



October 30, 2020

USHE – 2021-22 Operating and Capital Budget Request

The Fiscal Year 2021-22 USHE operating budget request was developed with consultation and discussion with the Council of Presidents, business vice presidents, and budget officers for each institution. The request advances Board strategic objectives and balances adequate state tax funding to maintain affordability with current fiscal realities. The operating budget request complies with the [Budget Development Process Guidelines](#) adopted by the Board at the August 2020 meeting. For FY 2021-22, the Commissioner recommends a System operating budget request as follows:

1. Compensation and mandatory increases funded with 100% state funds
2. Technical education institution priorities
 - a. \$6,055,000 for technical program growth and capacity
 - b. \$2,500,000 for technical education equipment
 - c. \$1,861,000 for Snow College and Salt Lake Community College technical education tuition parity
3. Degree-granting institution priorities
 - a. \$22,000,000 for performance funding institutional priorities
 - b. \$4,400,000 for growth funding
 - c. \$3,300,000 for faculty promotion and tenure
 - d. \$685,600 for operation and maintenance
4. Systemwide priorities
 - a. \$2,500,000 for a shared services consultant
 - b. \$180,000 for an Attorney General for Title IX

The Finance and Facilities Committee reviewed capital facility requests for projects funded in the 2020 General Session and recommends the Board continue to make the following priorities for 2021-22:

Priority	Institution	Capital Project	Amount
1	Bridgerland Technical	Health Science and Technology Building	\$38,059,600
1	Southern Utah Univ.	Academic Classroom Building	\$43,013,700
2	University of Utah	Applied Sciences Building	\$60,000,000
3	Utah State University	Heravi Global Teaching and Learning Center	\$14,500,000
4	Salt Lake Community	Herriman Campus General Education Build.	\$30,800,600
*	Dixie State University	Washington County Land Bank	\$15,075,000

Additional information on the operating budget request is found in the attachment. Supplementary detail for each of the institutional requests is available upon request from the Commissioner’s office.

Commissioner’s Recommendation

The Commissioner recommends the Board approve the FY2021-22 USHE operating and capital budget priorities and authorize the Commissioner to make any subsequent technical adjustments, including rounding, necessary to finalize the budget prior to submitting to the Governor and Legislature.

Attachment:

USHE – FY 2021-22 Institutional and Board Priorities

Section 1: Compensation & Mandatory Increases

Faculty and staff are the backbone of the Utah System of Higher Education, and salary and benefits represent the single largest expenditure for USHE institutions. To reward performance and continue to attract world-class faculty and staff, the Board requests parity for USHE institutions with state employees in salary and benefit adjustments provided by the Utah Legislature. Exact increases will be determined during the 2021 legislative session. Every one percent of salary and salary-related benefits and 5% health insurance increase is approximately \$23,400,000. The Board will also request funding for mandatory cost increases to insurance premiums (\$3,860,000 for 2021-22) and other state-provided internal service funds, as well as employee health insurance premium increases comparable to state employees. Typically, the Legislature funds compensation increases with 75% state funds, leaving 25% to be covered by institutional tuition increases. For the 2021-22 budget year, the Board requests 100% funding for both compensation and mandatory increases.

Section 2: Technical Education Priorities **\$10,416,000**

Technical Education Growth and Capacity **\$6,055,000**

USHE technical education institutions were asked to provide funding requests for regionally critical technical programs experiencing capacity challenges related to student demand. The institutions provided detailed funding requests including performance indicators and explanations for need and demand. Specific institutional requests are listed below with additional detail available upon request.

Bridgerland Technical College	\$475,000
▪ Welding Technology	\$ 95,500
▪ Pharmacy Technician	\$ 73,500
▪ Public Service Program Support	\$ 67,000
▪ Diesel Mechanics	\$ 98,500
▪ Entrepreneurship Center Director	\$140,500
Davis Technical College	\$623,000
▪ Welding Technology	\$191,000
▪ Heating and Air Conditioning	\$120,000
▪ Medical Assistant	\$102,000
▪ Manufacturing Technology	\$ 90,000
▪ Heavy Equipment Operator	\$120,000

Dixie Technical College	\$520,000
▪ Automotive Technician	\$102,800
▪ Medical	\$121,400
▪ Heating, Cooling, Refrigeration	\$109,000
▪ Architectural and Mechanical Drafting	\$102,800
▪ Electrical Adjunct Instructors	\$ 42,000
▪ Plumbing Adjunct Instructors	\$ 42,000
Mountainland Technical College	\$2,005,500
▪ Campus Security Improvements	\$200,000
▪ Automotive Technology Expansion	\$253,000
▪ Diesel Technology	\$285,000
▪ Precision Machining	\$130,000
▪ Automated Manufacturing	\$220,000
▪ Welding Technology	\$250,000
▪ Information Technology	\$122,500
▪ Web Programming and Development	\$180,000
▪ Mobile Development	\$120,000
▪ Digital Marketing Analytics	\$120,000
▪ Medical Assistant	\$125,000
Ogden-Weber Technical College	\$480,000
▪ Apprenticeship Expansion	\$450,000
▪ Health Program Services Expansion	\$ 30,000
Salt Lake Community College – School of Applied Technology	\$400,000
▪ Certified Nursing Assistant	\$100,000
▪ Welding Technology	\$100,000
▪ Student Support	\$200,000
Snow College – Career and Technical Education	\$270,000
▪ Student Support	\$ 75,000
▪ Instructional Designer	\$ 90,000
▪ Faculty Support for 12 months	\$ 90,000
▪ Training	\$ 15,000
Southwest Technical College	\$309,500
▪ Human Resource Specialist	\$ 57,200
▪ Automotive Technician	\$ 95,000
▪ Pharmacy Technician	\$ 97,300
▪ Veterinary Assistant	\$ 60,000
Tooele Technical College	\$403,000
▪ Commercial Driver’s License	\$160,000
▪ Welding Technology	\$125,000
▪ Medical Assistant	\$118,000
Uintah Basin Technical College	\$300,000
▪ Electrical Apprenticeship	\$200,000
▪ Health Occupations	\$100,000

Utah State University – Eastern, Blanding, Moab**\$269,000**

- Welding Technology and Fabrication

\$269,000

Technical Education Equipment**\$2,500,000**

USHE technical education institutions and degree-granting institutions with regional technical education service areas submitted requests for equipment needed for growing programs. The targeted funding amount was allocated based on half the funding equally split and half the funding on enrollment.

▪ Bridgerland Technical College	\$301,500
▪ Davis Technical College	\$361,000
▪ Dixie Technical College	\$172,300
▪ Mountainland Technical College	\$321,600
▪ Ogden-Weber Technical College	\$306,300
▪ Salt Lake Community College - School of Applied Technology	\$138,700
▪ Snow College – Career and Technical Education	\$235,800
▪ Southwest Technical College	\$158,100
▪ Tooele Technical College	\$150,200
▪ Uintah Basin Technical College	\$183,200
▪ Utah State University – Eastern, Blanding, Moab	\$171,300

Technical Education Tuition**\$1,861,000**

The technical education tuition funding request of \$1,861,000 will replace lost revenue from converting certain technical education credit programs to not-for-credit technical education programs for Snow College and Salt Lake Community College. This tuition equalizing will fulfil their mission of providing low-cost technical education instruction in their service area. Snow College was appropriated \$200,000 in FY21 and the additional \$526,000 will complete their total funding request of \$726,000. Salt Lake Community College’s request of \$1,335,000 is the first of three years of a total funding request of \$4,005,000.

▪ Snow College	\$ 526,000
▪ Salt Lake Community College	\$1,335,000

Section 3: Degree-Granting Institution Priorities**\$30,385,600****Performance Funding****\$22,000,000**

The FY 2021-22 budget request for performance funding for degree-granting institutions is \$22 million. USHE institutions were provided a preliminary target funding amount for their institutional needs based on the statutory allocation of performance funding. Institutional plans for how they would use their portion of the performance funds are listed below with additional detail available upon request.

University of Utah	\$6,388,400
▪ Economic Development and Research	\$1,466,700
▪ Campus Safety and Mental Health	\$ 733,300
▪ Informatics, Data Science, Statistics	\$2,273,400
▪ Health Professions	\$ 925,000
▪ Capacity, Access, and Growth	\$ 586,700
▪ Career Ready to Work	\$ 403,300
Utah State University	\$4,330,300
▪ Stabilize Completion Initiatives	\$2,330,300
▪ Student Persistence and Completion	\$ 500,000
▪ Workforce Development	\$1,000,000
▪ Campus Safety	\$ 500,000
Weber State University	\$2,320,100
▪ Salary Catch-up	\$ 950,100
▪ Information Technology Security	\$ 100,000
▪ Retention and Recruitment Software	\$ 200,000
▪ Student and Academic Affairs - Retention and Student Success	\$ 620,000
▪ Student and Academic Affairs - Next Gen Workforce	\$ 450,000
Southern Utah University	\$1,254,600
▪ New Faculty to Support Institutional Growth	\$1,254,600
Dixie State University	\$1,112,900
▪ Full-time Faculty and Staff Positions	\$ 462,900
▪ Continue Transition to Division I Athletics	\$ 650,000
Utah Valley University	\$3,565,800
▪ Student Retention and Completions Analytics and Interventions	\$ 990,600
▪ Flexible Educational Opportunities for Timely Completion	\$ 838,200
▪ Digital Transformation	\$ 672,500
▪ Computer, Engineering, and Technology Program Expansion	\$ 752,000
▪ School Counseling Program	\$ 312,500
Snow College	\$ 623,400
▪ Front Line Staff	\$ 100,000
▪ Bottleneck Courses	\$ 180,000
▪ Student Success Advisor	\$ 73,000
▪ Student Wellness	\$ 79,000
▪ Information Technology	\$ 97,600
▪ Civil Rights Investigator	\$ 93,800
Salt Lake Community College	\$2,404,500
▪ Workforce Demand and Faculty	\$ 920,000
▪ Pathways Advising	\$ 662,000
▪ Institutional Sustainability	\$ 822,500
Growth Funding	\$4,400,000

The growth funding request of \$4.4 million is to expand offerings and other support services for three institutions that have demonstrated significant enrollment growth. This well-established growth

formula is based on actual year-to-year FTE enrollment increases in 100 FTE increments and associated direct instructional costs by course level.

▪ Southern Utah University	\$ 246,000
▪ Dixie State University	\$1,200,000
▪ Utah Valley University	\$2,954,000

Promotion and Tenure **\$3,300,000**

The faculty promotion and tenure request of \$3.3 million supports those faculty receiving equity adjustments due to receiving tenure or rank promotions. A turnover savings reduction of 10% for retirements has been applied to all institutional requests.

▪ University of Utah	\$ 786,500
▪ Utah State University	\$1,078,600
▪ Weber State University	\$ 444,900
▪ Southern Utah University	\$ 90,400
▪ Dixie State University	\$ 253,900
▪ Utah Valley University	\$ 328,000
▪ Snow College	\$ 130,700
▪ Salt Lake Community College	\$ 187,000

Operation and Maintenance **\$685,600**

Three non-state funded projects approved by the Board in 2019 received funding for operation and maintenance in the 2020 General Session, but subsequently lost the funding during a special session. Ongoing operation and maintenance funding of \$685,600 is again requested for these facilities.

▪ University of Utah - Rio Tinto Kennecott Bldg Addition for Engg	\$ 162,100
▪ Utah State University - Blanding Prof. Career and Tech Ed. Lab.	\$ 194,600
▪ Salt Lake Community College – Westpointe Building	\$ 328,900

Section 4: Systemwide Priorities **\$2,680,000**

Two areas have been identified for a systemwide funding request: a shared services consultant and a Title IX attorney. As shared services is a top priority of the Board, USHE requests the same \$2.5 million requested last year that will allow the Board to hire a consultant to create a business case for systemwide shared services. Additionally, a Title IX Attorney General position will provide a specialized attorney to handle the increased case volume, implement recent changes to Title IX requirements, and conduct institutional hearings across the System.

▪ Shared Services Consultant (one-time)	\$2,500,000
▪ Title IX Attorney General	\$ 180,000

Utah System of Higher Education 2021-22 Operating Budget Request Summary

	USHE	Enrollment			FY 2021 Budget		Total 2021-22 State Fund Request	Degree-Granting 2021-22 Requests				Technical Education 2021-22 Requests			System Requests
		Fall 2020 3rd Week FTE	Year-End Headcount June 2020	% Change from Previous Period	Tuition and Fees	State Funds		Performance Funding	Growth Funding	Promotion and Tenure	Operation & Maintenance	Growth Capacity	Tuition Offset	Tech. Equipment	
Research	UU	28,736		1.0%	\$344,944,545	\$354,659,300	\$7,337,000	\$6,388,400		786,500	162,100				
	USU	22,072		0.0%	\$162,963,000	\$233,029,800	\$6,043,800	4,330,300		1,078,600	194,600	269,000		171,300	
Regional	WSU	18,260		1.5%	\$79,341,300	\$97,665,900	\$2,765,000	2,320,100		444,900					Compensation
	SUU	9,360		11.2%	\$51,600,000	\$49,522,300	\$1,591,000	1,254,600	246,000	90,400					Mandatory Costs
	DSU	8,887		9.1%	\$37,899,500	\$45,246,000	\$2,566,800	1,112,900	1,200,000	253,900					
	UVU	27,202		-1.2%	\$145,566,200	\$131,887,900	\$6,847,800	3,565,800	2,954,000	328,000					
Com. College	Snow	4,074		4.5%	\$11,201,332	\$30,006,000	\$1,785,900	623,400		130,700		270,000	526,000	235,800	Commensurate w. State Agencies
	SLCC	14,359		-5.7%	\$59,857,200	\$107,934,200	\$4,794,100	2,404,500		187,000	328,900	400,000	1,335,000	138,700	
Technical College	BTech		5,468	-6.1%	\$1,448,200	\$15,644,500	\$776,500					475,000		301,500	
	DTech		6,442	7.2%	\$1,891,365	\$19,201,800	\$984,000					623,000		361,000	
	DXTech		2,172	-66.3%	\$801,600	\$8,753,000	\$692,300					520,000		172,300	
	MTech		5,134	2.0%	\$1,426,300	\$14,987,300	\$2,327,100					2,005,500		321,600	
	OWTech		5,885	-2.2%	\$1,695,700	\$17,277,400	\$786,300					480,000		306,300	
	SWTech		2,086	-11.2%	\$315,731	\$6,168,300	\$467,600					309,500		158,100	
	TTech		1,077	3.1%	\$248,400	\$4,928,100	\$553,200					403,000		150,200	
	UBTech		3,726	-6.8%	\$410,500	\$9,528,900	\$483,200					300,000		183,200	Shared Services
	OCHE				\$58,274,900	\$2,680,000									Title IX Attorney
					\$901,610,873	\$1,204,715,600	\$43,481,600	\$22,000,000	\$4,400,000	\$3,300,000	\$685,600	\$6,055,000	\$1,861,000	\$2,500,000	\$2,680,000