https://nces.ed.gov/ipeds/cipcode/wizard/default.aspx?y=56>

Family and Consumer Sciences/Human Sciences	90.5%
Foreign Languages, Literatures, And Linguistics	90.9%
Health Professions and Related Programs	88.1%
Homeland Security, Law Enforcement, Firefighting and Related Protective Services	83.4%
Legal Professions and Studies	93.5%
Mechanic and Repair Technologies/Technicians	82.9%
Multi/Interdisciplinary Studies	100.0%
Parks, Recreation, Leisure, And Fitness Studies	81.8%
Personal and Culinary Services	78.9%
Precision Production	81.5%
Public Administration and Social Service Professions	100.0%
Science Technologies/Technicians	82.1%
Social Sciences	88.9%
Transportation and Materials Moving	60.6%
Visual and Performing Arts	73.3%
Overall Placement Rate	82.0%

***Note: While 82% of 2017-18 CTE graduates were employed during the 2018-19 fiscal year, an additional 7% of completers were not employed but returned to a USHE institution during the 2018-19 academic year. Employment data was extracted from the state's unemployment insurance records. It is estimated these records account for 90% - 95% of jobs throughout the state.

Return on Investment for USHE CTE Graduates

Applying wage and workforce information from the [U.S. Census Bureau](#)¹⁰ and the [Utah Taxpayers Association](#)¹¹, the 5,437 distinct 2018-19 CTE graduates will produce more than \$2 billion of added income over 30 years of employment than if they had not obtained their CTE credentials. It is estimated these graduates will generate an additional \$290 million in state taxes and fees.

ROI of 2018-19 USHE CTE Graduates						
New Graduates Highest Award Earned	Distinct New Graduates Count	Est. Workforce Participation Rate	Credentials in Workforce	Amount Earned over High School Level Median Earnings	Total Added Annual Income to Utah's Economy	Est. Additional Tax Contribution to the State (14.14%)
Certificates	1,545	77.7%	1,200	\$4,316	\$5,179,200	\$732,339
Associate Degrees	3,892	77.7%	3,023	\$17,169	\$51,901,887	\$7,338,927
Total	5,437		4,223		\$57,081,087	\$8,071,266
30 years of Employment					\$1,712,432,610	\$242,137,971
Economic Multiplier (1.2)					\$342,486,522	\$48,427,594
Value Added to Utah's Economy and Tax Base (30-Year Estimate)					\$2,054,919,132	\$290,565,565

CTE in Concurrent Enrollment

¹⁰ United States Census Bureau, *Labor Force Statistics*, <https://www.census.gov/topics/employment/labor-force.html>

¹¹ Utah Taxpayers Association, <https://utahtaxpayers.org/>

During the 2018-19 academic year, 38,907 high school students enrolled in a college Concurrent Enrollment course. In total, these students earned 285,710 college credits—saving students over \$54 million in total tuition costs.

Fifty-one percent or 19,821 of all Concurrent Enrollment students enrolled in at least one CTE course in 2018-19. Secondary students earned 86,006 CTE credit hours, or 30.1% of the total Concurrent Enrollment credit hours earned. The accompanying tables show unduplicated headcount in CTE Concurrent Enrollment courses.

Total Concurrent Enrollment, Fiscal Year 2018-19		
	Total	CTE
Total Students (Unduplicated Headcount)	38,907	19,821 (50.9%)
Earned Credit Hours	285,710	86,006 (30.1%)

Headcount in CTE Concurrent Enrollment by Institution, Fiscal Year 2018-19	
Institution	CTE Concurrent Enrollment (Unduplicated Headcount by USHE institution)
Utah State University	1,155
Weber State University	7,475
Southern Utah University	303
Snow College	954
Dixie State University	755
Utah Valley University	5,517
Salt Lake Community College	4,335
Total	20,494

***Enrollment headcounts may total more than the systemwide total because students can take Concurrent Enrollment courses from more than one institution.

Federal Funding

Institutions within USHE qualify for and participate in federal grant funding through the [Carl D. Perkins Career and Technical Education Act of 2006](#)¹². While a reauthorization of this act was finalized by Congress during the summer of 2018, funding changes under the reauthorization were not available until FY 2019-20. Funding is provided to the Utah State Office of Education and formulaically distributed to local school districts as well as UTech and USHE institutions that provide eligible CTE programs. This

¹² U.S. Department of Education, *Carl D. Perkins Career and Technical Education Act of 2006*, <https://www2.ed.gov/policy/sectech/leg/perkins/index.html>

funding is used by USHE institutions to improve CTE programs and services in ways that are not otherwise provided by state resources.

Perkins funding to institutions is allocated based on the number of students taking CTE courses from the following populations:

- Federal Pell Grant recipients
- Students who receive assistance from the Bureau of Indian Affairs
- Students who receive assistance from the Utah Department of Workforce Services

In 2018-19, \$3,991,029 was awarded to USHE institutions through the [Perkins Act](#). Since the program's origination, all USHE institutions receiving Perkins Grants have maintained eligibility for continued Perkins funding as it is made available through federal processes. USHE institutions report performance in the following areas related to this program:

- Technical skill attainment
- Completers
- Retention
- Employment
- Non-traditional student participation
- Non-traditional student completion

CTE Cost of Services

Data from the [2017-18 USHE Cost Study](#)¹³ show the appropriated direct costs per full-time equivalent student (30 credit hours/year) for CTE to be \$5,729. Factoring in indirect costs, the full cost of CTE instruction is \$10,788 per student FTE. The equivalent cost per clock hour is \$6.37 for direct costs of instruction and \$11.99 for full costs of instruction—cost per student FTE divided by 900 (the number of clock hours equal to one FTE). The USHE cost of CTE instruction is favorable and competitive when compared to instruction provided by other postsecondary CTE providers.

Program Duplication

When analyzing USHE and UTech programs, indicators show there is little, if any, duplication of programs. Using data available from the [Integrated Postsecondary Education Data System](#)¹⁴ for the academic years 2016-17, 2017-18, and 2018-19, only 17 out of 567 areas of study identified at the same level were within the same service region. Some programs within these areas of study are part of broader

¹³ Utah System of Higher Education 2019 Data Book, *Tab I, Table 7 -Cost Study*, https://ushe.edu/wp-content/uploads/pdf/databook/2019/TabI_CostStudy.pdf

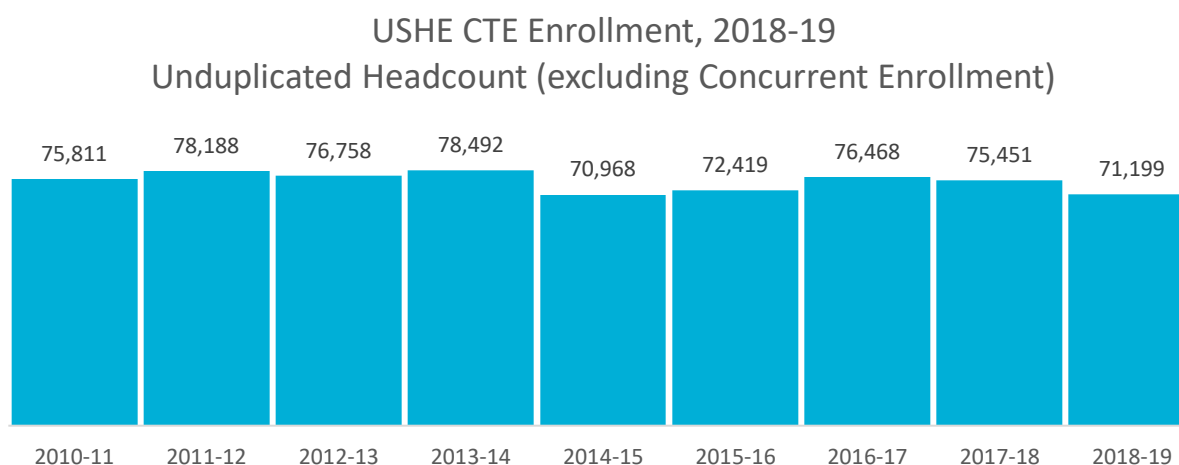
¹⁴ National Center for Education Statistics, IPEDS (Integrated Postsecondary Education Data System), <https://nces.ed.gov/ipeds/>

degree programs at USHE institutions and are offered to students who may have longer-term educational objectives than preparation for immediate employment, as is most typical in CTE programs.

Enrollments & Completions

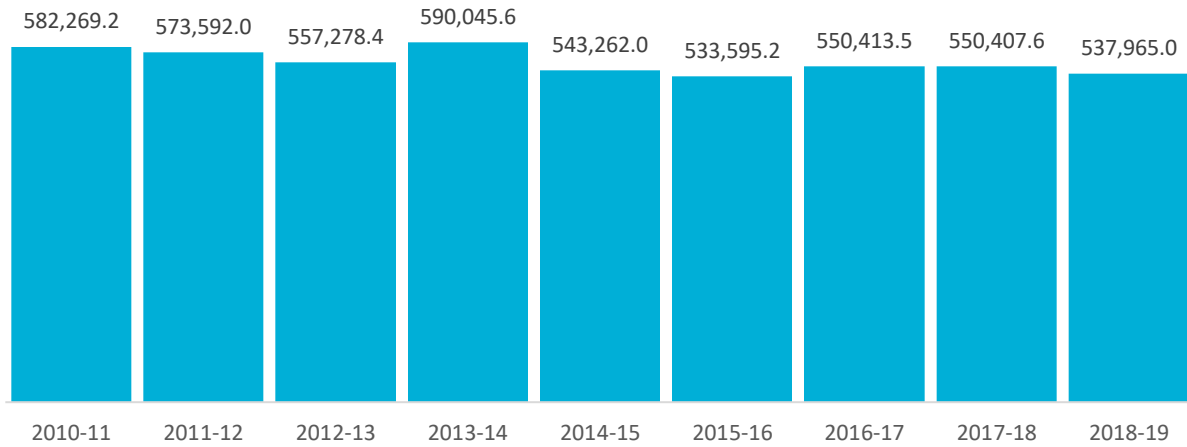
Enrollment and completion information presented below shows credit hours, headcounts, and clock hours to create a common comparison of CTE among USHE institutions. Over time, this data shows that USHE institutions have had a consistent number of students taking CTE courses, with 2018-19 showing a decrease over the previous year (71,199 in 2018-19 compared to 75,451 in 2017-18) and a corresponding decrease in student FTE (17,932 in 2018-19 compared to 18,347 in 2017-18). CTE course enrollment is impacted by a number of factors including employment conditions in local economies. Typically, CTE enrollment decreases as employment demand increases. [Utah's unemployment rates are among the lowest in the nation](#)¹⁵.

Completions of CTE credentials increased each year for the last two years with 6,142 CTE certificates and associate degrees awarded in 2018-19 compared to 5,812 in 2017-18, 5,503 in 2016-17, and 5,046 in 2015-16. Overall, graduates from USHE CTE programs earned 22,503 CTE credentials over the last four years.

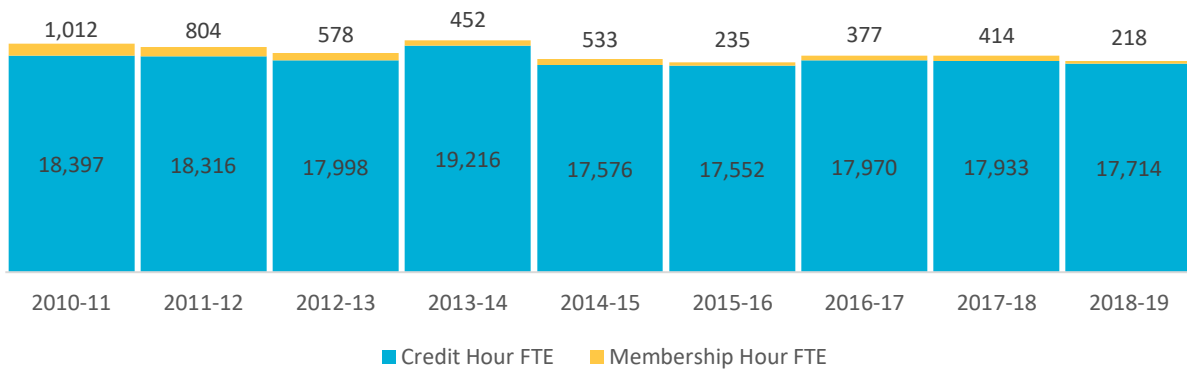


¹⁵ Kem C. Gardner Policy Institute, *2019 Economic Summary*, <https://gardner.utah.edu/wp-content/uploads/December-2019-Economic-Summary.pdf>

USHE CTE Credit Hour Equivalent



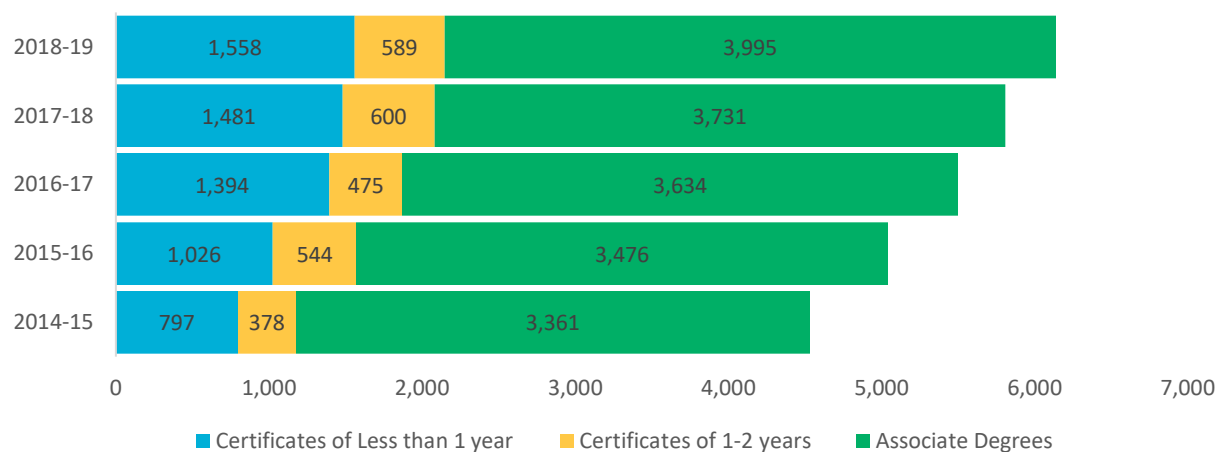
Annualized Full-Time Equivalent (FTE)



Career and Technical Education FTE Percent of USHE Total by Institution (2018-19)



Total Degrees and Certificates Awarded



Short-Term Intensive Training & Custom Fit

Short-Term Intensive Training provides occupation-specific training for current employees, or individuals seeking employment, by matching training needs with those of industry. USHE institutions provide STIT offerings throughout the state.

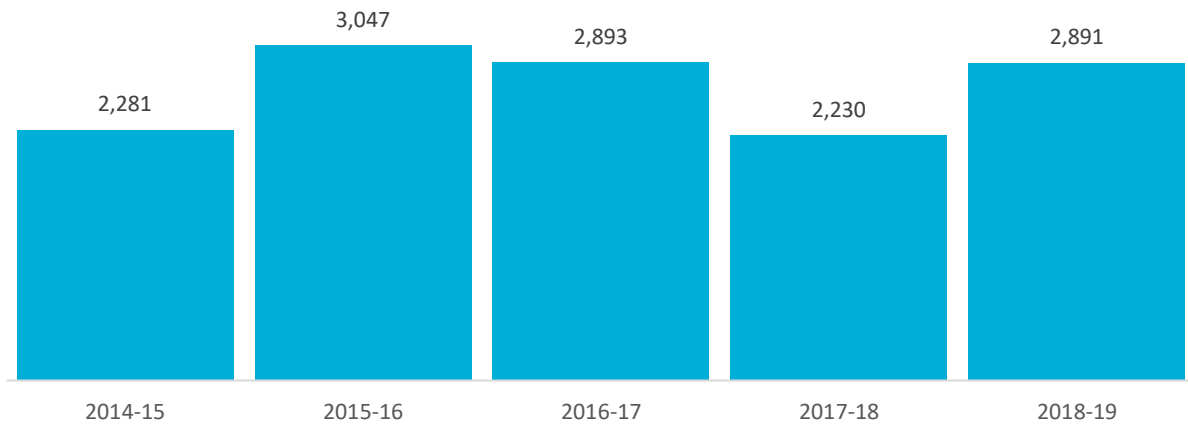
Custom Fit is a flexible, customized training program designed to meet training needs of Utah businesses. Within USHE, [Utah State University](#)¹⁶, [Snow College](#)¹⁷, and [SLCC](#)¹⁸ participate in the state's Custom Fit program. Also, all UTech institutions receive Custom Fit funding to ensure the program is available throughout the state. Through this program, participating companies receive subsidized training for employees under qualifying criteria. The following two graphs show data relative to USHE institutions for Custom Fit and STIT.

¹⁶ Utah State University Eastern, *Small Business Development*, <https://usueastern.edu/sbdc/index>

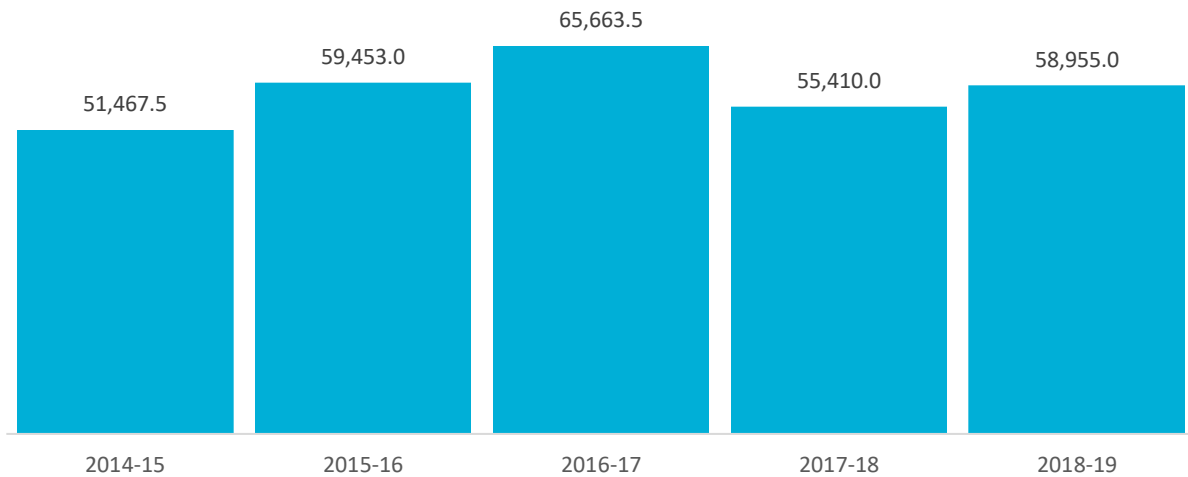
¹⁷ Snow College, *Custom Fit*, <https://www.snow.edu/community/sbdc/CFT.html>

¹⁸ Salt Lake Community College, *Custom Fit Training*, <https://www.slcc.edu/workforce/resources/custom-fit-training.aspx>

Short-Term Intensive Training/Custom Fit Unduplicated Headcount



Short-Term Intensive Training & Custom Fit Total Contact Hours



Total USHE CTE Credit Hours, Clock Hours, & Student Full-Time Enrollment by Year			
	2016-17	2017-18	2018-19
Credit Hours—Regular	539,107.5	537,976.4	531,428.5
Credit-based Student FTE (Credit Hours/30)	17,970	17,933	17,714
Non-Credit Student Clock Hours	339,180	372,936	196,096
Non-Credit Student FTE (Student Clock Hours/900)	377	414	218
Total Credit Hour Equivalent	550,414	550,407	537,965
Total Student FTE	18,347	18,347	17,932
Short-Term Intensive Training/Custom Fit Headcount	2,893	2,230	2,891
Short-Term Intensive Training/Custom Fit Hours	65,664	55,410	58,955

Top 5 Areas of Study, based on 2018-19 certificates/degrees awarded					
Program Categories	Less than 1 yr Certificates	1-2 yr Certificates	Associate & 2+ yr Certificates	Total	Percentage Share
Health Professions and Related Programs	371	202	1501	2074	34%
Computer and Information Sciences and Support Services	588	52	369	1009	16%
Business, Management, Marketing, And Related Support Services	108	80	673	861	14%
Engineering Technologies and Engineering-Related Fields	265	25	159	449	7%
Homeland Security, Law Enforcement, Firefighting, Related Protective Services	56	28	255	339	6%

Utah 2018-19 CTE Output Summary

	USHE Postsecondary	USHE Concurrent Enrollment	Total
Credit Hour Equivalent	537,965	90,203	628,168
Clock Hour Equivalent	16,138,951	2,623,410	18,762,361
Full-Time Equivalent (FTE)	17,932	2,915	20,847

Definitions & Formulas

CTE (Career and Technical Education [Vocational])—Organized educational programs offering sequences of courses or skill sets directly related to preparation for employment in occupations that generally do not require baccalaureate or associate degrees (see *Utah Code 53B-1-101.5*¹⁹).

Credit Hour—A unit used to measure the amount of coursework in which students enroll, as defined by regional accrediting bodies and the U.S. Department of Education²⁰.

Credit Hour Equivalent—Total credit hours, plus total student clock hours, divided by 30 (as per 34 CFR § 668.8^{21,22}).

Clock Hour—A 50- 60-minute unit of time within an instructor-led learning activity that is typically associated with non-credit CTE or vocational courses.

Student Clock Hours—Clock hours multiplied by the number of enrolled students.

FTE (full-time equivalent)—The total number of hours taught at an institution divided by the number of hours considered to be full-time for a student. An FTE student is one undergraduate student enrolled in 15 credit hours per semester. A part-time student may account for only 0.5 FTE while a student with a heavy course load may account for 1.25 FTE during a given academic year.

- 30 credit hours = 1 FTE for credit programs
- 900 clock hours = 1 FTE for non-credit programs

¹⁹ Utah State Legislature, *Utah Code 53B-1-101.5*, <https://le.utah.gov/xcode/Title53B/Chapter1/53B-1-S101.5.html>

²⁰ United States Department of Education, *Credit-hour definition*, <https://ifap.ed.gov/dpccletters/attachments/GEN1106.pdf>

²¹ United States Department of Education, *Program Eligibility*, <https://ifap.ed.gov/fsahandbook/attachments/Vol2Ch40809.pdf>

²² Cornell Law, *34 CFR § 668.8 - Eligible program*, <https://www.law.cornell.edu/cfr/text/34/668.8>

Unduplicated Headcount—The total number of individual students enrolled at an institution regardless of instruction time. Unduplicated headcount is only counted once, even though a student may fall into several enrollment categories.

Secondary/Postsecondary—Secondary education refers to high school (grades 9–12) education. Postsecondary education is any coursework beyond high school.

Note: Effective with this year’s CTE report, student enrollment data captured all student CTE enrollment activity. In previous reports, enrollment data only reported students receiving a passing grade in CTE courses. Comparisons to reports from previous years should take this reporting change into account.



MEMORANDUM

January 17, 2020

Engineering and Computer Technology Initiative Annual Report from the Technology Initiative Advisory Board

The 2001 Legislature approved SB61: Enhancements to the State Systems of Public and Higher Education. This legislation established the Engineering and Computer Technology Initiative with the goal for higher education institutions to increase the number of students graduating from engineering, computer science, and related technology programs. The legislation created the Technology Initiative Advisory Board (TIAB), appointed by the Governor, that makes an annual report to the Board of Regents. The attached document provides this year's report from the TIAB.

Key highlights noted in the report include:

- During the last 18 years, the Engineering and Computer Technology Initiative has been successful in increasing the number of graduates in targeted areas.
- During FY19 1,860 engineering degrees were awarded compared to 862 in 2000, and in computer science 1,674 degrees were awarded compared to 513 in 2000.
- Since the initiative began, a total of 41,427 engineering and computer science degrees have been awarded.
- The TIAB requested that FY18 be used as the base year for comparison since that was the last year data was used to justify new legislative appropriations.
- Total engineering and computer science degrees awarded in FY19 was 3,534 compared to 3,283 in FY18, representing an increase of 7.65 percent over the base year.

Commissioner's Recommendation

This report is for information to the Board of Regents. No action is required.

Attachment



Engineering and Computer Technology Initiative Report

In 2001, the Legislature approved [*SB61, Enhancements to the State Systems of Public and Higher Education*](#)¹, sponsored by Senator Lyle Hillyard. This legislation established the [*Engineering and Computer Technology Initiative*](#) within the Utah System of Higher Education with the purpose of increasing the number of students graduating from engineering, computer science, and related technology programs².

Since then, key provisions of [*SB61*](#) have been addressed including:

- Establishing a goal to triple the number of graduates from USHE institutions in engineering, computer science, and related technology.
- Directing the USHE Board of Regents to establish rules providing the criteria for those fields of study that qualify as “related technology.”
- Providing supplemental funds for equipment purchases to improve the quality of instructional programs in engineering, computer science, and related technologies.
- Establishing a student scholarship to encourage enrollment in programs included in the initiative.
- Assisting USHE institutions to hire and retain qualified faculty to teach in initiative programs.
- Increasing program capacity by funding new and renovated capital facilities, and funding for new engineering and computer science programs.
- Creating the Technology Initiative Advisory Board to make recommendations to the Regents in its administration of the initiative. The advisory board includes business and industry experts in the areas of engineering, computer science, and related technologies who are appointed by the Governor.
- Providing the requirement to report funding matches for faculty positions funded through initiative resources.

To date, \$24 million of ongoing funding, plus \$10.45 million of one-time funding, has been appropriated to support the initiative.

¹ <https://le.utah.gov/~2001/htmdoc/sbillhtm/SB0061S2.htm>

² <https://ushe.edu/engineering-and-computer-technology-initiative-has-produced-nearly-40000-degrees/>

[Intent language provided by the 2017 legislature](#) requested that “recommendations for appropriation and follow up reporting on program success are to be reviewed by the Business, Economic Development, and Labor Appropriations Subcommittee and the Higher Education Appropriations Subcommittee.”³ Additionally, an [annual report](#) to the USHE Board of Regents is required by statute. This document is intended to satisfy these reporting requirements.

Appropriated Funds

The following table summarizes funding appropriated to the initiative between FY2002 and FY2020.

Engineering and Computer Technology Initiative Funding History 2002-2020			
Year	Funds Appropriated		
	Ongoing	One time	Scholarship*
2001-02	\$1,000,000	\$2,500,000	\$500,000
2002-03	\$2,000,000	\$1,000,000	\$0
2003-04	\$500,000	\$0	\$50,000
2004-05	\$500,000	\$500,000	\$0
2005-06	\$1,500,000	\$500,000	\$0
2006-07	\$500,000	\$700,000	\$0
2007-08	\$3,000,000	\$2,000,000	\$0
2008-09	\$0	\$250,000	\$0
2009-10	\$0	\$2,000,000	\$0
2010-11	\$0	\$0	\$0
2011-12	\$0	\$0	\$0
2012-13	\$2,500,000	\$0	\$0
2013-14	\$0	\$0	\$0
2014-15	\$0	\$0	\$0
2015-16	\$3,500,000	\$1,000,000	\$0
2016-17	\$0	\$0	\$0
2017-18	\$4,000,000	\$0	\$0
2018-19	\$0	\$0	\$0
2019-20	\$5,000,000	0	0
Total	\$24,000,000	\$10,450,000	\$550,000

*In 2001, SB61 established a loan forgiveness fund to assist students in obtaining degrees in engineering and computer science. In 2009, SB105 changed the loan forgiveness program to a scholarship program for the purpose of recruiting, retaining, and training engineering and computer science and related technology students. At that time scholarship funding was \$39,200 annually. In FY13 an additional \$300,000 of ongoing scholarship funding was allocated to institutions by the Board of Regents from the FY13 \$2,500,000 appropriation. This \$300,000 of scholarship funding did not roll into the previously legislated scholarship funding program but went directly to institutions.

Degree Completion Results

Although the initiative has been underway since 2001, base year comparisons measured graduation counts since FY2018, the last year data were used to determine the most recent appropriation as provided by the 2019 Legislature.

³ <https://le.utah.gov/~2017/bills/static/SB0003.html>

Comparison of Degree Completions for the Engineering and Computer Technology Initiative								
	FY2018 (Base Year)			FY2019			Change from FY2018 to FY2019	
	CS	Eng.	Total	CS	Eng.	Total	Change	Percent Change
Total	1553	1730	3283	1674	1860	3534	251	7.65

For reporting purposes, programs that qualify for the initiative are grouped into two categories, namely, engineering and computer science. The 1,860 engineering degrees awarded in FY2019 is more than double the 862 engineering degrees awarded in FY2000, and the 1,674 computer science degrees awarded in FY2019 is more than triple the 513 computer science degrees awarded in FY2000. Over time there has been a consistent increase in total number of degrees awarded in the targeted areas. Since the initiative began, a total of 41,427 computer science and engineering degrees have been awarded. This initiative has resulted in a positive cumulative impact for the state. It is believed that this targeted investment has made a significant difference for Utah.

The TIAB will use information provided in this report to determine possible future requests for legislative funding and to recommend allocation of any additional funding received in accordance with legislative intent that specifies funds should be allocated based on graduation increases in targeted areas and in high demand occupations.

Matching Funds

Utah Code 53B-6-105.9 requires institutions to match ongoing funds appropriated to the initiative that are used for faculty positions. Beginning with funding appropriated for FY2013, institutions have submitted reports that demonstrate compliance with the matching requirement. Based on information from these reports, the ongoing appropriations awarded in FY2013, FY2016, FY2018, and FY2020 were matched by the USHE institutions*. The following tables provide matching funds information by institution.

Matching Funds Report- Summary				
Institution	FY2013 Ongoing Appropriations Matched by Institutions	FY 2016 Ongoing Appropriations Matched by Institutions	FY 2018 Ongoing Appropriations Matched by Institutions	FY 2020 Ongoing Appropriations Matched by Institutions
University of Utah	\$600,000	\$1,217,809	\$1,540,000	\$2,600,000
Utah State University	\$270,000	\$515,000	\$900,000	\$785,000
Weber State University	\$88,000	\$440,000	\$840,000	\$400,000
Southern Utah University*	Did not receive funding in FY2013	Did not receive funding for faculty positions in FY2016	\$60,000	\$60,000
Snow College	Did not receive funding in FY2013	\$113,000	\$60,000	\$30,000
Dixie State University	Did not receive funding in FY2013	\$175,000	\$60,000	\$375,000
Utah Valley University	\$370,000	\$375,000	\$480,000	\$700,000

Salt Lake Community College	\$72,000	\$57,000	\$60,000	\$50,000
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Matching Funds Detail for FY2020					
Institution	Faculty Type	Department	Appropriated	Match	Total
University of Utah	Assistant Professor	Biomedical Engineering	\$140,000	\$140,000	\$280,000
	Assistant Professor	Biomedical Engineering	\$140,000	\$140,000	\$280,000
	Assistant Professor	Biomedical Engineering	\$140,000	\$140,000	\$280,000
	Assistant Professor	Chemical Engineering	\$140,000	\$140,000	\$280,000
	Assistant Professor	Chemical Engineering	\$140,000	\$140,000	\$280,000
	Assistant Professor	Chemical Engineering	\$145,000	\$145,000	\$290,000
	Assistant Professor	Civil Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Civil Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Civil Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Computer Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Computer Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Computer Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Mechanical & Industrial Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Mechanical & Industrial Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Material Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Material Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Material Science	\$135,000	\$135,000	\$270,000
	Assistant Professor	Electrical Engineering	\$135,000	\$135,000	\$270,000
	Assistant Professor	Electrical Engineering	\$135,000	\$135,000	\$270,000
	Total		\$2,600,000	\$2,600,000	\$5,200,000
Utah State University	Assistant Professor	Engineering Education	\$129,900	\$129,900	\$259,800
	Assistant Professor	Electrical & Computer Engineering	\$129,900	\$129,900	\$259,800
	Assistant Professor	Biological Engineering	\$129,900	\$129,900	\$259,800
	Assistant Professor	Electrical & Computer Engineering	\$68,200	\$68,200	\$136,400

	Assistant Professor	Computer Science	\$136,000	\$136,000	\$272,000
	Assistant Professor (0.5 FTE)	Computer Science	\$68,000	\$68,000	\$136,000
	Assistant Professor	Computer Science	\$123,100	\$123,100	\$246,200
Total			\$785,000	\$785,000	\$1,570,000
Weber State University	Assistant Professor	School of Computing	\$80,000	\$80,000	\$160,000
	Assistant Professor	School of Computing	\$80,000	\$80,000	\$160,000
	Assistant Professor	School of Computing	\$80,000	\$80,000	\$160,000
	Assistant Professor	School of Computing	\$80,000	\$80,000	\$160,000
	Assistant Professor	Electrical and Computer Engineering	\$80,000	\$80,000	\$160,000
Total			\$400,000	\$400,000	\$800,000
Southern Utah University	Associate Professor	Computer Science & Info Systems	\$60,000	\$60,000	\$120,000
Total			\$60,000	\$60,000	\$120,000
Snow College	Assistant Professor	Engineering	\$30,000	\$30,000	\$60,000
Total			\$30,000	\$30,000	\$60,000
Dixie State University	Assistant Professor	Mechanical Engineering	\$ 54,000	\$54,000	\$108,000
	Assistant Professor	Mechanical Engineering	\$ 54,000	\$54,000	\$108,000
	Assistant Professor	Computer Engineering	\$ 54,000	\$54,000	\$108,000
	Assistant Professor	Computer Engineering	\$ 54,000	\$54,000	\$108,000
	Assistant Professor	Computing and Design	\$53,000	\$53,000	\$106,000
	Assistant Professor	Computing and Design	\$53,000	\$53,000	\$106,000
	Assistant Professor	Computing and Design	\$53,000	\$53,000	\$106,000
Total			\$375,000	\$375,000	\$750,000
Utah Valley University	Assistant Professor	Mechanical Engineering	\$132,802		\$132,802
	Assistant Professor	Mechanical Engineering	\$132,802		\$132,802
	Assistant Professor	Civil Engineering	\$129,886		\$129,886
	Assistant Professor	Civil Engineering	\$129,886		\$129,886
	Lecturer	Civil Engineering/Pre-Engineering	\$84,039		\$84,039
	Lecturer	Mechanical Engineering/Pre-Engineering	\$90,585		\$90,585
	Assistant Professor	Mechanical Engineering		\$125,817	\$125,817
	Assistant Professor	Civil Engineering		\$125,817	\$125,817

	Assistant Professor (.67 FTE)	Computer Science		\$80,456	\$80,456
	Lecturer	Mechatronics		\$95,098	\$95,098
	Assistant Professor	Computer Science		\$136,406	\$136,406
	Assistant Professor	Computer Science		\$136,406	\$136,406
Total			\$700,000	\$700,000	\$1,400,000
Salt Lake Community College	Assistant Professor	Science, Math, & Engineering	\$50,000	\$50,000	\$100,000
Total			\$50,000	\$50,000	\$100,000
USHE Total			\$5,000,000	\$5,000,000	\$10,000,000

* At the time this report was prepared institutions had identified matching funds for the FY2020 appropriation. These funds are thus included in the 2019 report.

TIAB Membership

- John Sutherland (Chair)
 - Susan Johnson (Co-Chair)
 - Reed Brown
 - Vance Checketts
 - Roland Christensen
 - Ed Ekstrom
 - Ed Esper
 - Mark Ripke
 - Chuck Taylor
 - J. Howard VanBoerum
- Brigham Young University
 - Futura Industries (Retired)
 - Mathnasium
 - Dsco.io
 - Applied Composite Technology
 - Chateau Grande
 - Utah Capital Investment Corporation
 - Boeing
 - SyberJet Aircraft
 - VanBoerum & Frank

R609-1 Purpose: The Regents' Scholarship encourages Utah high school students to prepare for college academically and financially by taking a core course of study in grades 9-12 and saving for college. This statewide scholarship is aligned with the Utah Scholars Core Course of Study which is based on national recommendations as outlined by the State Scholars Initiative. The courses required by the scholarship are proven to help students become college and career ready. In addition, this scholarship encourages high school students to complete meaningful course work through their senior year.

R-609-2 References

- 2.1 Utah Code Ann. §53B-8-108 et seq., Regents' Scholarship Program
- 2.2 Utah Admin. Code §R277-700-7, High School Requirements (Effective for Graduating Students Beginning with the 2010-2011 School Year).
- 2.3 Regents' Policy and Procedures R604, New Century Scholarship.

R609-3 Definitions

3.1 "Applicant" means a student who is in their last term in high school and on track to complete the high school graduation requirements of a public school established by the Utah State Board of Education and the student's school district or charter school or a private high school in the state that is accredited by a regional accrediting body approved by the Utah State Board of Regents.

3.2 "Base Award": a one-time scholarship to be awarded to applicants who complete the eligibility requirements of section R609-4 of this policy.

3.3 "Board" means the Utah State Board of Regents.

3.4 "College Course Work" means any instance in which college credit is earned, including but limited to, concurrent enrollment, distance education, dual enrollment, or early college.

3.5 "Core Course of Study" means the courses taken during grades 9-12 for the Core Course of study which include:

3.5.1 4.0 units of English;

3.5.2 4.0 units of mathematics taken in a progressive manner (at minimum Secondary Mathematics I, Secondary Mathematics II, Secondary Mathematics III and one class beyond); if the student is attending a school that has not implemented the Utah Core "K-12" Standards, a student would complete at minimum Algebra I, Geometry, Algebra II, and a class beyond Algebra II

3.5.3 3.5 units of social studies;

3.5.4 3.0 units of lab-based natural science (one each of Biology, Chemistry, and Physics); and

¹ Adopted June 4, 1999, amended July 12, 1999, April 20, 2001, May 31, 2002, September 15, 2006. Amended and approved by the Board of Regents October 16, 2009, April 1, 2010, March 25, 2011, March 29, 2013, April 1, 2016, and May 17, 2019.

3.5.5 2.0 units of the same foreign language, other than English, taken in a progressive manner.

3.6 “**Eligible Institutions**” means institutions of the USHE or any private, nonprofit institution of higher education in Utah accredited by the Northwest Commission on Colleges and Universities (NWCCU).

3.7 “**Excusable Neglect**” means a failure to take proper steps at the proper time, not in consequence of carelessness, inattention, or willful disregard of the scholarship application process, but in consequence of some unexpected or unavoidable hindrance or accident.

3.8 “**Exemplary Academic Achievement Award**” (“Exemplary Award”) means a renewable scholarship to be awarded to students who complete the eligibility requirements of section 4.2 of this policy.

3.9 “**Good Cause**” means the student’s failure to meet a scholarship application process requirement was due to circumstances beyond the student’s control or circumstances that are compelling and reasonable.

3.10 “**High school**” means a public school established by the Utah State Board of Education or private high school within the boundaries of the State of Utah. If a private high school, it shall be accredited by a regional accrediting body approved by the Board.

3.11 “**Home – Schooled**” refers to a student who has not graduated from a Utah high school and received credits and/ or letter grades for the Core Course of study in grades 9-12.

3.12 “**Recipient**” means an applicant who receives an award under the requirements set forth in this policy.

3.13 “**Reasonable progress**” means enrolling and completing at least fifteen credit hours during Fall and Spring semesters and earning a 3.3 grade point average (GPA) or higher each semester while enrolled at an eligible institution and receiving the award. Starting Fall semester 2020 students will be required to enroll in and complete at least twelve credits each semester for which they receive the scholarship.

3.14 “**Renewal Documents**” include institutionally produced documents demonstrating that the recipient has met the required semester GPA and a detailed schedule providing proof of enrollment in fifteen credit hours (twelve starting Fall semester 2020) for the semester for which the recipient is seeking award payment.

3.15 “**Scholarship Appeals Committee**” means the committee designated by Commissioner of Higher Education to review appeals of Regents’ Scholarship award decisions and take final agency action regarding awards.

3.16 “**Scholarship Staff**” means the group assigned to review Regents’ Scholarship applications and make initial decisions awarding the scholarships.

3.17 “**Substantial Compliance**” means the applicant, in good faith, complied with the substantial or essential scholarship application requirements and has demonstrated likely eligibility but failed to comply exactly with the application specifics.

3.18 “**UESP**” means the Utah Educational Savings Plan.

3.19 "USHE" means the Utah system of higher education, which includes the University of Utah, Utah State University, Weber State University, Southern Utah University, Snow College, Dixie State University, Utah Valley University, and Salt Lake Community College.

3.20 Weighted Grade: A grade shall be weighted if a student completed an advanced placement, international baccalaureate or college course. The grade weight given is half the value of the high school credits earned for the course. For AP and IB courses all grades are averaged and then the weight is applied. When college credit is earned the grade weight is applied to the grade shown on the college transcript.

R609-4. Base Award Requirements: To qualify for the Regents' Scholarship Base award, the applicant shall satisfy the following criteria:

4.1 Complete the Core Course of Study as defined in section 3.5 of this policy subject to the following criteria:

- 4.1.1** Not all courses that meet state and individual district high school graduation requirements meet the scholarship requirements.
- 4.1.2** **Course Availability:** In addition to taking courses at the school they are attending, a student may complete coursework through other accredited Utah high schools or Utah eligible institutions.
- 4.1.3** A student may meet a course requirement through a competency-based assessment provided it is documented on a transcript and has a letter grade(A-C) assigned.
- 4.1.4** The courses completed shall be unique except when repeated for a higher grade as noted in (insert section). Students may not take a standard course and then enroll in the honors version of the same course and count both toward meeting the scholarship credit requirements and, when applicable, the requirement of progression.
- 4.1.5** Repeated course work shall not count toward accumulation of required credits.

4.2 GPA: The applicant shall demonstrate completion of the Core Course of Study with a non-weighted cumulative high school GPA of at least 3.0.

4.3 Minimum Grade requirement: the applicant shall earn a course grade on a transcript of "C" or above in each individual course listed in section 3.4. Certain courses may receive a weighted grade as outlined under subsection 9.5 as part of the scholarship award determination.

4.4 Replacing Low Grades by Retaking a Course: An applicant may retake a course to replace a low grade received. When retaking courses to replace a grade the following subsections apply:

4.5 The Entire Course: The applicant shall either (1) retake the entire original course, or (2) complete an approved course equal to or greater in credit value in the same subject-area. The math and foreign language requirement of progression shall be shown. This is true even if the applicant only received a lower grade in a single semester, term, trimester, or quarter.

4.6 The Higher of Two Grades: The higher of two grades in the same or an approved course will count towards meeting the scholarship requirements.

4.7 Approved Courses and Progression Determined by the Regents' Scholarship Review Committee: The Regents' Scholarship Review Committee reserves the right to determine if the repeated course qualifies as an approved course in the same subject-area and if progression is required and demonstrated.

4.8 "P" and "I" Grades not Accepted: Pass/fail or incomplete grades do not meet the minimum scholarship grade requirement.

4.9 College Course Work: College course work will only be evaluated if the applicant submits an Official College transcript. If an applicant enrolls in and completes a college course worth three or more college credits, this shall be counted as one high school credit toward the scholarship requirements. The student is evaluated on the college grade earned, with the weight added to the college grade as defined in section 3.19.

4.10 ACT Score: The applicant shall submit at least one verified ACT score.

4.11 Utah High School Graduation: The applicant shall have graduated from a Utah high school.

4.12 Citizenship: A recipient shall be a citizen of the United States or a noncitizen who is eligible to receive federal student aid.

4.13 No Criminal Record: A recipient shall not have a criminal record, with the exception of a misdemeanor traffic citation.

4.14 Mandatory Fall Semester Enrollment: A recipient shall enroll in fifteen credit hours (twelve credit hours starting Fall semester 2020) at an eligible institution by Fall semester immediately following the student's high school graduation date or receive an approved deferral from the Board under subsection 7.2. Documentation shall include the recipient's name, the semester the recipient will attend, the name of the institution they are attending and the number of credits for which the recipient is enrolled.

4.15 New Century Scholarship: A recipient shall not receive both a Regents' Scholarship and the New Century Scholarship established in Utah Code Section 53B-8-105 and administered in R604.609-5. **Exemplary Academic Achievement Award Requirements:** To qualify for the Regents' Scholarship Exemplary Academic Achievement award, the applicant shall satisfy all requirements for the Base award (see section 3.4), and additionally meet all of the following requirements:

4.16 GPA: The applicant shall have a non-weighted cumulative high school GPA of at least 3.5.

4.17 Minimum Grade: The applicant shall earn a course grade on a transcript of "B" or above in each individual course listed in section 3.4. Certain courses may receive a weighted grade as part of the scholarship award determination.

4.18 ACT Score: The applicant shall submit a verified composite ACT score of at least 26.

609-5. Continuation and Renewal of the Exemplary Award.

5.1 Duty of Student to Report Reasonable Progress Toward Degree Completion: In order to renew the Exemplary Academic Achievement Award, the recipient shall submit renewal documents each semester, providing evidence of reasonable progress toward degree completion by the deadlines established in current program materials.

5.2 If the recipient fails to maintain a 3.3 GPA in a single semester the recipient is placed on probation and shall earn a 3.3 GPA or better the following semester to maintain eligibility. If the recipient again at any time earns less than a 3.3 GPA or fails to enroll and complete fifteen credit hours (twelve credit hours starting Fall semester 2020), except as outlined in section 7.2 of this policy, the scholarship may be revoked.

5.3 Recipient will not be required to enroll in fifteen credit hours (twelve credit hours starting Fall semester 2020) -if the student can complete his/her degree program with fewer credits. Documentation shall include the recipient's name, the semester the recipient will attend, the name of the institution they are attending and the number of credits for which the recipient is enrolled.

5.4 Student Transfer: Students may transfer their scholarship to a different eligible institution upon request to the Scholarship office.

609-6 Application Procedures

6.1 Application Deadline: Applicants shall submit an official scholarship application no later than February 1 of the year that they graduate from high school. A priority deadline may be established each year. Applicants who meet the priority deadline may be given first priority or consideration for the scholarship. Subject to funding, students may be considered based on date of completed and submitted application.

6.2 Required Documentation: Scholarship awards shall be denied if all documentation is not completed and submitted by the specified deadlines. If any documentation demonstrates that the applicant did not satisfactorily fulfill all course and GPA requirements, or if any information, including the attestation of criminal record or citizenship status, proves to be falsified the award may be denied. Required documents that shall be submitted with a scholarship application include:

6.2.1 the official online application;

6.2.2 an official high school paper or electronic transcript, official college transcript(s) when applicable, and any other miscellaneous transcripts demonstrating all completed courses and GPA. Final transcript(s) will be requested if the student is found conditionally approved, meaning that the student appears to be on track to receive the scholarship;

6.2.3 If a student completed coursework at an educational institution outside of the district from which the student graduated, the student must submit an official transcript from the school at which he or she completed the coursework if the courses completed and grades earned are not reflected in the official high school transcript; and

6.2.4 verified ACT score(s).

R609-7. Amount of Awards and Distribution of Award Funds

7.1 Funding Constraints of Awards: The Board may limit or reduce the Base Award and/or the Exemplary Academic Achievement Award, as well as supplemental awards granted, depending on the annual legislative appropriations and the number of qualified applicants.

7.2 Amount of Awards

7.2.1 Base Award: The Base award of up to \$1,000 may be adjusted annually by the Board in an amount up to the average percentage tuition increase approved by the Board for USHE institutions.

7.2.2 Exemplary Academic Achievement Award: The Exemplary Academic Achievement award is up to the amount provided by law and as determined each Spring by the Board based on legislative funding and the number of applicants. The Exemplary Academic Achievement award may be renewed for the shortest of the following:

7.2.2.1 Four semesters of enrollment in fifteen credit hours (twelve credit hours starting Fall semester 2020);

7.2.2.2 Sixty-five credit hours; or

7.2.2.3 Until the student meets the requirements for a Baccalaureate degree.

7.2.3 UESP Supplemental Award to Encourage College Savings: Subject to available funding, an applicant who qualifies for the Base award is eligible to receive up to an additional \$400 in state funds to be added to the total scholarship award.

7.2.3.1. For each year the applicant is 14, 15, 16, or 17 years of age and had an active UESP account, the Board may contribute, subject to available funding, \$100 (i.e., up to \$400 total for all four years) to the recipient's award if at least \$100 was deposited into the account for which the applicant is named the beneficiary.

7.2.3.2 If no contributions are made to an applicant's account during a given year, the matching amount will likewise be \$0.

7.2.3.3 If contributions total more than \$100 in a given year, the matching amount will cap at \$100 for that year.

7.2.3.4 Matching funds apply only to contributions, not to transfers, earnings, or interest.

7.3 Distribution of Award Funds

7.3.1 Award Payable to Institution: The award will be made payable to the institution. The institution may pay over to the recipient any excess award funds not required for tuition payments. Award funds shall be used for any qualifying higher education expense including: tuition, fees, books, supplies, equipment required for course instruction, or housing.

7.3.2. Credit Hours Dropped After Award Payment: If a recipient drops credit hours after having received the award which results in enrollment below fifteen credit hours (twelve credit hours starting Fall semester 2020), the scholarship may be revoked.

R609-8 Time Constraints and Continuing Eligibility

8.1. Time Limitation: A Regents' Scholarship recipient shall use the award in its entirety within five years after his/her high school graduation date.

8.2. Deferral or Leave of Absence: A recipient shall apply for a deferral or leave of absence if they do not continuously enroll in fifteen credit hours (twelve credit hours starting Fall semester 2020).

- 8.2.1. Deferrals or leaves of absence may be granted, at the discretion of the Scholarship Review Committee, for military service, humanitarian/religious service, documented medical reasons, and other exigent reasons.
- 8.2.2. An approved deferral or leave of absence will not extend the time limits of the scholarship. The scholarship may only be used for academic terms which begin within five years after the recipient's high school graduation date.
- 8.3. **No Guarantee of Degree Completion:** Neither a Base award nor an Exemplary Academic Achievement award guarantees that the recipient will complete his or her Associate or Baccalaureate program within the recipient's scholarship eligibility period.

R609-9 Scholarship Determinations and Appeals

- 9.1. **Scholarship Determinations:** Submission of a scholarship application does not guarantee a scholarship award. The Scholarship Staff shall review individual scholarship applications and make the awards determination. Awards are based on available funding, applicant pool, and applicants' completion of scholarship criteria by the specified deadline.
- 9.2. **Appeals:** An applicant has the right to appeal the Scholarship Staff's adverse decision by filing an appeal with the Scholarship Appeals Committee subject to the following conditions:
 - 9.2.1. The appeal must be in writing and submitted in person or through the U.S. Mail. Appeals must be hand delivered to the office or postmarked within 30 days of the date on which the scholarship notification was issued.
 - 9.2.2. In the appeal, the applicant must provide his or her full name, mailing address, the high school he or she last attended, a statement of the reason for the appeal, and all information or evidence that supports the appeal. The failure of an applicant to provide the information in this subsection shall not preclude the acceptance of an appeal.
 - 9.2.3. An appeal filed before the applicant receives official notification from the Scholarship Staff of its decision shall not be considered.
 - 9.2.4. If an applicant failed to file his or her appeal on time, the Scholarship Appeals Committee shall notify the applicant of the late filing and give him or her an opportunity to explain the reasons for failing to file the appeal by the deadline. The Scholarship Appeals Committee shall not have jurisdiction to consider the merits of an appeal that is filed beyond the deadline unless it determines the applicant established excusable neglect.
 - 9.2.5. The Scholarship Appeals Committee shall review the appeal to determine if the award decision was made in error, or if the applicant demonstrated substantial compliance with the scholarship application requirements but failed to meet one or more requirements for good cause.
 - 9.2.6. If the Scholarship Appeals Committee determines the applicant has shown by a preponderance of the evidence that the initial decision was made in error, it shall either reverse the initial decision or remand it back to the Scholarship Staff for further review in accordance with the Appeals Committee's instructions.

- 9.2.7 If the Scholarship Appeals Committee determines the applicant has shown by a preponderance of the evidence that he or she demonstrated substantial compliance with the application process requirements and good cause for failing to meet one or more of the requirements, the Appeals Committee shall grant the applicant a reasonable period of time to complete the remaining requirements and to resubmit the completed application to the Scholarship Staff for a redetermination. In such a case, the applicant shall have the right to appeal an adverse decision according to this rule.
- 9.2.8 The Scholarship Appeals Committee's decision shall be in writing and contain its findings of facts, reasoning and conclusions of law and notice of the right to judicial review.
- 9.2.9. The Scholarship Appeals Committee's decision represents the final agency action. An applicant who disagrees with the Scholarship Appeal Committee's Decision may seek judicial review in accordance with Utah Code Ann. 63G-4-402.
- 9.2.10. An applicant who has exhausted all administrative and judicial remedies, and who would have likely received the scholarship but for an irreconcilable error in the application process, may seek a discretionary award from the Commissioner's office.
- 9.2.10.1. Discretionary awards are only available if the legislature has appropriated funds specifically for unsuccessful applicants of the Regents' Scholarship.
- 9.2.10.2. If the Legislature has appropriated funds for this express purpose, the Commissioner's Office may disburse the funds at its sole discretion, on a case-by-case basis. Decisions on awarding discretionary funds are final; there is no appeal available.



MEMORANDUM

December 6, 2019

Utah Valley University – Investment Policy Revision

Regent policy R541, *Management and Reporting of Institutional Investments* governs the investment of institutional funds and requires the Board of Regents to approve changes to institutional investment policies. Utah Valley University proposes to revise its investment policy to:

- increase the range of investments in alternative investments
- change the threshold for investing in illiquid vehicles from 25% to 30%; and
- clarify the target for spending on endowment purposes to be up to 4% (depending on market conditions) and up to 2% in administrative operating expenses.

Utah Valley University's Board of Trustees approved the revision to the investment policy in their June 19, 2019 meeting. A letter from the institution describing the changes to the policy along with the final document and a redline of the changes is attached. University officials will be present at the meeting and be available to respond to Board questions.

Commissioner's Recommendations

The Commissioner recommends the Committee approve the revision to the Utah Valley University investment policy and add the item to the January 2020 Consent Calendar of the Board of Regents.

Attachments



UTAH VALLEY UNIVERSITY

VICE PRESIDENT FOR FINANCE & ADMINISTRATION

November 11, 2019

Utah System of Higher Education
c/o David Wolstenholme
Interim Commissioner Utah Higher Education
60 South 400 West
Salt Lake City, UT 84101

Interim Commissioner Wolstenholme:

Utah Valley University requests approval of the enclosed revised investment policy. The policy has been reviewed and approved by the investment committee and the Board of Trustees.

Utah State Board of Regents Policy R541-6.1 states:

6.1. In accordance with the Uniform Prudent Management of Institutional Funds Act, an institution's board of trustees may adopt its own endowment investment policy. All such policies (including any associated investment guidelines or other policy direction) must meet the requirements of the Uniform Prudent Management of Institutional Funds Act, and must be formally approved by the Board of Regents. Institutions are not authorized to apply their own policies until both of the foregoing conditions have been met. Institutions following a separate trustee adopted and Regent approved endowment investment policy will be considered to be investing in accordance with the terms of this policy. Revisions to institutional endowment investment policies (including revisions to any associated investment guidelines or other policy direction) must also receive both trustee and Regent approval.

On June 19, 2019 Utah Valley University's Board of Trustees approved the enclosed investment policy for the UVU Foundation. Under the policy, the University proposes to increase the range of investments in alternative assets to 0-50% with a target of 42%. The investment policy meets the requirements of the Uniform Prudent Management of Institutional Funds Act.

Please feel free to contact me if you have any questions or concerns.

Sincerely,

Val Peterson

Vice President

Finance and Administration

UTAH VALLEY UNIVERSITY FOUNDATION, INC.

INVESTMENT POLICY STATEMENT

Approved: May 9, 2019

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I. INTRODUCTION

The purpose of this document is to set forth the goals and objectives of the Utah Valley University Foundation, Inc. ("UVUF"), and to establish guidelines for the implementation of investment strategy. This Investment Policy supersedes all other policies and has been formulated to comply with the requirements of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). In addition to providing specific restrictions on certain types of investments, the law requires certain issues to be addressed in the Investment Policy and the incorporation of specific language. Compliance with the law significantly expands the Investment Policy and provides for a greater level of detail and understanding.

UPMIFA modernizes the rules governing investments of funds held for charitable purposes by adopting a more well-defined prudent-investor standard. UPMIFA directs that investments be made "in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances, considering the purposes, terms, distribution requirements, and other circumstances of the institutional fund," and it lists a number of explicit factors that managers must consider "if relevant." UPMIFA also explicitly provides that institutions may invest in any kind of property or type of investment so long as the investment is prudent.

In making a determination to appropriate or accumulate assets in a Foundation, the board members, acting in good faith, are to apply the prudent person standard, and consider:

- A.** Duration and preservation of the Foundation.
- B.** Purposes of the organization and the Foundation.
- C.** General economic conditions.
- D.** Possible effect of inflation or deflation.
- E.** Expected total return from income and the appreciation of investments.
- F.** Other resources of the organization.
- G.** Investment Policy of the organization and spending policy.

UPMIFA requires those who manage and invest its funds to:

- A. Act in good faith, with the care an ordinarily prudent person would exercise.
- B. Incur only reasonable costs in investing and managing charitable funds.
- C. Make a reasonable effort to verify relevant facts.
- D. Make decisions about each asset in the context of the portfolio of investments, as part of an overall investment strategy.
- E. Diversify investments unless, due to special circumstances, the purposes of the fund are better served without diversification.
- F. Dispose of unsuitable assets.
- G. Develop an investment strategy appropriate for the fund and the charity.

This Statement of Investment Policy and Objectives (“Policy”) is intended to serve as an operating document to guide the investment activities of the Foundation and:

- A. Define responsibilities among the various groups accountable for guiding the investment process and supervising outside investment professionals.
- B. Define spending requirements from the Foundation.
- C. Determine an appropriate return and risk level for the Foundation.
- D. Establish allocation ranges for asset classes and investment styles deemed suitable for the Foundation.
- E. Determine prudent diversification of assets.
- F. Establish performance objectives and a regular review process.

II. BACKGROUND

Utah Valley University Foundation, Inc. was organized and incorporated in 1981 under Board of Regent policy as a support organization and “component part” of Utah Valley University for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others for the benefit of the University. The endowment funds of Utah Valley University are segregated from the University’s other assets and are held at and invested within the Utah Valley University Foundation. The Foundation has its own tax identification number and is a separate legal entity apart from the University.

The Foundation exists to help raise and manage private resources and to steward donors supporting the mission and priorities of the University as articulated by the Board of Trustees and the President and provide opportunities for students and a margin of institutional excellence unavailable with state funds.

The Foundation is dedicated to assisting the University in building the endowment and in addressing, through financial support, the long-term academic and other priorities of the University. The Board and its members provide advice and counsel to the University President and Vice President for Institutional Advancement concerning fundraising and externally focused programs as appropriate, and manage gift resources and institutional endowments consistent with governance policy as outlined in Regents Policy, University Policy and Utah Valley University Foundation Policy. To provide guidance and direct oversight of the investment management of the Foundation, the Board of Directors (“Trustees”) have appointed the Investment Committee (“Committee”) to oversee the investments of the Foundation. The Trustees have established these investment objectives and operating policies and procedures. The objectives and guidelines included in this document serve as a basis for communication among the Trustees, Committee, Investment Managers and the Investment Advisor appointed by the Committee, who are involved in the management of the Foundations’ assets.

As stated in its articles of incorporation, the Foundation is a separately incorporated 501(c)(3) organization and is responsible for assisting the Office of Institutional Advancement in identifying and nurturing relationships with potential donors and other friends of Utah Valley University, and soliciting cash, securities, real and intellectual property, and other private resources for the support of the University and acknowledging and stewarding such gifts in accordance with donor intent and its fiduciary responsibilities.

III. MISSION

The mission of the Utah Valley University Foundation is to obtain financial support for Utah Valley University. This mission is accomplished through three objectives.

A. Serving as Ambassadors

Assist the University administration and involve members of the community in programs and activities of the University. Tell the story of the University to groups and individuals with such effectiveness that support for the institution is a natural consequence.

B. Fundraising

In cooperation with the University's Division of Institutional Advancement; plan, organize and execute advancement programs including planned giving, annual giving, campaigns, and other appropriate activities.

C. Fund Management

Invest the University's endowment with the purpose of realizing a return that is above the median performance of similarly managed university funds. Ensure that the endowment is properly accounted for and disbursed.

IV. DELEGATION OF RESPONSIBILITIES

The Board of Trustees has overall responsibility for the Foundation. The Trustees hereby assign operating and supervisory responsibility for the Foundation and the implementation of this Policy to the Committee in conjunction with the Investment Advisor. The Committee, in conjunction with the Investment Advisor, is responsible to ensure that Fund assets available for investment are managed:

- A.** Exclusively to support the purpose of the Foundation.
- B.** In a manner that reflects the long-term orientation of the Foundation.
- C.** Prudently and in full compliance with all policies, applicable laws and regulations.
- D.** Effectively, so as to increase over time the assets of the Foundation and enhance the long-term health and viability of the Foundation.

Specific responsibilities of the various groups and individuals within the Foundation and outside service professionals retained by the Foundation or Committee for the Foundation are outlined below:

A. Responsibilities of the Trustees

1. Approval of this Policy and amendments or supplements hereto.
2. Selection, appointment and removal of the Committee.
3. Oversee activities related to compliance of the Foundation's investments with this Policy.

B. Responsibilities of the Committee

1. Propose recommendations to the Trustees regarding any amendments or supplements to this Policy.
2. Selection, appointment and removal of an Investment Advisor.
3. Recommend and set long-term investment policies and objectives for the Foundation, in conjunction with the Investment Advisor, in furtherance of this Policy.
4. Monitor and evaluate the performance of all service providers by regular review of reports provided to the Committee and by meetings with the Investment Advisor in order to determine that Foundation assets are prudently and effectively managed.
5. Retain or dismiss outside professionals and service providers such as the custodian bank and the Investment Advisor.
6. Review reports from the Investment Advisor and investment managers regarding the status of Foundation funds and implementation of this Policy.
7. Meet regularly to evaluate whether this Policy, the investment activities, and the risk management controls and procedures established pursuant to this Policy continue to be consistent with meeting the Foundation's investment goals and objectives.

C. Responsibilities of the Investment Advisor

1. Oversee the day-to-day operational investment activities of the Foundation pursuant to this Policy and subject to additional policies and directives established by the Trustees and the Committee.
2. In conjunction with the Committee, establish long-term investment policies and objectives for the Foundation. This includes selecting asset classes, determining asset allocation ranges, investment manager selection and structure, and setting performance objectives for each investment manager.

3. Communicate the policies and objectives of this Policy to outside professionals such as the investment managers.
4. Work with investment managers and other outside professionals to further the overall goals and objectives of the Foundation.
5. As needed, reallocate Foundation assets among asset classes, investment styles and investment managers. Reallocated assets shall remain within allocation ranges previously approved by the Committee.
6. Review reports from outside professionals regarding the status of Foundation funds.
7. Issue regular performance reports to the Trustees and Committee and be available to review these reports with Trustees on a quarterly basis.
8. Review investment policies and objectives, and recommend appropriate changes.
9. Monitor and communicate to the Committee long-term capital market trends as well as trading activity, asset allocation targets/ranges, investment manager selection and structure, and performance objectives for each investment manager.
10. Implement all portfolio trades and changes within the guidelines of this policy.
11. Perform an annual fee review of all portfolio costs and strive to negotiate and reduce investment expenses where possible.
12. Manage the allocation of new contributions as well as periodic asset allocation rebalancing.
13. Research and select investment management firms who are appropriate to implement the Foundation's investment policies and objectives.
14. Monitor and assess investment managers, report on changes within the organizations, and implement manager changes as needed.
15. Measure, evaluate and report the investment managers' and total Fund performance results on a quarterly basis.
16. Provide other support to the Committee as requested or as appropriate in order to implement this Policy.

D. Responsibilities of the Investment Managers

The investment managers have full discretion to manage the assets of the Foundation in accordance with the investment objectives and guidelines expressed within their Investment Management Agreement and Portfolio Guidelines. For investment managers retained under a mutual fund or commingled fund agreement, however, it is expected that the strategy instead will operate under the specific guidelines outlined in its prospectus or offering memorandum. To the extent applicable to mutual funds in general, the provisions of this Policy with respect to investment managers shall apply to any mutual funds selected by the Investment Advisor.

Specific responsibilities include:

1. Communicate promptly with the Investment Advisor regarding all significant matters such as:
 - a. major changes in the firm's investment outlook and strategy,
 - b. shifts in portfolio construction
 - c. changes in the firm's ownership, organizational structure or professional staffing, and
 - d. other changes of a substantive nature.
2. Adhere to the investment policies and guidelines prescribed for the Foundation. Any specific concerns about the appropriateness of an investment should be clarified in writing, in advance of purchase.
3. Comply with all laws, legislation, and regulations that involve the Foundation as they pertain to the manager's duties, functions and responsibilities as a fiduciary.
4. For separate accounts, signify in writing its agreement to comply with all established guidelines.
5. Effect security trading on a best execution basis. Placement of orders should be based upon financial viability of the brokerage firm and the assurance of prompt and efficient execution.
6. Issue monthly and/or quarterly reports to the Investment Advisor with regards to portfolio performance.
7. Meet periodically with the Investment Advisor to report on the management of Foundation funds.
8. Fully disclose all fees and expenses on an annual basis.

E. Responsibilities of the Custodian Bank

1. Serve as custodian and act in a fiduciary capacity to the Foundation.
2. Provide safekeeping of securities entrusted to it; collect dividends and interest on these securities; make disbursements and manage cash flows as directed.
3. Arrange for timely settlement of all transactions made for the Foundation.
4. Provide complete and accurate accounting records including each transaction, income flow and cash flows by investment manager.
5. Issue, or make available via online access, monthly holding and transaction reports priced in accordance with industry standards.
6. Communicate effectively with the Investment Advisor to report on the administration of the Foundation.

V. INVESTMENT OBJECTIVES

The investment strategy of UVUF is designed to ensure the prudent investment of funds in such a manner as to provide for stable spending and liquidity to support the mission of the Foundation and to provide real growth of assets over time while protecting the value of the assets from undue volatility or risk of loss. Assets are to be invested under a total return concept of the UPMIFA, whereby net appreciation, realized and unrealized, in the fair value of the asset of the Foundation may be appropriated for expenditure. UPMIFA was adopted into state law under Utah Code 51-08 and is the governing regulation for the Foundation.

A. Risk Objectives

1. To accept an appropriate level of risk, as required to achieve UVUF's return objective as stated immediately below.
2. To use diversification to minimize exposure to company and industry specific risks in the aggregate investment portfolio.
3. To the extent possible, minimize the annual volatility of the asset base that supports the desired level of spending.

B. Return Objectives

1. As it pertains to the long-term endowment portfolio, attempt to achieve a total rate of return equal to or exceeding the Foundation's projected spending rate, plus operating

expenses, net of all investment management fees, while also attempting to meet inflationary expectations.

2. To protect the corpus of assets in real (i.e., inflation adjusted) terms while seeking growth of principal.
3. Maintain an adequate level of liquidity in order to meet the financial requirements of the Foundation.
4. Produce a reasonable risk-adjusted rate of return when compared to appropriate benchmarks or a blended index.

Investment objectives are necessary and appropriate to properly measure and evaluate the success of the investment program and the investment managers. Total investment return is defined as interest and/or dividends plus realized and unrealized capital appreciation or loss less investment-related fees and expenses. Performance will be evaluated net of investment management fees.

VI. INVESTMENT CONSTRAINTS

A. Legal and Regulatory

The Trustees intend to manage the funds of the Foundation at all times in accordance with UPMIFA and the Prudent Investor Rule.

B. Time Horizon

The Foundation operates on a perpetual basis. The funds will be invested with a long-term time horizon (twenty years or more), consistent with the mission of the Foundation.

C. Liquidity

Given UVUF's long-term time horizon, liquidity for the purpose of spending will be a moderate concern. The Committee will continuously monitor liquidity needs, spending projections, and the impact of changes in regulations or other circumstances. The Investment Committee intends to invest no more than 30% of UVUF's total assets in illiquid vehicles¹, subject to approval of this Investment Policy Statement by the Board of Regents as consistent with state legislation.

D. Tax Considerations

UVUF is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. Therefore, investments and strategies will be evaluated only on the basis of expected risks and potential returns.

¹ Illiquid vehicles are defined as those vehicles that do not allow withdrawals to occur on at least a monthly basis.

E. Prohibited Transactions

The Foundation will not directly engage in any short selling, securities lending, futures transactions, SWAP transactions, options trading, or margin utilization.

VII. RISK TOLERANCE

The following statements reflect the Trustees' understanding of capital market risk as well as measures adopted to control undue portfolio volatility:

- A. The Trustees recognize that the primary fiduciary obligation regarding the Foundation is to maintain the inflation-adjusted principal value of the Foundation, within prudent risk guidelines, after meeting current and projected future spending requirements.
- B. The Trustees fully recognize the likelihood of periodic market declines and are willing to accept the possibility of short-term declines in market value in order to achieve long-term investment return objectives.
- C. The Investment Advisor will consider investments appropriate for the Foundation within a total portfolio context. Assets of the Foundation will be diversified to protect against large investment losses and to reduce the probability of excessive performance volatility at the total Fund level.
- D. Assets will be diversified by allocating monies to various asset classes and investment styles within asset classes, and by retaining investment managers with complementary investment philosophies, styles and approaches.
- E. A reasonable time horizon for evaluating total Fund investment performance shall be long-term (ten years or more). Absent special circumstances, time frames for evaluating the performance of investment managers will approximate a full market cycle.

VIII. SPENDING POLICY

UVUF's spending policy is set based on expectations set forth in UPMIFA and is benchmarked annually against peers based on data in the NACUBO/CommonFund Endowment Study. To ensure a stable and predictable level of spending from year to year on the stated endowment purposes (e.g. scholarships, programs, chairs, etc.), UVUF intends to spend up to 4.0%, depending on market conditions, of the Foundation's long-term endowment portfolio funds annually, based on the moving average of the Foundation's market value for the preceding three fiscal years.

Further, UVUF intends to spend up to 2.0% of the Foundation's long-term endowment

portfolio funds annually for general and administrative (operating) expenses.

The Committee will review and approve the spending policy annually. Special situations may necessitate an amendment to the spending policy as deemed appropriate by the Committee.

IX. ASSET ALLOCATION GUIDELINES

The Investment Advisor shall determine the asset allocation strategy for the Foundation within the guidelines of the Board approved Investment Policy. The Investment Advisor will manage the asset allocation mix within the allocation ranges stated by the Policy. To implement this strategy, the Investment Advisor will select an asset allocation mix which will diversify investments among asset classes, and which is designed to meet the objectives of the Foundation.

A. Permissible Asset Classes

Because investment in any particular asset class may or may not be consistent with the objectives of the Foundation, the Trustees have specifically indicated the asset classes that may be utilized when investing the Foundation's assets in Appendix A.

B. Expected Returns, Risks, and Correlations for Permissible Asset Classes

The risk and return behavior of the Foundation will be driven primarily by the allocation of investments across asset classes. In determining the appropriate allocation, the expected return and risk behavior of each asset class and the likely interaction of various asset classes in a portfolio are to be considered. Appendix B lists the expected return and volatility for each permissible asset class, and Appendix C lists expected correlations among major asset classes.

C. Long-Term Target Allocations

Based on the investment objectives and constraints of the UVUF, and on the expected behavior of the permissible asset classes, the Investment Advisor, along with the Committee, will specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the Foundation's market value, surrounded by a band of permissible variation resulting from market forces or tactical portfolio shifts executed by the Investment Advisor.

The Foundation's target allocations for all permissible asset classes are shown in Appendix D. These long-term target allocations are intended as strategic goals, not short-term imperatives. Thus, it is permissible for the Foundation's asset allocation to deviate from the long-term targets, due to tactical asset allocation shifts, manager transitions, asset class restructurings, and other temporary changes in the Foundation's assets.

Deviations from targets that occur due to capital market changes are discussed within rebalancing procedures.

D. Rebalancing

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

The Trustees recognize that, periodically, market forces may move the Foundation's allocations outside the target ranges. The Trustees also recognize that failing to rebalance the allocations could unintentionally change the Foundation structure and risk posture. However, the Trustees understand that constant rebalancing could result in a significant increase in explicit and implicit trading costs to the Foundation. Consequently, the Committee has delegated the authority to the Investment Advisor to rebalance the Fund's allocations when prudent.

On at least an annual basis, if any strategic 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 the assets that can be shifted and potential risks and costs of executing the shifts, if the rebalancing cannot be accomplished solely by allocating contributions and withdrawals.

X. EVALUATION AND REVIEW PROCESS

The Investment Advisor and the Committee will evaluate investment performance of the Foundation regularly to include the following:

- A.** The Foundation's asset allocation relative to this Policy and the capital market outlook.
- B.** The extent to which each investment manager has managed its portfolio consistent with that investment manager's stated investment philosophy and style.
- C.** Each investment manager's adherence to the guidelines and investment policies contained in this Policy.
- D.** The risk and return profile(s) of the total Foundation and each investment manager compared to the Foundation's goals and objectives under this Policy.

The asset allocation of the Foundation will be reviewed on an on-going basis, and at least annually. When necessary, such reviews may result in a rebalancing of assets. In general, the Trustees intend for the Foundation to adhere to its long-term target allocations, staying within established target ranges, and that major changes to these targets will be made only in response to significant developments in the circumstances, objectives, or constraints of the Foundation.

The Trustees will specifically evaluate the performance of the Foundation relative to its objectives and to the returns available from the capital markets during the period under review. In general, the Trustees will utilize a combination of relative and absolute benchmarks in evaluating performance. The total performance of the Foundation will be evaluated relative to the investment objectives and constraints identified in this Investment Policy Statement. The return objective of the portfolio of all long-term endowment investments shall be to outperform peer sized endowment funds, based on data in the NACUBO/CommonFund Endowment Study, over a full market cycle.

The Committee will review the Investment Policy Statement at least annually to determine that it continues to be appropriate in view of changes within the Foundation and the capital markets. The Committee, as deemed appropriate, may consider exceptions to the Investment Policy Statement.

This Investment Policy Statement has been adopted and approved by the Trustees of the Utah Valley University Foundation.

XI. APPENDICES

APPENDIX A

PERMISSIBLE ASSET CLASSES

Asset Class	Broad Asset Class	Functional Category
Public Domestic Equity	Public Global Equity	Growth
Developed Market Equity	Public Global Equity	Growth
Emerging Market Equity	Public Global Equity	Growth
Private Equity	Alternative Assets	Growth
Real Estate Debt (High Yield)	Foundation Specific Assets	Credit
High Yield Bonds	Credit	Credit
Bank Loans	Credit	Credit
Emerging Markets Debt	Credit	Credit
TIPS	TIPS	Inflation Hedges/Real Assets
Real Estate	Alternative/Foundation Specific Assets	Inflation Hedges/Real Assets
Public Natural Resources	Public Global Equity	Inflation Hedges/Real Assets
Private Natural Resources	Alternative Assets	Inflation Hedges/Real Assets
Infrastructure	Alternative Assets	Inflation Hedges/Real Assets
Commodities	Alternative Assets	Inflation Hedges/Real Assets
Investment Grade Bonds	Fixed Income	Risk Mitigation
Real Estate Debt (Investment Grade)	Foundation Specific Assets	Risk Mitigation
Cash Equivalents	Cash Equivalents	Risk Mitigation
Hedge Funds	Alternative Assets	Risk Mitigation

APPENDIX B

TWENTY-YEAR, ASSET CLASS FORECAST¹

Functional Category/Asset Class	20-Year Annualized Expected Return (%)	Standard Deviation (%)
Growth		
Global Equity	8.6	17.0
Private Equity	10.1	24.0
Credit		
Real Estate Debt (High Yield) ²	6.0	18.0
High Yield Bonds	6.5	11.0
Bank Loans	6.1	9.0
Emerging Market Debt	5.2	12.5
Inflation Hedges/Real Assets		
TIPS	3.6	7.0
Natural Resources	9.3	21.5
Real Estate	7.0	15.0
Infrastructure	6.5	14.0
Risk Mitigation		
Investment Grade Bonds	3.9	4.0
Real Estate Debt (Investment Grade) ³	5.6	3.0
Hedge Funds	5.4	7.0
Cash	2.9	1.0

¹ Based on Meketa Investment Group's 2019 Annual Asset Study.

² Foundation specific assets with customized modelling assumptions.

³ Foundation specific assets with customized modelling assumptions.

APPENDIX C

EXPECTED CORRELATIONS AMONG MAJOR ASSET CLASSES

	Cash	IG Bonds	TIPS	High Yield Bonds	Bank Loans	EM Debt	RE Debt (Inv Grade)	Global Equity	Private Equity	Real Estate	RE Debt (High Yield)	NR	Infra	Hedge Funds
Cash Equivalents	1.00													
IG Bonds	0.05	1.00												
TIPS	0.05	0.80	1.00											
High Yield Bonds	0.00	0.20	0.30	1.00										
Bank Loans	0.05	0.00	0.20	0.80	1.00									
EM Debt	0.05	0.50	0.50	0.70	0.40	1.00								
RE Debt (Inv Grade)	0.00	0.40	0.55	0.45	0.30	0.45	1.00							
Global Equity	0.00	0.05	0.10	0.70	0.60	0.60	0.40	1.00						
Private Equity	0.10	0.00	0.05	0.70	0.65	0.45	0.35	0.80	1.00					
Real Estate	0.20	0.25	0.10	0.45	0.45	0.25	0.55	0.35	0.40	1.00				
RE Debt (High Yield)	0.10	0.20	0.15	0.65	0.55	0.40	0.60	0.45	0.50	0.80	1.00			
Natural Resources	0.05	0.10	0.10	0.45	0.40	0.50	0.20	0.60	0.60	0.50	0.45	1.00		
Infrastructure	0.20	0.30	0.30	0.60	0.50	0.50	0.40	0.65	0.45	0.65	0.55	0.60	1.00	
Hedge Funds	0.10	0.10	0.25	0.10	0.05	0.35	0.05	0.35	0.10	0.10	0.10	0.40	0.25	1.00

APPENDIX D

BROAD ASSET ALLOCATION TARGETS

Functional Category/Asset Class	Target (%)	Range (%)
Global Equity	37	25-55
Fixed Income	33	15-55
Alternative Assets	30	5-55

Meketa Fiduciary Management (MFM) has been hired as our Investment Advisor. The return objective of the MFM portfolio shall be to outperform the MFM Policy Benchmark over a full market cycle. The MFM Policy Benchmark is described in Appendix E.

Based upon the expected asset returns, risks, and correlations cited in Appendices B and C, this target allocation exhibits an expected annual return of 8.0% and an expected annual standard deviation of 12.4%¹.

¹ Based on Meketa Investment Group's 2019 Annual Asset Study.

APPENDIX E

MFM POLICY BENCHMARK

Functional Category	Weight (%)	Composition
Growth	65	100% MSCI ACWI IMI (65%)
Credit	5	50% BbgBarclays U.S. High Yield (2.5%) / 50% CS Leveraged Loans (2.5%)
Inflation Hedges/Real Assets	15	40% S&P Global LargeMidCap Commodity and Resources (5.25%) / 30% NCREIF ODCE Equal Weighted (Net) (5.25%)/ 30% BbgBarclays U.S. TIPS (4.5%)
Risk Mitigation	15	50% 91 Day T-Bills (7.5%) / 25% BbgBarclays U.S. Aggregate (3.75%) / 25% HFRI Macro Index (3.75%)

The MFM Policy Benchmark is designed to measure the performance of MFM in regards to both tactical asset allocation decisions and manager selection. The MFM Policy Benchmark is calculated using the target weights of each Functional Category within the MFM advised portion of the Foundation portfolio.

UTAH VALLEY UNIVERSITY FOUNDATION, INC.

INVESTMENT POLICY STATEMENT

Approved: *DATE TBD*

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UPMIFA modernizes the rules governing investments of funds held for charitable purposes by adopting a more well-defined prudent-investor standard. UPMIFA directs that investments be made "in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances, considering the purposes, terms, distribution requirements, and other circumstances of the institutional fund," and it lists a number of explicit factors that managers must consider "if relevant." UPMIFA also explicitly provides that institutions may invest in any kind of property or type of investment so long as the investment is prudent.

In making a determination to appropriate or accumulate assets in a Foundation, the board members, acting in good faith, are to apply the prudent person standard, and consider:

- A. Duration and preservation of the Foundation.
- B. Purposes of the organization and the Foundation.
- C. General economic conditions.
- D. Possible effect of inflation or deflation.
- E. Expected total return from income and the appreciation of investments.
- F. Other resources of the organization.
- G. Investment Policy of the organization and spending policy.

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- B. Incur only reasonable costs in investing and managing charitable funds.
- C. Make a reasonable effort to verify relevant facts.
- D. Make decisions about each asset in the context of the portfolio of investments, as part of an overall investment strategy.
- E. Diversify investments unless, due to special circumstances, the purposes of the fund are better served without diversification.
- F. Dispose of unsuitable assets.
- G. Develop an investment strategy appropriate for the fund and the charity.

This Statement of Investment Policy and Objectives ("Policy") is intended to serve as an operating document to guide the investment activities of the Foundation and:

- A. Define responsibilities among the various groups accountable for guiding the investment process and supervising outside investment professionals.
- B. Define spending requirements from the Foundation.
- C. Determine an appropriate return and risk level for the Foundation.
- D. Establish allocation ranges for asset classes and investment styles deemed suitable for the Foundation.
- E. Determine prudent diversification of assets.
- F. Establish performance objectives and a regular review process.

II. BACKGROUND

Utah Valley University Foundation, Inc. was organized and incorporated in 1981 under Board of Regent policy as a support organization and “component part” of Utah Valley University for the purpose of stimulating voluntary private support from alumni, parents, friends, corporations, foundations, and others for the benefit of the University. The endowment funds of Utah Valley University are segregated from the University’s other assets and are held at and invested within the Utah Valley University Foundation. The Foundation has its own tax identification number and is a separate legal entity apart from the University.

The Foundation exists to help raise and manage private resources and to steward donors supporting the mission and priorities of the University as articulated by the Board of Trustees and the President and provide opportunities for students and a margin of institutional excellence unavailable with state funds.

The Foundation is dedicated to assisting the University in building the endowment and in addressing, through financial support, the long-term academic and other priorities of the University. The Board and its members provide advice and counsel to the University President and Vice President for Institutional Advancement concerning fundraising and externally focused programs as appropriate, and manage gift resources and institutional endowments consistent with governance policy as outlined in Regents Policy, University Policy and Utah Valley University Foundation Policy. To provide guidance and direct oversight of the investment management of the Foundation, the Board of Directors (“Trustees”) have appointed the Investment Committee (“Committee”) to oversee the investments of the Foundation. The Trustees have established these investment objectives and operating policies and procedures. The objectives and guidelines included in this document serve as a basis for communication among the Trustees, Committee, Investment Managers and the Investment Advisor appointed by the Committee, who are involved in the management of the Foundations’ assets.

As stated in its articles of incorporation, the Foundation is a separately incorporated 501(c)(3) organization and is responsible for assisting the Office of Institutional Advancement in identifying and nurturing relationships with potential donors and other friends of Utah Valley University, and soliciting cash, securities, real and intellectual property, and other private resources for the support of the University and acknowledging and stewarding such gifts in accordance with donor intent and its fiduciary responsibilities.

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III. MISSION

The mission of the Utah Valley University Foundation is to obtain financial support for Utah Valley University. This mission is accomplished through three objectives.

A. Serving as Ambassadors

Assist the University administration and involve members of the community in programs and activities of the University. Tell the story of the University to groups and individuals with such effectiveness that support for the institution is a natural consequence.

B. Fundraising

In cooperation with the University's Division of Institutional Advancement, plan, organize and execute advancement programs including planned giving, annual giving, campaigns, and other appropriate activities.

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C. Fund Management

Invest the University's endowment with the purpose of realizing a return that is above the median performance of similarly managed university funds. Ensure that the endowment is properly accounted for and disbursed.

IV. DELEGATION OF RESPONSIBILITIES

The Board of Trustees has overall responsibility for the Foundation. The Trustees hereby assign operating and supervisory responsibility for the Foundation and the implementation of this Policy to the Committee in conjunction with the Investment Advisor. The Committee, in conjunction with the Investment Advisor, is responsible to ensure that Fund assets available for investment are managed:

- A. Exclusively to support the purpose of the Foundation.
- B. In a manner that reflects the long-term orientation of the Foundation.
- C. Prudently and in full compliance with all policies, applicable laws and regulations.
- D. Effectively, so as to increase over time the assets of the Foundation and enhance the long-term health and viability of the Foundation.

Specific responsibilities of the various groups and individuals within the Foundation and outside service professionals retained by the Foundation or Committee for the Foundation are outlined below:

A. Responsibilities of the Trustees

1. Approval of this Policy and amendments or supplements hereto.
2. Selection, appointment and removal of the Committee.
3. Oversee activities related to compliance of the Foundation's investments with this Policy.

B. Responsibilities of the Committee

1. Propose recommendations to the Trustees regarding any amendments or supplements to this Policy.
2. Selection, appointment and removal of an Investment Advisor.
3. Recommend and set long-term investment policies and objectives for the Foundation, in conjunction with the Investment Advisor, in furtherance of this Policy.
4. Monitor and evaluate the performance of all service providers by regular review of reports provided to the Committee and by meetings with the Investment Advisor in order to determine that Foundation assets are prudently and effectively managed.
5. Retain or dismiss outside professionals and service providers such as the custodian bank and the Investment Advisor.
6. Review reports from the Investment Advisor and investment managers regarding the status of Foundation funds and implementation of this Policy.
7. Meet regularly to evaluate whether this Policy, the investment activities, and the risk management controls and procedures established pursuant to this Policy continue to be consistent with meeting the Foundation's investment goals and objectives.

C. Responsibilities of the Investment Advisor

1. Oversee the day-to-day operational investment activities of the Foundation pursuant to this Policy and subject to additional policies and directives established by the Trustees and the Committee.
2. In conjunction with the Committee, establish long-term investment policies and objectives for the Foundation. This includes selecting asset classes, determining asset allocation ranges, investment manager selection and structure, and setting performance objectives for each investment manager.
3. Communicate the policies and objectives of this Policy to outside professionals such as the investment managers.

4. Work with investment managers and other outside professionals to further the overall goals and objectives of the Foundation.
5. As needed, reallocate Foundation assets among asset classes, investment styles and investment managers. Reallocated assets shall remain within allocation ranges previously approved by the Committee.
6. Review reports from outside professionals regarding the status of Foundation funds.
7. Issue regular performance reports to the Trustees and Committee and be available to review these reports with Trustees on a quarterly basis.
8. Review investment policies and objectives, and recommend appropriate changes.
9. Monitor and communicate to the Committee long-term capital market trends as well as trading activity, asset allocation targets/ranges, investment manager selection and structure, and performance objectives for each investment manager.
10. Implement all portfolio trades and changes within the guidelines of this policy.
11. Perform an annual fee review of all portfolio costs and strive to negotiate and reduce investment expenses where possible.
12. Manage the allocation of new contributions as well as periodic asset allocation rebalancing.
13. Research and select investment management firms who are appropriate to implement the Foundation's investment policies and objectives.
14. Monitor and assess investment managers, report on changes within the organizations, and implement manager changes as needed.
15. Measure, evaluate and report the investment managers' and total Fund performance results on a quarterly basis.
16. Provide other support to the Committee as requested or as appropriate in order to implement this Policy.

D. Responsibilities of the Investment Managers

The investment managers have full discretion to manage the assets of the Foundation in accordance with the investment objectives and guidelines expressed within their Investment Management Agreement and Portfolio Guidelines. For investment managers retained under a mutual fund or commingled fund agreement, however, it is expected that the strategy instead will operate under the specific guidelines outlined in its prospectus or offering memorandum. To the extent applicable to mutual funds in general, the provisions of this Policy with respect to investment managers shall apply to any mutual funds selected by the Investment Advisor.

Specific responsibilities include:

1. Communicate promptly with the Investment Advisor regarding all significant matters such as:
 - a. major changes in the firm's investment outlook and strategy,
 - b. shifts in portfolio construction
 - c. changes in the firm's ownership, organizational structure or professional staffing, and
 - d. other changes of a substantive nature.
2. Adhere to the investment policies and guidelines prescribed for the Foundation. Any specific concerns about the appropriateness of an investment should be clarified in writing, in advance of purchase.
3. Comply with all laws, legislation, and regulations that involve the Foundation as they pertain to the manager's duties, functions and responsibilities as a fiduciary.
4. For separate accounts, signify in writing its agreement to comply with all established guidelines.
5. Effect security trading on a best execution basis. Placement of orders should be based upon financial viability of the brokerage firm and the assurance of prompt and efficient execution.
6. Issue monthly and/or quarterly reports to the Investment Advisor with regards to portfolio performance.
7. Meet periodically with the Investment Advisor to report on the management of Foundation funds.
8. Fully disclose all fees and expenses on an annual basis.

E. Responsibilities of the Custodian Bank

1. Serve as custodian and act in a fiduciary capacity to the Foundation.
2. Provide safekeeping of securities entrusted to it; collect dividends and interest on these securities; make disbursements and manage cash flows as directed.
3. Arrange for timely settlement of all transactions made for the Foundation.
4. Provide complete and accurate accounting records including each transaction, income flow and cash flows by investment manager.
5. Issue, or make available via online access, monthly holding and transaction reports priced in accordance with industry standards.
6. Communicate effectively with the Investment Advisor to report on the administration of the Foundation.

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V. INVESTMENT OBJECTIVES

The investment strategy of UVUF is designed to ensure the prudent investment of funds in such a manner as to provide for stable spending and liquidity to support the mission of the Foundation and to provide real growth of assets over time while protecting the value of the assets from undue volatility or risk of loss. Assets are to be invested under a total return concept of the UPMIFA, whereby net appreciation, realized and unrealized, in the fair value of the asset of the Foundation may be appropriated for expenditure. UPMIFA was adopted into state law under Utah Code 51-08 and is the governing regulation for the Foundation.

A. Risk Objectives

1. To accept an appropriate level of risk, as required to achieve UVUF's return objective as stated immediately below.
2. To use diversification to minimize exposure to company and industry specific risks in the aggregate investment portfolio.
3. To the extent possible, minimize the annual volatility of the asset base that supports the desired level of spending.

B. Return Objectives

1. As it pertains to the long-term endowment portfolio, attempt to achieve a total rate of return equal to or exceeding the Foundation's projected spending rate, plus operating expenses, net of all investment management fees, while also attempting to meet inflationary expectations.

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2. To protect the corpus of assets in real (i.e., inflation adjusted) terms while seeking growth of principal.
3. Maintain an adequate level of liquidity in order to meet the financial requirements of the Foundation.
4. Produce a reasonable risk-adjusted rate of return when compared to appropriate benchmarks or a blended index.

Investment objectives are necessary and appropriate to properly measure and evaluate the success of the investment program and the investment managers. Total investment return is defined as interest and/or dividends plus realized and unrealized capital appreciation or loss less investment-related fees and expenses. Performance will be evaluated net of investment management fees.

VI. INVESTMENT CONSTRAINTS

A. Legal and Regulatory

The Trustees intend to manage the funds of the Foundation at all times in accordance with UPMIFA and the Prudent Investor Rule.

B. Time Horizon

The Foundation operates on a perpetual basis. The funds will be invested with a long-term time horizon (twenty years or more), consistent with the mission of the Foundation.

C. Liquidity

Given UVUF's long-term time horizon, liquidity for the purpose of spending will be a moderate concern. The Committee will continuously monitor liquidity needs, spending projections, and the impact of changes in regulations or other circumstances. The Investment Committee intends to invest no more than 30% of UVUF's total assets in illiquid vehicles¹, subject to approval of this Investment Policy Statement by the Board of Regents as consistent with state legislation.

D. Tax Considerations

UVUF is a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. Therefore, investments and strategies will be evaluated only on the basis of expected risks and potential returns.

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¹ Illiquid vehicles are defined as those vehicles that do not allow withdrawals to occur on at least a monthly basis.

E. Prohibited Transactions

The Foundation will not directly engage in any short selling, securities lending, futures transactions, SWAP transactions, options trading, or margin utilization.

VII. RISK TOLERANCE

The following statements reflect the Trustees' understanding of capital market risk as well as measures adopted to control undue portfolio volatility:

- A. The Trustees recognize that the primary fiduciary obligation regarding the Foundation is to maintain the inflation-adjusted principal value of the Foundation, within prudent risk guidelines, after meeting current and projected future spending requirements.
- B. The Trustees fully recognize the likelihood of periodic market declines and are willing to accept the possibility of short-term declines in market value in order to achieve long-term investment return objectives.
- C. The Investment Advisor will consider investments appropriate for the Foundation within a total portfolio context. Assets of the Foundation will be diversified to protect against large investment losses and to reduce the probability of excessive performance volatility at the total Fund level.
- D. Assets will be diversified by allocating monies to various asset classes and investment styles within asset classes, and by retaining investment managers with complementary investment philosophies, styles and approaches.
- E. A reasonable time horizon for evaluating total Fund investment performance shall be long-term (ten years or more). Absent special circumstances, time frames for evaluating the performance of investment managers will approximate a full market cycle.

VIII. SPENDING POLICY

UVUF's spending policy is set based on expectations set forth in UPMIFA and is benchmarked annually against peers based on data in the NACUBO/CommonFund Endowment Study. To ensure a stable and predictable level of spending from year to year on the stated endowment purposes (e.g. scholarships, programs, chairs, etc), UVUF intends to spend up to 4.0%, depending on market conditions, of the Foundation's long-term endowment portfolio funds annually, based on the moving average of the Foundation's market value for the preceding three fiscal years.

Further, UVUF intends to spend up to 2.0% of the Foundation's long-term endowment portfolio funds annually for general and administrative (operating) expenses.

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The Committee will review and approve the spending policy annually. Special situations may necessitate an amendment to the spending policy as deemed appropriate by the Committee.

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IX. ASSET ALLOCATION GUIDELINES

The Investment Advisor shall determine the asset allocation strategy for the Foundation within the guidelines of the Board approved Investment Policy. The Investment Advisor will manage the asset allocation mix within the allocation ranges stated by the Policy. To implement this strategy, the Investment Advisor will select an asset allocation mix which will diversify investments among asset classes, and which is designed to meet the objectives of the Foundation.

A. Permissible Asset Classes

Because investment in any particular asset class may or may not be consistent with the objectives of the Foundation, the Trustees have specifically indicated the asset classes that may be utilized when investing the Foundation's assets in Appendix A.

B. Expected Returns, Risks, and Correlations for Permissible Asset Classes

The risk and return behavior of the Foundation will be driven primarily by the allocation of investments across asset classes. In determining the appropriate allocation, the expected return and risk behavior of each asset class and the likely interaction of various asset classes in a portfolio are to be considered. Appendix B lists the expected return and volatility for each permissible asset class, and Appendix C lists expected correlations among major asset classes.

C. Long-Term Target Allocations

Based on the investment objectives and constraints of the UVUF, and on the expected behavior of the permissible asset classes, the Investment Advisor, along with the Committee, will specify a long-term target allocation for each class of permissible assets. These targets will be expressed as a percentage of the Foundation's market value, surrounded by a band of permissible variation resulting from market forces or tactical portfolio shifts executed by the Investment Advisor.

The Foundation's target allocations for all permissible asset classes are shown in Appendix D. These long-term target allocations are intended as strategic goals, not short-term imperatives. Thus, it is permissible for the Foundation's asset allocation to deviate from the long-term targets, due to tactical asset allocation shifts, manager transitions, asset class restructurings, and other temporary changes in the Foundation's assets. Deviations from targets that occur due to capital market changes are discussed within rebalancing procedures.

D. Rebalancing

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

The Trustees recognize that, periodically, market forces may move the Foundation's allocations outside the target ranges. The Trustees also recognize that failing to rebalance the allocations could unintentionally change the Foundation structure and risk posture. However, the Trustees understand that constant rebalancing could result in a significant increase in explicit and implicit trading costs to the Foundation. Consequently, the Committee has delegated the authority to the Investment Advisor to rebalance the Fund's allocations when prudent.

On at least an annual basis, if any strategic 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 the assets that can be shifted and potential risks and costs of executing the shifts, if the rebalancing cannot be accomplished solely by allocating contributions and withdrawals.

X. EVALUATION AND REVIEW PROCESS

The Investment Advisor and the Committee will evaluate investment performance of the Foundation regularly to include the following:

- A.** The Foundation's asset allocation relative to this Policy and the capital market outlook.
- B.** The extent to which each investment manager has managed its portfolio consistent with that investment manager's stated investment philosophy and style.
- C.** Each investment manager's adherence to the guidelines and investment policies contained in this Policy.
- D.** The risk and return profile(s) of the total Foundation and each investment manager compared to the Foundation's goals and objectives under this Policy.

The asset allocation of the Foundation will be reviewed on an on-going basis, and at least annually. When necessary, such reviews may result in a rebalancing of assets. In general, the Trustees intend for the Foundation to adhere to its long-term target allocations, staying within established target ranges, and that major changes to these targets will be made only in response to significant developments in the circumstances, objectives, or constraints of the Foundation.

The Trustees will specifically evaluate the performance of the Foundation relative to its objectives and to the returns available from the capital markets during the

period under review. In general, the Trustees will utilize a combination of relative and absolute benchmarks in evaluating performance. The total performance of the Foundation will be evaluated relative to the investment objectives and constraints identified in this Investment Policy Statement. The return objective of the portfolio of all long-term endowment investments shall be to outperform peer sized endowment funds, based on data in the NACUBO/CommonFund Endowment Study, over a full market cycle.

The Committee will review the Investment Policy Statement at least annually to determine that it continues to be appropriate in view of changes within the Foundation and the capital markets. The Committee, as deemed appropriate, may consider exceptions to the Investment Policy Statement.

This Investment Policy Statement has been adopted and approved by the Trustees of the Utah Valley University Foundation.

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MEMORANDUM

TAB A

January 17, 2020

USHE – Affordability Task Force

The Governor recently recommended a freeze on tuition for USHE institutions until the Board defines “affordability.” While the Board has not adopted a formal, specific definition of affordability for the Utah System of Higher Education, the Board has long reviewed tuition increases and institutional finances for affordability. Since 2015, affordable participation has been one of three strategic priorities for the Board and in the January 2020 meeting the Board will hear the results of a study on tuition, state-aid, and affordability. In conjunction with the report and the work of the Finance and Facilities Committee, the Commissioner recommends the establishment of a Task Force to further explore and define a measure of affordability ahead of tuition proposals typically reviewed by the Board in March 2020.

Commissioner’s Recommendation

The Commissioner recommends the Finance and Facilities Committee appoint a Task Force comprised of Regents, institutional presidents, and USHE staff to define “affordability” for the USHE ahead of the March 2020 Board of Regents meeting.