2:00 p.m.  

ACTION:  
1. Weber State University – Series 2021 Revenue Bonds  
2. University of Utah – Series 2021C Revenue Bonds  
3. Southern Utah University – Property Transactions  
4. 2022-23 Capital Development Priority Guidelines  
5. Revision to Policy R741, Nondedicated Capital Project Prioritization Process  
6. Revision to Policy R567, Internal Audit Program  
7. Adoption of Policy R517, Course Fees and Program Fees  
8. Adoption of Policy R743, Process of Use of Dedicated Capital Project Funds  

DISCUSSION:  
1. Strategic Plan  

INFORMATION:  
1. Health Plan Changes  
2. Capital Improvement Update for 2021-22  
3. Office of the Commissioner Quarterly Budget Update – 3rd Quarter FY2021  

Projected times for the various meetings are estimates only. The Board Chair retains the right to take action at any time. In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify ADA Coordinator, 60 South 400 West, Salt Lake City, UT 84180 (801-646-4783), at least three working days prior to the meeting. TDD # 801-321-7130.
May 20, 2021

Weber State University – Series 2021 Revenue Bonds

Board Policy R590, Issuance of Revenue Bonds for Colleges and Universities, requires the Board to review and approve the issuance and sale of revenue bonds that have been affirmatively authorized by the Utah State Legislature. Weber State University requests Board authorization to issue up to $8,800,000 of Student Facilities System Revenue Bonds for the construction of the Noorda Engineering and Applied Science building, as approved by the Board in October 2020 and authorized in the 2021 Legislative Session (S.B. 143).

The relevant parameters of the requested issue are:

- Principal amount not to exceed $8,800,000 (including costs of issuance and capitalized interest)
- Interest rate not to exceed 5%
- Discount from par not to exceed 2%
- Final maturity not to exceed 25 years from the date of issue

A copy of the request letter from the university, a financing summary from the financial advisor, and the Approving Resolution are attached. Representatives from the university will attend the meeting to provide additional information and answer questions from the Board.

Commissioner's Recommendations

The Commissioner recommends approval of the proposed Authorizing Resolution to issue Student Facilities System Revenue bonds for Weber State University.

Attachments
April 27, 2021

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

Dear Commissioner Woolstenhulme:

Weber State University seeks authorization to issue revenue bonds as part of the financing plan for the Noorda Engineering Building project on WSU’s Ogden Campus.

As background, most of the funding for the Noorda Engineering Building has been in place since 2020 and construction is well under way. In addition to state funding and private gifts, the financing plan for the building also includes $8.5 million in revenue bond proceeds. The revenue bonds will be serviced by lease revenue from the Northern Utah Academy for Math Engineering and Science (NUAMES)—a charter high school that has partnered in multiple ways with WSU.

The 2021 Utah State Legislature authorized $8.5 million in revenue bonds for this purpose. The University desires to move forward quickly with the bond issue to take advantage of the current favorable interest rate environment.

Overall funding for the project total’s $64 million. The scope of the project is approximately 140,000 square feet of new or improved space and a significant investment in additional campus infrastructure. The bonding team assembled includes Zions Bank Capital Markets as financial advisor and Chapman & Cutler as bond counsel. It is anticipated that the bonds will be sold through a competitive bid process.

Please place this item on the next Utah State Board of Higher Education action agenda.

Sincerely,

[Signature]

Norm Tarbox  
Vice President for Administrative Services
Weber State University
Student Facilities System Revenue Bonds, Series 2021
Preliminary Summary Sheet

Proposed Issue: Student Facilities System Revenue Refunding Bonds

Total Approximate Issue Size: $8,075,000

Use of Funds: To provide up to $8,500,000 to finance the costs of constructing the Noorda Engineering and Applied Science building, together with other amounts necessary to pay capitalized interest, pay costs of issuance, and fund a debt service reserve.

Details of Proposed Series 2021 Bonds:

Principal Amount: Not to exceed $8,800,000
Interest Rate: Not to exceed 5%
Maturity Date: Not to exceed 25 years
Aggregate Discount: Not to exceed 2%
Bond Rating: AA from S&P utilizing the State Moral Obligation
Bond Insurance/ Surety Bond: TBD, provided by AGM or BAM
Source of Repayment: Student Facilities System Revenues

Timetable Considerations: Board of Higher Education approval will be sought at the May 21 meeting. The University is proceeding with plans to sell bonds soon after approval is received, with a tentative sale date planned for Thursday, June 17, 2021. The University anticipates selling bonds by competitive sale, and the underwriter will be whichever provides the lowest borrowing cost as a combination of each bidder’s proposed rates and fees. The anticipated closing date is June 29, 2021.
The Utah Board of Higher Education (the “Board”) met in regular session, by electronic means, on May 21, 2021, commencing at 8:00 a.m. The following members of the Board were present:

Harris H. Simmons  Chair
Nina Barnes  Vice Chair
Jesselie Barlow Anderson  Member
Mike Angus  Member
Jera L. Bailey  Member
Stacey K. Bettridge  Member
Lisa Michele Church  Member
Wilford Clyde  Member
Candyce Damron  Student Representative
Sanchaita Datta  Member
Alan E. Hall  Member
Patricia Jones  Member
Crystal Maggelet  Member
Arthur E. Newell  Member
Shawn Newell  Member
Aaron V. Osmond  Member
Glen J. Rivera  Student Representative
Scott L. Theurer  Member

ABSENT:

ALSO PRESENT:  Norm Tarbox, Ph.D.  Vice President of Administrative Services, Weber State University.
As required by Section 52-4-203, Utah Code Annotated 1953, as amended, written minutes and a recording of this meeting are being kept.
After the meeting had been duly convened and called to order by the Chair and the roll had been called with the above result, and after other business had been conducted, the Chair announced that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the Utah Board of Higher Education, Weber State University Student Facilities System Revenue Bonds.

The following resolution was introduced in written form and, after full discussion, pursuant to motion duly made and seconded, was adopted by the following vote:

**Yea:**

**Nay:**

**Absent:**

The resolution is as follows:
RESOLUTION

A RESOLUTION OF THE UTAH BOARD OF HIGHER EDUCATION
AUTHORIZING THE ISSUANCE AND SALE OF ITS WEBER STATE
UNIVERSITY STUDENT FACILITIES SYSTEM REVENUE BONDS IN THE
AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $8,800,000;
AUTHORIZING THE EXECUTION OF A SUPPLEMENTAL INDENTURE OF
TRUST, AN OFFICIAL STATEMENT AND OTHER DOCUMENTS REQUIRED
IN CONNECTION THERewith; AUTHORIZING THE TAKING OF ALL
OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE
TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED
MATTERS.

WHEREAS, the Utah Board of Higher Education (the "Board") is established and exists
under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended;

WHEREAS, pursuant to the provisions of Title 53B Chapter 1, Utah Code Annotated 1953,
as amended, the Board is authorized to act as the governing authority of Weber State University
(the "University") for the purpose of exercising the powers contained in Title 53B, Chapter 21,
Utah Code Annotated 1953, as amended (the "Act");

WHEREAS, pursuant to the Act, the Board is, for and on behalf of the University, authorized
to issue bonds payable from a special fund into which the revenues of the University may be
deposited;

WHEREAS, pursuant to the provisions of Section 63B-31-201(5), Utah Code Annotated, as
amended, the Board is authorized to issue revenue bonds on the credit and income of the
University, other than appropriations by the Utah Legislature, to provide up to $8,500,000 to
finance the costs of constructing the Noorda Engineering and Applied Science building (the
"Project"), together with other amounts necessary to pay capitalized interest, pay costs of
issuance, and fund a debt service reserve;

WHEREAS, the Board considers it desirable and necessary for the benefit of the residents of
the State of Utah to issue its Utah Board of Higher Education, Weber State University Student
Facilities System Revenue Bonds," in one or more series (the "Bonds"), for the purpose of
financing, together with any available funds of the University to be used for such purpose, the cost
of the Project, satisfying a debt service reserve requirement, providing capitalized interest on the
Bonds, and paying costs of issuance of the Bonds;

WHEREAS, the Bonds will be issued in an aggregate principle amount of not to exceed
$8,800,000 and will be issued pursuant to the General Indenture of Trust dated as of July 1, 1997,
as heretofore amended and supplemented (the "General Indenture"), and as further supplemented
by one or more Supplemental Indentures of Trust (collectively, the "Supplemental Indenture" and,
gether with the General Indenture, the "Indenture"), each by and between the Board, acting for
and on behalf of the University, and Wells Fargo Bank, National Association, as trustee (the
"Trustee");
WHEREAS, the Bonds shall be payable solely from the revenues and other moneys pledged therefor under the Indenture and shall not constitute nor give rise to a general obligation or liability of the State of Utah, the Board or the University or constitute a charge against the general credit of the State of Utah, the Board or the University;

WHEREAS, there have been presented to the Board at this meeting a form of a Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”) and a form of the Supplemental Indenture;

WHEREAS, expenditures relating to the Projects (the “Expenditures”) have been paid from the University’s general fund (the “Fund”) within 60 days prior to the passage of this resolution (the “Resolution”) or (ii) will be paid from the Fund on or after the passage of this Resolution and prior to the issuance of the Bonds;

WHEREAS, pursuant to Section 53B-21-102(3)(m) of the Act, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee of the Board the authority to approve the final principal amounts, terms, maturities, interest rates and purchase prices at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth in this Resolution, and the authority to approve and execute all documents relating to the issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED BY THE UTAH BOARD OF HIGHER EDUCATION, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All action heretofore taken (not inconsistent with the provisions of this Resolution) by the Board and the officers of the Board or the University directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statement in such form as shall be approved by the Chair or Vice Chair of the Board or the President or Vice President for Administrative Services of the University. The Chair or Vice Chair of the Board or the President or Vice President for Administrative Services of the University are authorized to execute such certificates as shall be necessary to “deem final” the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The Chair or Vice Chair of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and deliver on behalf of the Board and the University a final Official Statement in substantially the form and with substantially the same content as the Preliminary Official Statement, with such alterations, changes or additions as may be necessary to finalize the Official Statement. The use and distribution of the Official Statement are hereby authorized.
Section 4. The Supplemental Indenture, in substantially the form presented to the Board at this meeting, is in all respects authorized, approved and confirmed. The Chair or Vice Chair and Secretary of the Board and the President or the Vice President for Administrative Services of the University are hereby authorized to execute and deliver the Supplemental Indenture, in the form and with substantially the same content as presented to the Board at this meeting, for and on behalf of the Board and the University with such alterations, changes or additions as may be authorized pursuant to the terms of this Resolution.

Section 5. (a) For the purpose of providing funds to be used for the purpose of (i) financing all or a portion of the cost of the Project, (ii) providing capitalized interest on the Bonds, (iii) funding a deposit to a debt service reserve fund, and (iv) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds, from time to time in one or more series, in the aggregate principal amount of not to exceed $8,800,000. The Bonds shall bear interest at the rates, and shall mature in the principal amounts and on the dates, as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee as provided below, all within the parameters set forth in Schedule A attached hereto and incorporated herein by reference.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Indenture. The Chair or Vice Chair and the Secretary of the Board and the President or Vice President for Administrative Services of the University are hereby authorized to execute and seal the Bonds and to deliver the Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the Bonds are hereby incorporated in this resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 7. The Bonds shall be sold to the initial purchaser (the “Underwriter”) pursuant to a public sale at a discount of not to exceed 2.0% of the face amount of the Bonds. Pursuant to Section 53B-21-102(3)(m) of the Act, the Chair or Vice-Chair of the Board or the Chair of the Finance, Facilities and Accountability Committee (with concurrence of the President or the Vice President for Administrative Services of the University) is hereby authorized to specify and agree as to the final principal amounts, interest rates, maturities and purchase price with respect to the Bonds for and on behalf of the Board and the University by the execution of the Indenture, such bond purchase contract or other instruments as may be necessary to confirm the award of the Bonds to the Underwriter, and any changes to the Supplemental Indenture from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution.
Section 8. The appropriate officers of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President and Vice President for Administrative Services of the University are hereby authorized to take all action necessary or reasonably required by the Indenture to carry out, give effect to and consummate the transactions as contemplated thereby and are authorized to take all action necessary in conformity with the Act.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance, Facilities and Accountability Committee and the President or the Vice President for Administrative Services of the University are authorized to make any alterations, changes or additions to the Supplemental Indenture, the Bonds, the Preliminary Official Statement, or any other document herein authorized and approved that may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, the provisions of this Resolution or any related resolution adopted by the Board, or the provisions of laws of the State of Utah or the United States.

Section 10. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President and Vice president for Administrative Services of the University, are hereby authorized and directed to accept a commitment for, and agree to the terms of, a bond insurance policy or other credit enhancement that such officer or officers determine to be in the best interests of the Board and the University, execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein, including (without limitation) such (i) continuing disclosure undertakings or agreements as shall be necessary under Rule 15c2-12 of the Securities and Exchange Commission and (ii) such certificates and agreements as shall be necessary to establish and maintain the tax-exempt status of interest on the Bonds under the provisions of the Internal Revenue Code of 1986, as amended.

Section 11. Upon their issuance, the Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the Bonds, the Indenture or any other instrument, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 12. Reimbursement Intent. In satisfaction of certain requirements under the Internal Revenue Code of 1986, the District reasonably expects to reimburse the Expenditures with proceeds of the Bonds to be issued in the maximum principal amount of not more than $8,800,000.
Section 13. All proceedings, resolutions and actions of the Board and the University and their officers and employees taken in connection with the Bonds are hereby ratified, confirmed and approved.

Section 14. After any of the Bonds are delivered by the Trustee to the Underwriter and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 15. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.
Section 16. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

Section 17. This Resolution shall become effective immediately upon its adoption.
PASSED AND APPROVED by the Utah Board of Higher Education this 21st day of May, 2021.

UTAH BOARD OF HIGHER EDUCATION

____________________________________
Chair
After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

____________________________________
Chair
STATE OF UTAH  
COUNTY OF SALT LAKE  

I do hereby certify that I am the duly qualified and acting Secretary of the Utah Board of Higher Education.

I further certify that the above and foregoing constitutes a true and correct copy of an excerpt of the minutes of a meeting of the Board held on May 21, 2021 and of a resolution adopted at such meeting, as such minutes and resolution are officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 21st day of May, 2021.

__________________________________________
Secretary
STATE OF UTAH  )
COUNTY OF SALT LAKE  )

I, the undersigned duly qualified and acting Secretary of the Utah Board of Higher Education (the “Board”), do hereby certify, according to the records of the Board in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave public notice of the agenda, date, time and place of the May 21, 2021 public meeting held by the members of the Board by causing a Notice of Public Meeting to be posted at the principal office of the Utah Board of Higher Education at 60 South 400 West in Salt Lake City, Utah, on __________, 2021, at least 24 hours prior to the convening of such meeting, in the form attached hereto as Exhibit A, such Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the Board until the convening of the meeting; causing a copy of such Notice of Public Meeting in the form attached hereto as Exhibit A to be provided on __________, 2021 at least 24 hours prior to the convening of such meeting, to The Salt Lake Tribune, a newspaper of general circulation within the geographic jurisdiction of the Board, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Board; and causing a Notice of Public Meeting to be posted on __________, 2021 at the Utah Public Notice Website at least 24 hours before the convening of the meeting;
(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2021 Annual Meeting Schedule of the Board was given specifying the date, time and place of the regular meetings of the Board scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the Board in the form attached as Exhibit B to be posted during or before January 2021 at the principal office of the Board in Salt Lake City, Utah; such Notice of Annual Meeting Schedule having continuously remained so posted and available for public inspection during the regular office hours of the undersigned until the date hereof; causing a copy of such Notice of Annual Meeting Schedule to be provided during or before January 2021 to a newspaper of general circulation within the geographic jurisdiction of Salt Lake City, Utah; and causing a Notice of Annual Meeting Schedule to be posted during or before January 2021 at the Utah Public Notice Website; and

(c) the Board has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as Exhibit C). In accordance with such provisions and the aforementioned procedures, notice was given to each member of the Board and to members of the public at least 24 hours before the meeting to allow members of the Board and the public to participate in the meeting, including a description of how they could be connected to the meeting.
IN WITNESS WHEREOF, I have hereunto subscribed my official signature this 21st day of May, 2021.

___________________________________
Secretary
**SCHEDULE A**

**PARAMETERS**

**PRINCIPAL AMOUNT:** Not to exceed $8,800,000.

**TERM:** Not to exceed 25 years from their date or dates.

**INTEREST RATE:** Fixed rates such that no coupon rate exceeds 5.0% per annum.

**SALE PRICE:** Not less than 98% of the principal amount of the Bonds.
EXHIBIT A

[ATTACH NOTICE OF PUBLIC MEETING]
EXHIBIT B

[ATTACH NOTICE OF ANNUAL MEETING SCHEDULE]
EXHIBIT C

[ATTACH ELECTRONIC MEETING POLICY]
May 20, 2021

University of Utah – Series 2021C Revenue Bonds

Board Policy R590, Issuance of Revenue Bonds for Colleges and Universities, requires the Board to review and approve the issuance and sale of revenue bonds. The University of Utah requests Board authorization to issue up to $350,000,000 of General Revenue bonds for the purposes described in the following sections.

Request to Issue up to $211,500,000 Authorized by State Legislature
The University of Utah requests Board authorization to issue General Revenue Bonds for the following purposes that have been authorized by the state legislature:

- $125,800,000 for the construction of the West Village Project as approved by the Board in October 2020 and authorized by the 2021 Legislative Session (S.B. 143); housing rental fees and other auxiliary revenues will be the primary source of repayment for the bonds.
- $85,700,000 for the construction of the Impact and Prosperity Epicenter Building as approved by the Board in October 2020 and authorized by the 2021 Legislative Session (S.B. 143); housing rental fees and other auxiliary revenues will be the primary source of repayment for the bonds.

Pre-Authorization to Refinance up to $100,000,000 for Economic Savings by November 2022
The University of Utah requests approval from the Board to refund up to $100,000,000 prior to November 21, 2022, if economic conditions present opportunities for cost savings of at least 3%.

The relevant parameters of the requested issue are:

- Principal amount not to exceed $350,000,000 (including costs of issuance and capitalized interest)
- Interest rate not to exceed 5%
- Discount from par not to exceed 2%
- Final maturity not to exceed 30 years from the date of issue
A copy of the request letter from the university, the Approving Resolution, and a financing summary from the financial advisor are attached. Representatives from the university will attend the meeting to provide additional information and answer questions from the Board.

**Commissioner's Recommendations**

The Commissioner recommends approval of the proposed Authorizing Resolution to issue General Revenue bonds for the University of Utah.

**Attachments**
April 22, 2020

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

Dear Commissioner Woostenhulme:

The purpose of this letter is to inform you of the University of Utah’s plans to submit a bond parameters resolution (the “Resolution”) to the State Board of Higher Education of the State of Utah (the “Board”), to be considered during its May 2021 meeting, for the issuance of a General Revenue Bond or Bonds on behalf of the University of Utah (the “University”) for the purpose of (i) financing a portion of the costs to construct (a) a West Village Student Housing project (the West Village Project”), (b) the Impact-Epicenter Building project (the “Impact-Epicenter Project” and together with the West Village Project, the “Series 2021C Projects”) together with other amounts necessary to pay costs of issuance, pay capitalized interest and fund any debt service reserve requirements, and (ii) refunding all or any portion of the outstanding bonds issued by the Board on behalf of the University (the “Refunding Authorization”) together with other amounts necessary to pay costs of issuance and fund any debt service reserve requirements.

Details are as follows:

**Authorization to Bond up to $125,800,000 for the Construction of the West Village Project.** The University plans to replace certain existing housing facilities in phases over the next decade, beginning with the demolition of buildings in the West Village Student Housing section and their replacement with graduate and family housing buildings. The graduate housing building will serve approximately 245 student residents with a projected occupancy of 96% in 146,590 square feet. The family housing buildings will serve approximately 400 students, 172 spouses and partners, and approximately 150 children in 295,180 square feet. The total cost of the project is approximately $125.8 million.

The University received bonding authorization for this project during the 2021 Legislative Session of up to $125.8 million, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements. The University of Utah Board of Trustees (the “Board of Trustees”) approved this bonding authorization in its April 13, 2021 meeting.

**Authorization to Bond up to $85,700,000 for the Construction of the Impact-Epicenter Project.** The Impact-Epicenter Building will be a multi-use facility and include housing and two university centers—the existing Sorensen Impact Center and a new “Business, Health and Prosperity Center.” The proposed facility will include 575 on-campus beds, primarily single occupancy, in a living-learning model that the Lassonde Studios pioneered. The facility will provide opportunities for collaboration between student living and the two centers, which are further able to leverage each other’s capabilities, resources, and partnerships. The total cost of the project is approximately $85.7 million.

The University received bonding authorization for this project during the 2021 Legislative Session of up to $85.7 million, together with other amounts necessary to pay costs of issuance, pay capitalized interest, and fund any debt service reserve requirements. The Board of Trustees approved this bonding authorization in its April 13, 2021 meeting.
Authorization to Bond up to $100,000,000 for Refunding Outstanding Bonds. The University is seeking approval from the Board to refund up to $100.0 million for all or any portion of the outstanding bonds issued by the Board on behalf of the University prior to November 21, 2022, pursuant to certain parameters therein (including net present value savings of at least three percent) and such bonds may be issued in one or more series and combined with any other series of general revenue bonds.

Given current interest rates in today’s municipal market, the University is seeking feedback and information from members of its Underwriting Pool relating to savings refunding opportunities that may exist among outstanding Bonds and which the University should strongly consider as part of its proposed Series 2021C General Revenue Bond issue.

The Board previously approved the bonding for the construction of the Medical Education and Discovery Complex ("MEDX") for up to $137.5 million in its December 2020 meeting. The University did not bond for MEDX in its General Revenue and Refunding Bond Series 2021 A and B that closed in early February 2021 as it was determined that certain funding was not in place at the time. The University may include bonding for MEDX in an upcoming bond transaction if it is determined that such funding is in place.

It is the University’s current plan to price the first series of bonds related to the Resolution in June/July 2021 and close the transaction shortly thereafter.

Please feel free to call me should you or others have questions about the details of this funding request.

Sincerely,

Cathy Anderson
Chief Financial Officer

cc: Michael Good, Interim President
    Daniel Reed, Senior Vice President
    Richard Amon
    Blake Wade
    Kelly Murdock
    Robert Muir
PRELIMINARY FINANCING SUMMARY
For
Utah Board of Higher Education
$350,000,000*
UNIVERSITY OF UTAH
General Revenue and Refunding Bonds
Series 2021C
(The “Series 2021C Bonds”)

Purpose: To finance (1) The construction of the West Village Graduate and Family Student Housing (the “West Village Project”); (2) The construction of the Impact and Prosperity Epicenter Building (the “Impact-Epicenter Project”); and (3) The issuance of additional bonds for the purpose of refunding any bonds of the University; together with other amounts necessary to pay costs of issuance, pay capitalized interest and fund a debt service reserve requirement, if any.

Not-to-Exceed Par Amount: $350,000,000 ($125,800,000 for the West Village Project, $85,700,000 for the Impact-Epicenter Project, and $100,000,000 for renewed refunding authorization). The Series 2021C Bond issue may also include financing for the $137,500,000 MEDX (Medical Education and Discovery Complex) project, bonding for which was previously approved by the Board in its December 2020 meeting. Inclusion of this project in the Series 2021C Bond is contingent upon the University finalizing donor gift agreements.

Security: The Series 2021C Bonds will be payable from and secured by a General Revenue pledge which consists of substantially all income and revenues of the University authorized to be pledged, with the exception of (i) legislative appropriations, (ii) tuition and certain fees, and (iii) certain other revenues and income.

Ratings: ‘Aa1’ and ‘AA+’ ratings are expected by Moody’s Investors Service and S&P Global Ratings, respectively.

Method of Sale: Negotiated Public Offering
True Interest Cost: TBD (given current market volatility, a preliminary rate is difficult to determine)

Underwriters: The University has not yet selected a firm or firms to serve as underwriters for the Series 2021C Bonds.

Sale Date: TBD – Current Calendar calls for mid-July 2021, subject to market conditions and internal approvals.

Closing Date: TBD – Current Calendar calls for settlement early August 2021

Principal Payment Dates: August 1 of each year, beginning August 1, 2022*

Interest Payment Dates: August 1 and February 1, beginning February 1, 2023*

Interest Basis: 30/360

Parameters: Not-to-Exceed Par for the Projects: $350,000,000
Not-to-Exceed Term: 32-years from the date of the Bond’s issuance
Not-to-Exceed Coupon: 5.00%
Not-to-Exceed Discount from Par: 2.00%

Optional Redemption: May be non-callable or callable (par or make-whole) at the option of the University, as determined at the time of the sale

University Contacts: Ms. Cathy Anderson, Chief Financial Officer (801-581-6940)

Mr. Robert Muir, Executive Director – Debt and Asset Management (801-585-5598)

Bond Counsel: Mr. Blake Wade, Gilmore & Bell (801-258-2725)

Municipal Advisor: Mr. Kelly Murdock, Stifel, Nicolaus & Company (385-799-1734)

*Preliminary, subject to change
The Utah Board of Higher Education (the “Board”) met in regular session by electronic means on May 21, 2021, commencing at 10:00 a.m. The following members were present:

Harris H. Simmons  Chair
Nina Barnes  Vice Chair
Aaron V. Osmond  Vice Chair
Jesselie B. Anderson  Member
Mike Angus  Member
Jera L. Bailey  Member
Stacey K. Bettridge  Member
Lisa Michele Church  Member
Wilford W. Clyde  Member
Sanchaita Datta  Member
Alan E. Hall  Member
Patricia Jones  Member
Crystal Maggelet  Member
Arthur E. Newell  Member
Shawn Newell  Member
Candyce Damron  Student Representative
Glen J. Rivera  Student Representative
Scott L. Theurer  Member

Absent:

Also Present:

David R. Woolstenhulme  Commissioner of Higher Education
Geoffrey Landward  Secretary
After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result, the agenda noted that one of the purposes of the meeting was the consideration of various matters with respect to the issuance and sale of the Utah Board of Higher Education, University of Utah General Revenue and Refunding Bonds.

The following resolution was introduced in written form and after full discussion, pursuant to motion made by ____________ and seconded by ____________, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:
RESOLUTION

A RESOLUTION OF THE UTAH BOARD OF HIGHER EDUCATION AUTHORIZING THE ISSUANCE AND SALE OF ITS UNIVERSITY OF UTAH GENERAL REVENUE AND REFUNDING BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $350,000,000 AUTHORIZING THE EXECUTION OF SUPPLEMENTAL INDENTURES, BOND PURCHASE AGREEMENTS, OFFICIAL STATEMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the Utah Board of Higher Education (the “Board”) is established and exists under and pursuant to Section 53B-1-103, Utah Code Annotated 1953, as amended (the “Utah Code”); and

WHEREAS, pursuant to the provisions of Title 53B, Chapter 1, Utah Code, the Board is authorized to act as the governing authority of the University of Utah (the “University”) for the purpose of exercising the powers contained in Title 53B, Chapter 21 and the specific authorizations of Section 63B-31-201(1) and 63B-31-201(2) of the Utah Code and the Utah Refunding Bond Act, Title 11, Chapter 27 of the Utah Code (the “Refunding Act” and collectively, the “Act”); and

WHEREAS, pursuant to a General Indenture of Trust dated as of July 1, 2013, between the Board (formerly known as the State Board of Regents of the State of Utah) and Wells Fargo Bank, N.A., as trustee (the “Trustee”), as heretofore amended and supplemented (the “General Indenture”), the Board has issued, for and on behalf of the University, various series of revenue bonds; and

WHEREAS, pursuant to Section 63B-31-201(1) of the Utah Code, the Board, for and on behalf of the University, is authorized to issue bonds for the purpose of constructing the West Village Graduate and Family Student Housing (the “West Village Project”) in an amount not to exceed $125,800,000 for acquisition and construction proceeds, together with other amounts necessary to pay costs of issuance, pay capitalized interest and fund any debt service reserve requirements; and

WHEREAS, pursuant to Section 63B-31-201(2) of the Utah Code, the Board, for and on behalf of the University, is authorized to issue bonds in an amount not to exceed $85,700,000 for the purpose of constructing the Impact and Prosperity Epicenter Building (the “Impact-Epicenter Project” and collectively with the West Village Project, the “Series 2021C Projects”), together with other amounts necessary to pay costs of issuance, pay capitalized interest and fund any debt service reserve requirements; and
WHEREAS, the Board now desires to authorize the issuance of additional bonds for the purpose of refunding any bonds of the University and paying costs of issuance related thereto in an amount not to exceed $100,000,000; and

WHEREAS, to accomplish the purposes set forth in the preceding recitals, the Board desires to authorize and approve the issuance and sale of its University of Utah General Revenue and Refunding Bonds (with such additional or other title and/or series designation(s) as may be determined by the officers of the Board) in one or more series and to be issued from time to time (the “Bonds”) in an aggregate principal amount of not to exceed $350,000,000 pursuant to the General Indenture and one or more Supplemental Indentures of Trust between the Board and the Trustee (each a “Supplemental Indenture” and collectively with the General Indenture, the “Indenture”); and

WHEREAS, the Bonds shall be payable solely from the University’s revenues and other moneys pledged therefor in the Indenture and shall not constitute nor give rise to a general obligation or liability of the Board, the University or the State of Utah or constitute a charge against their general credit; and

WHEREAS, there has been presented to the Board at this meeting a form of a Bond Purchase Agreement (the “Bond Purchase Agreement”) to be entered into among the Board, the University and the underwriters or purchasers for the Bonds (the “Purchaser”), a form of a Preliminary Official Statement relating to the Bonds, in the event the Bonds are publicly sold (the “Preliminary Official Statement”), and a form of Supplemental Indenture; and

WHEREAS, the Board desires to grant to the Chair and/or Vice Chair of the Board and/or the Chair of the Finance and Facilities Committee of the Board, the authority to approve the interest rates, principal amount, terms, discounts, maturities, redemption features, and purchase prices at which the Bonds shall be sold and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution; provided such terms do not exceed the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE UTAH BOARD OF HIGHER EDUCATION, AS FOLLOWS:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. All actions heretofore taken (not inconsistent with the provisions of this resolution) by the Board and the University and the officers of the Board or the University directed toward the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 3. The Board hereby authorizes, approves and directs the use and distribution of the Preliminary Official Statements substantially in the form of the Preliminary Official Statement presented to the Board at this meeting in connection with the offering and sale of the Bonds, in the event the Bonds are publicly sold. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee of the Board and the
President and/or Chief Financial Officer of the University are hereby authorized to execute and deliver on behalf of the Board and the University final Official Statements in substantially the same form and with substantially the same content as the form of the Preliminary Official Statement presented to this meeting with any such alterations, changes or additions as may be necessary to finalize each Official Statement. The preparation, use and distribution of the Official Statements are also hereby authorized. The Board and the University may elect to privately place the Bonds with or without the use of an Official Statement.

Section 4. Supplemental Indentures in substantially the form presented to this meeting are in all respects authorized, approved and confirmed. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and Secretary of the Board and the President and/or Chief Financial Officer of the University are hereby authorized to execute and deliver the Supplemental Indentures in substantially the same form and with substantially the same content as the form of such document presented to this meeting for and on behalf of the Board and the University with such alterations, changes or additions as may be authorized by Section 8 hereof.

Section 5. For the purpose of providing funds to be used for (i) financing the cost of the Series 2021C Projects (including capitalized interest), (ii) refunding all or any portion of the outstanding bonds issued by the Board on behalf of the University and (iii) paying costs of issuance of the Bonds, the Board hereby authorizes the issuance of the Bonds, from time to time and in one or more series, in the aggregate principal amount of not to exceed $350,000,000. The Bonds shall mature on such date or dates, be subject to redemption, and bear interest at the rates as shall be approved by the Chair or Vice Chair of the Board or the Chair of the Finance and Facilities Committee, all within the parameters set forth on Exhibit A attached hereto and incorporated herein by reference. The issuance of the Bonds shall be subject to the final advice of Bond Counsel and to the approval of the office of the Attorney General of the State of Utah. The Bonds authorized herein may be issued in one or more series and may be combined with any other series of general revenue bonds of the University, and issued from time to time and at any time within the 18 months following the adoption of this Resolution.

Section 6. The form, terms and provisions of the Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, interest rates, redemption and number shall be as set forth in the Indenture. The Chair, Vice Chair and/or Chair of the Finance and Facilities Committee and the Secretary of the Board and the President and/or Chief Financial Officer of the University are hereby authorized to execute and seal by manual or facsimile signature the Bonds and to deliver the Bonds to the Trustee for authentication. All terms and provisions of the Indenture and the Bonds are hereby incorporated in this Resolution. The appropriate officials of the Board and the University are hereby authorized to execute and deliver to the Trustee the written order of the Board for authentication and delivery of the Bonds in accordance with the provisions of the Indenture.

Section 7. Bond Purchase Agreements in substantially the form presented to this meeting are hereby authorized, approved and confirmed. The Chair or Vice Chair of
the Board and/or the Chair of the Finance and Facilities Committee and the President and/or Chief Financial Officer of the University are hereby authorized to execute and deliver the Bond Purchase Agreements in substantially the same form and with substantially the same content as the form of the Bond Purchase Agreement presented at this meeting for and on behalf of the Board with final terms as may be established for the Bonds within the parameters set forth herein and with such alterations, changes or additions as may be necessary or as may be authorized by Section 8 hereof. The Chair or Vice-Chair of the Board and/or the Chair of the Finance and Facilities Committee and the President and/or Chief Financial Officer of the University are hereby authorized to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features and purchase prices with respect to the Bonds for and on behalf of the Board and the University and any changes thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms are within the parameters set by this Resolution, with such approval to be conclusively established by the execution of the related Bond Purchase Agreement and Supplemental Indenture. In the event that the foregoing officers determine that all or any portion of the Bonds should be privately placed, the Bond Purchase Agreements and Supplemental Indentures may be modified to conform to the agreement with such Purchasers, including agreement to pay breakage fees, default rates, taxable rates and other similar provisions customary in such placements, provided that such obligations are limited to the sources provided under the Indenture.

Section 8. The appropriate officials of the Board and the University, including without limitation the Chair or Vice Chair of the Board and/or the Chair of the Finance and Facilities Committee and the President and/or Chief Financial Officer of the University are authorized to make any alterations, changes or additions to the Indenture, the Bonds, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, or any other document herein authorized and approved which may be necessary to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States or to permit the private placement or public sale of the Bonds, to conform such documents to the terms established for the Bonds and to update such documents with current information and practices.

Section 9. The appropriate officials of the Board and the University, including without limitation the Chair, Vice Chair, the Chair of the Finance and Facilities Committee, Commissioner of Higher Education and Secretary of the Board and the President and/or Chief Financial Officer of the University, are hereby authorized and directed to (i) execute and deliver for and on behalf of the Board and the University any or all additional certificates, documents (including escrow agreements for certain refundings) and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein and (ii) take all action necessary or reasonably required by the Indenture, the Preliminary Official Statement, the Official Statement, or the Bond Purchase Agreement to carry out, give effect to and consummate the transactions as contemplated thereby and are authorized to take all action necessary in conformity with the Act.
Section 10. Upon their issuance, the Bonds will constitute special limited obligations of the Board payable solely from and to the extent of the sources set forth in the Indenture. No provision of this Resolution, the Bonds, the Bond Purchase Agreement, the Official Statement, the Indenture or any other instrument executed in connection with the issuance of the Bonds, shall be construed as creating a general obligation of the Board or the University, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Board, the University, the State of Utah or any political subdivision thereof.

Section 11. In accordance with the provisions of the Refunding Act, the Board shall cause the following “Notice of Bonds to be Issued” to be (i) published one (1) time in the Deseret News, a newspaper of general circulation in the State of Utah, (ii) posted on the Utah Public Notice Website (http://pmn.utah.gov) and (iii) posted on the Utah Legal Notices website (www.utahlegals.com) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution and the Indenture to be kept on file in the Board’s office in Salt Lake City, Utah, for public examination during the regular business hours of the Board until at least thirty (30) days from and after the date of publication thereof. The “Notice of Bonds to be Issued” shall be in substantially the following form:
NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on May 21, 2021, the Utah Board of Higher Education (the “Board”) adopted a resolution (the “Resolution”) in which it authorized (among other bonds) the issuance of the Board’s University of Utah General Revenue and Refunding Bonds (with such other or further designation as the officers of the Board may determine) (the “Bonds”) in the aggregate principal amount of not to exceed one hundred million dollars ($100,000,000) to bear interest at a rate or rates of not to exceed five percent (5.0%) per annum, to mature not later than thirty-five (35) years from the date thereof and to be sold at a price or prices not less than 98% of the total principal amount thereof, for the purpose of refunding any portion of the Board’s outstanding revenue bonds issued to finance facilities and improvements for the University of Utah (the “University”) and pay costs of issuance.

The Bonds are to be issued and sold by the Board pursuant to the Resolution, including as part of said Resolution a form of a General Indenture of Trust previously executed by the Board and the University and a Supplemental Indenture of Trust (collectively, the “Indenture”).

The Bonds are secured by a pledge of revenues of the University auxiliary and campus facilities system, hospital system, research facilities and other legally available moneys of the University (as described in the Indenture).

A copy of the Resolution and the Indenture are on file in the office of the Board at 60 South 400 West, 5th Floor, Salt Lake City, Utah, where they may be examined during regular business hours of the Board from 8:00 a.m. to 5:00 p.m. for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have the right to contest the legality of the Resolution, the Indenture (but only as it relates to the Bonds), or the Bonds, or any provision made for the security and payment of the Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever.

DATED this May 21, 2021.

/s/ Geoffrey Landward
Secretary
Section 12. After the Bonds are delivered by the Trustee to or for the account of the Purchaser and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of, premium, if any, and interest on the Bonds are deemed to have been fully discharged in accordance with the terms and provisions of the Indenture.

Section 13. If any provisions of this Resolution should be held invalid, the invalidity of such provisions shall not affect the validity of any of the other provisions of this Resolution.

Section 14. All resolutions of the Board or parts thereof inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order, resolution or ordinance or part thereof.

Section 15. This Resolution shall become effective immediately upon its adoption.
PASSED AND APPROVED BY THE UTAH BOARD OF HIGHER EDUCATION THIS MAY 21, 2021.

UTAH BOARD OF HIGHER EDUCATION

____________________________________
Chair

ATTEST:

____________________________________
Secretary
After the conduct of other business not pertinent to the above, the meeting was, on motion duly made and seconded, adjourned.

Chair

ATTEST:

___________________________________
Secretary
STATE OF UTAH  )
COUNTY OF SALT LAKE  )

I, Geoffrey Landward, do hereby certify that I am the duly qualified and acting
Secretary of the Utah Board of Higher Education.

I further certify that the above and foregoing constitutes a true and correct copy of
an excerpt of the minutes of a meeting of said Board held on May 21, 2021 and of a
resolution adopted at said meeting, as said minutes and resolution are officially of record
in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and
impressed hereon the official seal of said Board this May 21, 2021.

______________________________________________
Secretary

(SEAL)
STATE OF UTAH 

COUNTY OF SALT LAKE 

I, Geoffrey Landward, the undersigned, the duly qualified and acting Secretary of the Utah Board of Higher Education, do hereby certify, according to the records of said Utah Board of Higher Education in my official possession, and upon my own knowledge and belief, that:

(a) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice was given of the agenda, date, time and place of the May 21, 2021 public meeting held by the Members of the Utah Board of Higher Education by causing a Notice of Public Meeting, in the form attached hereto as Schedule 1 to be: (i) posted at the principal office of the Utah Board of Higher Education at 60 South 400 West, Salt Lake City, Utah, at least 24 hours prior to the convening of such meeting, said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the Utah Board of Higher Education until the convening of the meeting; (ii) published on the Utah Public Notice Website (http://pmn.utah.gov), at least 24 hours prior to the convening of such meeting; and (iii) provided at least 24 hours prior to the convening of such meeting, to the Deseret News and The Salt Lake Tribune, newspapers of general circulation within the geographic jurisdiction of the Utah Board of Higher Education, pursuant to their subscription to the Utah Public Notice Website (http://pmn.utah.gov), and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the Utah Board of Higher Education;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2020-2021 Annual Meeting Schedule of the Utah Board of Higher Education was given, specifying the date, time and place of the regular meetings of the Utah Board of Higher Education scheduled to be held during said years, by causing a Notice of Annual Meeting Schedule for the Utah Board of Higher Education, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the Utah Board of Higher Education at 60 South 400 West, Salt Lake City, Utah in June 2020; (ii) published on the Utah Public Notice Website (http://pmn.utah.gov) during the current calendar year, and (iii) provided to a newspaper of general circulation within the geographic jurisdiction of the Utah Board of Higher Education pursuant to its subscription to the Utah Public Notice Website (http://pmn.utah.gov); and

(c) the Utah Board of Higher Education has adopted written procedures governing the holding of electronic meetings in accordance with Section 52-4-207 Utah Code Annotated 1953, as amended (a copy of which is attached hereto as Schedule 3). In accordance with said Section and the aforementioned procedures, notice was given to each member of the Utah Board of Higher Education and to members of the public at least 24 hours before the meeting to allow members of the Utah Board of Higher Education and the public to participate in the meeting,
including a description of how they could be connected to the meeting. The Utah Board of Higher Education held the meeting (the anchor location) in the building where it normally meets and provided space and facilities at the anchor location so that interested persons and the public could attend and participate.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the Utah Board of Higher Education, this May 21, 2021.

________________________________________
Secretary

(SEAL)
SCHEDULE 1

NOTICE OF PUBLIC MEETING

(See Transcript Document No. ____)

4839-3311-6640, v. 2  15
SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

(See Transcript Document No. ___)
SCHEDULE 3

ELECTRONIC MEETING POLICY
EXHIBIT A

PARAMETERS OF THE BONDS

Principal amount not to exceed $350,000,000
Interest rate not to exceed 5.0%
Discount from par not to exceed 2.0%
Final maturity not to exceed Thirty Five (35) years from the date thereof

May be non-callable or callable at the option of University as determined at the time of sale

Net Present Value Savings of at least 3% on refundings
May 20, 2021

Southern Utah University – Property Transactions

As required by Board Policy R703, Acquisition of Real Property and Board Policy R704, Disposal of Real Property, Southern Utah University is notifying the Board of Higher Education that its Board of Trustees approved multiple property transactions with the Dixie and Anne Leavitt Family Foundation (DALFF) during their April 28, 2021 meeting. DALF has long been a partner in education with SUU and has provided both scholarship and capital contributions to the university. The requested property transactions will be mutually beneficial.

The central purpose of these transactions is to acquire the Leavitt Group corporate headquarters complex, southeast of campus with 31,200 square feet, to allow the university to move administrative personnel from central campus and free up valuable space for academic offices. Additional property acquisitions and disposals (through transfer) are described in detail in the submittal request from the university. These property transactions will address the university’s growing space needs, eliminate the expense of several leased properties, and provide for future student housing. The net cost to the university will be $3,568,300, which will be funded by non-appropriated institutional funds.

Commissioner’s Recommendations
The Commissioner recommends the Board authorize the multiple property transactions between Southern Utah University and the Dixie and Anne Leavitt Family Foundation as described in the accompanying documents.

Attachments
April 29, 2021

Dave R. Woolstenhulme, Commissioner  
Utah System of Higher Education  
60 South 400 West  
Salt Lake City, UT 84101

Dear Commissioner Woolstenhulme:

Southern Utah University (SUU) and the Dixie and Anne Leavitt Family Foundation (DALFF) have long been partners in education. Through their foundation and individually, the Leavitt family has provided over $12 million in student scholarships and contributions to numerous buildings and programs. For the past six months I have been actively engaged in discussions with the Leavitt family for a property transaction that will address the University’s growing space needs, eliminate the expense of several leased properties, and aid in additional student housing to help meet growing needs.

The SUU Board of Trustees approved the transactions outlined within this proposal at their April 28, 2021 meeting. The University Administration is now seeking approval from the Board of Higher Education for the concepts outlined within, which includes multiple property transactions.

**Background Items**

The following key points set the stage for this proposed transaction.

1) President Wyatt’s primary initiatives include growing enrollment through various modalities, increasing the retention rates of those who choose SUU, making the SUU experience affordable, and increasing quality. Markers tracking progress for these initiatives are all positive. Since President Wyatt was appointed in 2014, SUU’s enrollment has grown 58.5% from 8,200 to 12,998 students by fall 2020. Retention rates for each incoming cohort have steadily improved from 65.4% to a high of 74.1%. Tuition and fees have been held flat for three years. Over the same period of time the GPA of incoming freshman classes has risen from 3.40 to 3.58, further reinforcing our commitment to quality.

2) Accompanying growth comes strain on many resources. 78 new faculty positions have been funded since 2017, increasing the number of full-time faculty from 274 to 352 by FY2022. We’ve maintained our commitment to ensure each faculty member teaching on campus has a private office. Meeting this need has been an increasingly difficult challenge. The Dixie L. Leavitt School of Business outgrew its new building space just a few years after completion. Currently the MBA program is housed in the Bennion Building and newly appointed Business (and other) faculty are arriving this fall requiring additional office space. Further, student housing has increased but does not appear to be keeping pace with growing enrollments. SUU has, and continues to rely on the private sector to meet student housing needs. SUU is not planning to build any additional on-campus housing.

3) The Administration is striving to maximize space in the University’s “academic core” (all facilities between 300 W to 800 W and University Blvd. to Thunderbird Way) for student services and
academic teaching. This proposal allows us to move a number of administrative offices out of the
academic core, freeing up much needed space for the School of Business and incoming faculty.

Proposal
Discussions over the winter with the Leavitt family and the Dixie and Anne Leavitt Family Foundation
have brought us to a decision point. This concept strategically aligns the goals of SUU, the Leavitt family,
and the Leavitt Family Foundation.

1) SUU proposes to acquire the Leavitt Group/Leavitt Land and Investment corporate headquarters
complex located adjacent to campus at 200 W Thunderbird Way. This encompasses four buildings
including 31,200 square feet of space and parking. (See map location A)
a) Acquiring this complex allows the University to relocate all of the staff offices currently
occupying the first two floors of the Bennion Building which includes Accounting Services,
Internal Audit, General Counsel, Purchasing, and Human Resources.
b) We also anticipate relocating the Counseling and Psychological Services Office into the
headquarters building, and locating the University’s new Doctor of Clinical Psychology (PsyD)
program to an adjacent building. Creation of the PsyD program requires additional space for
faculty offices, clinicals, and group sessions. Having these two offices side by side is a perfect
solution.

2) SUU and DALFF agree to a number of land transfers allowing SUU to discontinue three building
leases at an annual savings of $265,700. (See map locations B, C, and D in green). University
operations housed within these leased spaces include Counseling and Psychological Services, Utah
Summer Games, Community Engagement Center, and International Recruiting/Services. Each of
these offices will relocate to properties acquired through this transaction.

3) DALFF will transfer to SUU the following two properties:
a) Workman Home (See map location E). This home is the only property on the block not owned by
the University. Acquisition of this property allows the University to convert a majority of the
block to a much-needed campus parking lot.
b) Historic Home (See map location F). This home will be converted from a rental into office space
for one of the displaced University programs.

4) SUU will transfer to DALFF the following three properties:
a) Ponderosa Terrace Apartments (See map location G). This University owned apartment building,
with very limited parking, is 53 years old and needs to be retired. DALFF currently owns the
property surrounding Ponderosa Terrace and will at some time demolish this building and
others to construct new student housing.
b) The vacant Judd Lot (See map location H). This property, when combined with others, creates
the potential for additional DALFF housing and/or parking.
c) Small Parking Lot (See map location I). DALFF owns a number of the bordering properties, which
are bound on the south by a church. Additional student housing is being contemplated for this
location as well.

5) The Dixie L. Leavitt School of Business is preparing to launch a fundraising campaign to generate
approximately $5.0 million to remodel the Bennion Building in a manner similar to our recent
remodel of the Geoscience Building. At the appropriate time, SUU will engage the state Division of
Facilities and Construction Management (DFCM) and architects to develop remodeling plans.
The table below outlines appraised property values tied to this proposal. Copies of appraisal letters establishing property values are included with this document. Since the Workman home was recently acquired by DALFF, the Commissioner’s Office agreed to use the purchase price as its value. Due to 2021-22 academic year rental contracts in place for SUU, DALFF, and LLI properties, and to ensure no interruption to students, we will carefully coordinate the timing of asset transfers, purchase dates, management fees, and investment return between summer 2021 and August 2022.

### Property Values and Transactions between Entities

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<th>Property Acquisition</th>
<th>Acres</th>
<th>Bldg Sqft</th>
<th>Value</th>
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<tr>
<td>Leavitt HQ Building</td>
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<td>23,357</td>
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<td>Woodbury Home</td>
<td>incl.</td>
<td>2,308</td>
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<td>Dane &amp; Ruth Leavitt Home</td>
<td>0.40</td>
<td>3,848</td>
<td>$600,000</td>
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<tr>
<td>Red Brick Building</td>
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<th>SUU Properties</th>
<th>Acres</th>
<th>Bldg Sqft</th>
<th>Value</th>
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<tr>
<td>Ponderosa Apartments</td>
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<td>9,746</td>
<td>$(1,190,000)</td>
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<td>Harl &amp; Ann Judd Vacant Lot</td>
<td>0.20</td>
<td>N/A</td>
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<td>Small Parking Lot - 900 W</td>
<td>0.33</td>
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<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td>$(1,380,000)</td>
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<table>
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<th>DALFF Properties</th>
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<tr>
<td>Historic Home 300 West</td>
<td>0.32</td>
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<td>Dutch Workman Home 200 W</td>
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<td><strong>Subtotal</strong></td>
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<td>$780,700</td>
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<td>Boot Payment from DALFF to SUU</td>
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<td>$599,300</td>
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<td>Lease Savings, Transition Fees, Return (Net)</td>
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<td>$(182,400)</td>
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<td><strong>Net Cost to SUU</strong></td>
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<td>$3,568,300</td>
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</tbody>
</table>

Circumstances related to the COVID pandemic have, in part, made possible this series of transactions. The Leavitt Group desires to construct a new corporate office building in Cedar City. With half of their corporate employees working from home, the Leavitt Group can relocate remaining staff into the leased space SUU is vacating while they build a new facility. SUU gains historic office space adjacent to campus, a home for the new PsyD Program, space within the academic core for expansion of the Business School, and realigns property for the Leavitt Foundation to construct additional student housing.

I look forward to our discussion and the opportunity to respond to any questions that may arise from this proposal.

Sincerely,

Marvin L. Dodge
Vice President

Office of the Vice President for Finance and Administrative Services
351 West University Blvd., Cedar City, UT 84720
Dear Mr. Leavitt,

At your request, I have appraised the property referenced above to form an opinion of the 'as is' market value of the Fee Simple Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on March 30, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is the Leavitt Group Office located at 216 S. 200 W. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel number B-0220-0000-0000. This parcel has a site size of 1.29 acres and has an irregular shape. The site has a generally level topography and is near grade of adjoining streets and properties. The subject is a corner lot and has asphalt paved access from 200 West and Thunderbird Way with 153 feet of frontage along 200 West and 229 feet of frontage along Thunderbird Way. The site has soils that are assumed to be adequate for supporting development and is located outside of the flood hazard zone. All utilities are to the site and the subject site appears to be fully usable. The site is improved with the Leavitt Group Office building and a residential improvement being used for a student rental.

The Leavitt Group office building is a 23,357 square foot Class B office improvement that was constructed in 1923 and underwent extensive renovations most recently in 2002 and 2008. The Leavitt Group office has three stories with a small area of the fourth floor finished. The improvement has a brick and wood framed construction with an asphalt shingle roof. The interior is finished with commercial grade carpet, vinyl, and marble tile floors, painted drywall walls, and suspended acoustic tile ceilings. The Leavitt Group office building has an average quality of construction and good condition given the age of the improvement and recent renovations and updating.

The residential improvement is a 2,308 square foot home that was constructed in 1902 and remodeled in 1985. The residence has two stories above grade and a finished basement. The improvement has a rock foundation, brick and masonite exterior, and asphalt shingle roof. The interior is finished with carpet and vinyl flooring and painted drywall walls and ceilings. The residential improvement has an average quality of construction and average condition.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Dane Leavitt is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the sole intended users of the appraisal report. The intended use is to assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.
This appraisal does not rely on any extraordinary assumptions but does rely on the following hypothetical condition:

- The Leavitt Group Office is currently leased between entities with common ownership and the lease is not arm's length. Further, the lease is assumed to be able to be extinguished at either party's discretion at any time. This appraisal report relies on the hypothetical condition that the Leavitt Group Office property is not subject to a lease and the fee simple interest is valued.

The use of the hypothetical condition might have affected the assignment results.

Based upon my examination and study of the property and the market in which it competes and subject to the hypothetical condition and limiting conditions contained later in this report, market value of the 'as is' Fee Simple Interest as of March 30, 2021, is as follows:

$3,750,000
Three Million Seven Hundred Fifty Thousand Dollars

Novel Coronavirus (COVID-19)
The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
200 West Residence
242 S. 200 W.
Cedar City, UT 84720

Prepared For
Mr. Dane Leavitt
Leavitt Land and Investment
216 S. 200 W.
Cedar City, UT 84720

Prepared By
Hymas & Associates, LC
Cody Hymas, MAI
337 S. Main Street, Suite 122
Cedar City, UT 84720
File #:21CH153R
Dear Mr. Leavitt,

At your request, I have appraised the property referenced above to form an opinion of the 'as is' market value of the Fee Simple Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on March 30, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is the 200 West Residence located at 242 S. 200 W. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel number B-0220-0001-0000. The subject site is 0.40 acres in size, has a rectangular shape, and is generally level and near grade of adjoining streets and properties. The site has all utilities, an average view, and access from an easement on the adjoining property connecting the subject to 200 West. Additionally, the site has soils that are capable of supporting development, is located outside of the flood hazard area, and appears to be fully usable. The subject site is improved with a single-family residence and a detached apartment and studio. The single family residence was constructed in 1925, has two stories and a finished basement, and consists of 2,775 square feet above grade with a 1,073 square foot basement. This improvement has a poured concrete foundation and brick and wood framed construction with a brick and wood exterior. The interior has painted drywall walls and ceilings with carpet and laminate flooring. The residence has five bedrooms, three and a half bathrooms, and multiple living areas and contains encased fluorescent and mounted lighting fixtures. The detached apartment was constructed in 1925 and has a gross building area of 1,705 square feet with 1,220 square feet used as a two-bedroom apartment and 485 square feet used as a studio apartment. The apartment improvement has a rock and wood exterior with an asphalt shingle and rolled membrane roof. Both the apartment and studio have painted drywall walls with both painted drywall and popcorn ceilings, and carpet and vinyl flooring. Overall, the improvements have an average quality and good condition.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Dane Leavitt is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the intended users of the appraisal report. The intended use of this appraisal report is to assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal report relies on the following hypothetical condition:
- The subject parcel has some utilities shared with the adjoining parcel. This appraisal report relies on the hypothetical condition that all utilities are located on the subject property.

This appraisal report relies on the following extraordinary assumption:
The subject parcel currently has access via an access easement within an adjoining parcel. This appraisal report relies on the extraordinary assumption that the subject site could have legal access from the subject parcel. The use of the hypothetical condition and extraordinary assumption might have affected the assignment results.

Based upon my examination and study of the property and the market in which it competes and subject to the hypothetical condition, extraordinary assumption, and limiting conditions contained later in this report, market value of the 'as is' Fee Simple Interest as of March 30, 2021, is as follows:

$600,000
Six Hundred Thousand Dollars

**Novel Coronavirus (COVID-19)**
The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
Ponderosa Apartment
200 S. Dewey Ave.
Cedar City, UT 84720

Prepared For
Mr. Dane Leavitt
Leavitt Land and Investment
216 S. 200 W.
Cedar City, UT 84720

Prepared By
Hymas & Associates, LC
Cody Hymas, MAI
337 S. Main Street, Suite 122
Cedar City, UT 84720
File #:21CH155R
Dear Mr. Leavitt,

At your request, I have appraised the property referenced above to form an opinion of the 'as is' market value of the going concern of the Leased Fee Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on April 16, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is the Ponderosa Apartment located at 200 S. Dewey Ave. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel number B-1015-0000-0000. The subject consists of a single parcel that is 0.28 acres in size. The site is generally level, albeit slightly below grade of Dewey Avenue. The site is a corner parcel with 164' of frontage along Dewey Avenue and 75' of frontage along Thunderbird Way. The site has asphalt paved access, all utilities, soils that are assumed to be capable of supporting development, and located outside of the flood hazard area. The site has average physical features and appears to be fully usable. The site is improved with the Ponderosa Apartment, a 9-unit student housing apartment. The improvement was constructed in 1968, has three stories including the basement, and a gross building area of 9,746 square feet. The improvement consists of six three-bedroom units with 961 square feet and three four-bedroom units with 1,240 square feet. Each unit has three of four bedrooms, one bathroom, a living area, and a kitchen. The improvement has a poured concrete foundation, brick construction, and a membrane roof. The improvement has an average quality and condition.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Dane Leavitt is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the sole intended users of the appraisal report. The intended use is for assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal report does not rely on any hypothetical conditions but does rely on the following extraordinary assumption:

- I inspected the interior of a representative sample of the subject units. The units inspected had the same floor plan (three and four bedrooms) and a similar quality, condition, and overall appeal. This appraisal report relies on the extraordinary assumption that the subject units not inspected have a similar layout, quality, condition, and overall appeal as the subject units inspected.

The use of the extraordinary assumption might have affected the assignment results.
Based upon my examination and study of the property and the market in which it competes and subject to the extraordinary assumption and limiting conditions contained later in this report, 'as is' market value of the going concern of the Interest as of Leased Fee Interest as of April 16, 2021, is as follows:

<table>
<thead>
<tr>
<th>Market Value Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appraisal Premise</td>
</tr>
<tr>
<td>Effective Date</td>
</tr>
<tr>
<td>Property Rights Conveyed</td>
</tr>
<tr>
<td>Real Property</td>
</tr>
<tr>
<td>Furniture, Fixtures, &amp; Equipment</td>
</tr>
<tr>
<td>Market Value of the Going Concern</td>
</tr>
</tbody>
</table>

**Novel Coronavirus (COVID-19)**

The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
Dear Mr. Dodge,

At your request, I have appraised the property referenced above to form an opinion of the 'as is' market value of the Fee Simple Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on April 14, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is the Judd Vacant Lot located at 296 S. 500 W. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel number B-1081-0000-0000. The subject of this appraisal report is a vacant multi-family residential building site. The subject consists of a single parcel that is 0.20 acre in size, has a rectangular shape, and is generally level and near grade of the adjoining street and properties. The site has asphalt paved access from 500 West and 66' of frontage. The site has soils that are assumed to be capable of supporting development, is located outside of the flood hazard zone, and has all utilities to the site. The site has average physical features and appears to be fully usable.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Marvin Dodge is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the sole intended users of the appraisal report. The intended use is to assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal report does not rely on any hypothetical conditions or extraordinary assumptions.

Based upon my examination and study of the property and the market in which it competes and subject to the limiting conditions contained later in this report, market value of the 'as is' Fee Simple Interest as of April 14, 2021, is as follows:

$60,000
Sixty Thousand Dollars

Novel Coronavirus (COVID-19)

The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah
is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
SUU Parking Lot
Approximately 223 S. 1025 W.
Cedar City, UT 84720

Prepared For
Mr. Marvin Dodge
Southern Utah University
351 W. University Blvd.
Cedar City, UT 84720

Prepared By
Hymas & Associates, LC
Cody Hymas, MAI
337 S. Main Street, Suite 122
Cedar City, UT 84720
File #:21CH157
Dear Mr. Dodge,

At your request, I have appraised the properties referenced above to form an opinion of the 'as is' market value of the Fee Simple Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on April 14, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is a SUU Parking Lot located at approximately 223 S. 1025 W. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel numbers B-1115-0018-0000 and B-1115-0024-0000. The subject of this appraisal report consists of two contiguous parcels that currently are being utilized as a parking lot. The subject site has a total site size of 0.33 acres, has a rectangular shape, and is generally level and near grade of adjoining streets and properties. The site is located at the southeast corner of 1025 West and Thunderbird Way. The site has asphalt paved access from a single curb cut along 1025 West. The site has 85’ of frontage along 1025 West and 125’ of frontage along Thunderbird Way. The site has soils that are assumed to be capable of supporting development, is located outside of the flood hazard zone, and has all utilities to the site. The site has average physical features and appears to be fully usable. As of the effective date of this appraisal report, the site is completely asphalt paved and currently used as a parking lot. As paid parking is atypical in the market with any income generated parking significantly lower than the value of the site as vacant, the highest and best use of the site is for multi-family residential development.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Marvin Dodge is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the sole intended users of the appraisal report. The intended use is to assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal report does not rely on any hypothetical conditions or extraordinary assumptions.

Based upon my examination and study of the property and the market in which it competes and subject to the limiting conditions contained later in this report, market value of the 'as is' Fee Simple Interest as of April 14, 2021, is as follows:
Novel Coronavirus (COVID-19)
The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
Leavitt 300 West Rental
107 S. 300 W.
Cedar City, UT 84720

Prepared For
Mr. Dane Leavitt
Leavitt Land and Investment
216 S. 200 W.
Cedar City, UT 84720

Prepared By
Hymas & Associates, LC
Cody Hymas, MAI
337 S. Main Street, Suite 122
Cedar City, UT 84720
File #:21CH154
Dear Mr. Leavitt,

At your request, I have appraised the property referenced above to form an opinion of the 'as is' market value of the Fee Simple Interest. I, Cody Hymas, MAI, observed the subject of this appraisal on April 1, 2021. The results of the appraisal are presented in the following Appraisal Report which sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to my value opinions.

The subject of this appraisal report is the Leavitt 300 West Rental located at 107 S. 300 W. in Cedar City, Iron County, Utah. The subject is further identified by assessor parcel number B-0596-0000-0000. The subject site is 0.32 acres in size, has a rectangular shape, and is generally level and near grade of adjoining streets and properties. The site has all utilities, an average view, and access from 300 West. The site appears to be fully usable and is located directly across the street from Southern Utah University. The site is improved with a single-family residence that is currently being used as a student rental property. The improvement was constructed in 1903, has two stories and a small sublevel storage, and consists of 2,623 square feet. The improvement has a poured concrete foundation and wood framed construction with brick and plaster exterior. The improvement has six bedrooms, four full bathrooms, and multiple common areas. The interior has painted drywall and bead board walls and painted drywall ceilings. The residence has mounted lighting fixtures and wall unit HVAC systems. The improvement appears to have an average quality and condition given the era of construction and age of the structure.

I developed my analyses, opinions, and conclusions and prepared this report in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation; the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute; and the requirements of my client as I understand them.

Mr. Dane Leavitt is the client in this assignment and Leavitt Group Enterprises, Leavitt Land and Investment, Dixie and Anne Leavitt Family Foundation, and Southern Utah University are the sole intended users of the appraisal report. The intended use is to assist with internal negotiations. The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.

This appraisal report does not rely on any hypothetical conditions or extraordinary assumptions.

Based upon my examination and study of the property and the market in which it competes and subject to the limiting conditions contained later in this report, market value of the 'as is' Fee Simple Interest as of April 1, 2021, is as follows:

$400,000
Four Hundred Thousand Dollars
Novel Coronavirus (COVID-19)
The outbreak of the Novel Coronavirus (COVID-19) declared by the World Health Organization as a global pandemic on March 11, 2020 is causing heightened uncertainty in local, national, and global markets. Many countries globally have implemented additional border control measures, strict travel restrictions, and a range of quarantine measures. The effect COVID-19 will have on the real estate markets in Southern Utah is currently unknown and will largely depend on the scale and longevity of the pandemic. Since limited market data is available since the onset of the pandemic, the impact on the real estate market remains relatively undetermined and uncertain. I have interviewed numerous real estate professionals, market participants, and developers in the area, as well as I have participated in several national webinars. Locally, most agree that the Novel Coronavirus has not negatively impacted the market, with exception of the hospitality and service industries which has been negatively impacted. Relying on my interviews with real estate professionals, market participants, and developers as well as any market data derived since March 11, 2020, the market in Southern Utah appears to be remaining rather stable currently, although the market is fluid and can act quickly and rational or irrational in the future. Given the uncertainty in the market, I highly recommend that you the client should be cautious when relying upon this valuation. I make every effort to provide the most recent market derived data, but the lack of data since the COVID-19 outbreak is a concern. Market derived data and conclusions are likely to change more rapidly now than during standard or typical market conditions and I recommend that you keep the valuation of this property under frequent review.

This letter of transmittal must be accompanied by all sections of this report as outlined in the Table of Contents, for the value opinions set forth above to be valid.

Respectfully submitted,
Hymas & Associates, LC

[Signature]
Cody Hymas, MAI
UT State Certified General Appraiser
UT #5504978-CG00 Expires April 30, 2022
May 20, 2021

2022-23 Capital Development Priority Guidelines

Board Policy R741, Nondedicated Capital Project Prioritization Process requires the Board to establish annual priority guidelines for state-funded capital prioritization at the beginning of the project request cycle. For the upcoming fiscal year (2022-23), the Board may prioritize up to three capital development projects for USHE technical colleges and up to three additional capital development projects for USHE degree-granting institutions. The following guidelines are proposed for the upcoming capital prioritization process:

- The Commissioner’s office will score institutional capital requests according to the quantitative factors defined in policies R741 and R743.
- Preliminary scores will be released to the institutions and the Board prior to the September Board meeting.
- Institutions requesting state funding consideration for a capital development project will present their project to the full Board on Thursday, September 16, 2021.
- Board members will score each presentation according to criteria identified in the attached guidelines and average scores will be added to the quantitative scores.
- The Board will take final action and approve a prioritized list of capital projects.

Commissioner’s Recommendation
The Commissioner recommends approval of the proposed guidelines for use by the Board and institutions during the upcoming capital development cycle.

Attachment
Capital Development Priority Guidelines for 2022-2023

Additional Board Points – In addition to the quantitative scoring defined in policies R741 and R743, the Board will award additional points for 2022-2023 capital development requests that align with the Board’s strategic priorities of access, completion, affordability, and workforce.

Each institution requesting state funding consideration for a capital development project will present the project to the full Board on Thursday, September 16, 2021. Each Board member will score the presentation according to the following criteria. Board member scores will be collected anonymously, aggregated and averaged to produce a score for each institutional project, and added to the quantitative scoring.

<table>
<thead>
<tr>
<th>Strategic Objective</th>
<th>Criteria</th>
<th>Possible Points</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access and Capacity</td>
<td>The project increases institutional capacity to serve growing student populations or will improve space utilization through the elimination of space and equipment that is functionally obsolete</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Completion</td>
<td>The project will improve timely completion of students graduating with degrees and certificates.</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Affordability</td>
<td>The project is cost effective and an efficient use of resources</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>Workforce</td>
<td>The project addresses an opportunity to enhance state or regional workforce needs.</td>
<td>5</td>
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May 20, 2021

Revision to Policy R741, *Nondedicated Capital Project Prioritization Process*

As part of the ongoing process to review and update Board policies, the Commissioner’s office recommends amendments to *Board Policy R741, Nondedicated Capital Project Prioritization Process* including:

- Updating references and definitions to reflect changes in statute
- Assigning responsibilities of the prior Capital Facilities Committee to the full Board
- Removing Board’s Priority Points as a required point category and allowing the Board the option to include additional criteria as needed
- Including technical colleges into the policy

A redline and clean version of the amended policy is included in the attachments.

**Commissioner’s Recommendation**


**Attachments**
R741, Nondedicated Capital Project Prioritization

Process

R741-1 Purpose: To provide the methodology and process for prioritization of systemwide, state-funded, nondedicated capital development project needs for presentation to the Governor and State Legislature for funding.

R741-2 References

2.1 Utah Code Title 53B Chapter 4, Section 402 (Establishment of board -- Powers, duties, and authority)

2.2 Utah Code Title 53B, Chapter2a, Section 117 (Technical Colleges – Capital Development)

2.3 Utah Code Title53B, Chapter22, Section 201 (Capital Developments)

2.4 Utah Code Chapter 53B, Chapter 20, Section 101 (Property of Institutions to Vest in State Board)

2.5 Utah Code Title 63A, Chapter 5b (State Building Board)

2.6 Board Policy R701, Capital Facilities

2.7 Board Policy R702, Non-State Funded Property

2.8 Board Policy R703, Acquisition of Real Property

2.9 Board Policy R706, Capital Facilities Master Planning

2.10 Board Policy R751, Institutional Facilities Space Utilization

R741-3 Definitions

3.1 Capital Development Project:

3.1.1 a remodeling or site or utility improvement project with a total cost of $3,500,000 or more;

3.1.2 a new facility with a construction cost of $500,000 or more; or

3.1.3 a purchase of real property if an appropriation is requested and made for the purchase.

3.2 Non-Appropriated Funds: Contributions such as donations to capital projects from sources other than appropriations of the State Legislature. Student fees are not considered non-appropriated funds for purposes of this policy.

3.3 State Funded Project: A capital development project submitted by an institution of Higher Education requiring appropriations of the State Legislature to fund the design, construction, and/or operations and maintenance.

3.4 Dedicated Project: a capital development project for which state funds from an institution’s formula allocation under Utah Code 53B-22-201 are requested or used.

3.5 Nondedicated Project: a capital development project for which state funds from a source other than an institution’s allocation under Utah Code 53B-22-201 are requested or used.

R741-4 Nondedicated Project Prioritization Process: The Board shall annually review and prioritize nondedicated projects submitted by USHE institutions. The annual nondedicated project prioritization process consists of five fundamental steps:

4.1 Step 1 – Establishment of Priority Guidelines: At the beginning of each year’s capital development project prioritization process, the Board shall adopt priority guidelines pertaining to the most pressing and critical capital needs for the Utah System of Higher Education not funded through dedicated projects. The guidelines may include criteria for subsequent Board prioritization and awarding of points.

4.2 Step 2 – Submission of Requests: Institutions submit their highest priority capital development needs to the Office of the Commissioner of Higher Education for evaluation. Each institution may submit up to one project per year and shall review the institution’s allocation for dedicated projects prior to deciding to submit a nondedicated project. Institutions may not submit project requests directly to the State Building Board or the State Legislature.
4.3 Step 3 – Quantitative Analysis and Scoring of Needs: The Office of the Commissioner reviews institutional state funded projects and assigns points for each project. Degree-granting institutional projects are scored in three areas described in subsections R741-5, R741-6, and R741-7: Needs Analysis, Facility Condition, and Utilization. Technical education projects are scored according to the factors established in subsection 5.2 of Policy R743, Process for Use of Dedicated Capital Project Funds.

4.4 Step 4 – Board Prioritization of Projects: The Board meets annually to review state funded projects and the quantitative scoring by the Office of the Commissioner. The Board may choose to award additional points based on criteria and processes established in the priority guidelines (step 1). The Board adopts or amends the scoring provided by the Commissioner’s Office and takes final action.

4.5 Step 5 – Board Submission of Prioritized Projects: The Board submits finalized priorities to the State Building Board, the Governor, and the State Legislature for further consideration and funding. State statute limits the number of building requests the Board may submit as follows:

4.5.1 1 Project if legislative funding for dedicated projects equals $100 million or more

4.5.2 2 Projects if legislative funding for dedicated projects is between $50 million and $100 million

4.5.3 3 Projects if legislative funding for dedicated projects equals less than $50 million

R741-5 Needs Analysis Points: Degree-granting institutions receive up to 50 points for the calculated need of a nondedicated project based on an institution’s existing space inventory (including projects approved for construction) and assignable square feet per FTE space standards. Assignable square feet per FTE space standards shall be based on industry best-practices and shall differentiate between institutional mission and institutional size measured by student FTE enrollment. Student FTE calculations shall exclude online and concurrent enrollment FTE. Institutions receive points for nondedicated projects where the institution has less assignable square feet per FTE than the space standards in a particular space category prorated for the percent of the project that space category occupies. Classroom and teaching laboratory space shall receive more weight than other space categories.

R741-6 Facility Condition Assessment Points: Facility condition assessment points apply to degree-granting projects designed to resolve issues that pose a disruption in daily operations or that pose serious life safety threats. These points can be awarded to projects designed to resolve issues where there is substantiated legal and/or life threatening liability; where facilities are threatened with immediate loss of
function due to natural disaster; where closure is imminent because of violations of legal/safety/other requirements; or similar circumstances. These Facility Condition Assessment points can be applied only under the following circumstances:

6.1 **Associated liability and imminent loss of function**: Points may be awarded where the institution has substantiated by documentation from a qualified engineer, fire marshal, attorney, or other qualified professional that completing the proposed project will resolve a very significant legal and/or health/life safety risk.

6.1.1 "Very significant" means "the realistic estimate of the liability exceeds the cost of the project," as determined by the Commissioner's Office with assistance from an external consultant or the Utah Division of Facilities Construction and Management, and funded by the submitting institution.

6.1.2 These points may also be awarded if there is a substantiation of the threatened, imminent loss of the function should the project not be authorized, as is the case when natural disasters have destroyed a particular academic building or code violations cause the structure to be closed. Points awarded range from zero to 15 per project based upon the severity of liability or loss of function as determined above.

6.2 **Non-functional Facilities**: Buildings that can no longer function for the purpose designed may be considered for “Facility Condition Points” as recommended by the Office of the Commissioner. Points may be awarded in instances where aging facilities do not pose a safety hazard but lack appropriate size, mechanical/electrical capacity or technology upgrades to accommodate modern instructional resources. The Commissioner’s Office should award points in this category only in exceptional circumstances and should strongly consider the impact of institutional actions that led to the existing condition. Points awarded range from zero to 15 per project based on the severity of liability or loss of function as determined above.

6.3 **Maximum Points**: An institution may receive a maximum of 15 Points awarded under both 6.1 and 6.2, and those points are then adjusted proportionate to size of the deficient buildings relative to the total square footage of the requested facility.

**R741-7 Utilization Points**: Degree-granting institutions receive up to 15 points for the utilization of classroom facilities on main campuses during the Fall semester as reported in the annual USHE Utilization Report required by R751, *Institutional Facilities Space Utilization*. Points are assigned as follows:

7.1 **Weekly Room Utilization Rate (RUR)** – An institution receives 10 points if it meets or exceeds the RUR standard set by the Board in R751 for Fall semester main campus classrooms.
Institutions not meeting the adopted Board standard receive a proportionate share of the 10 points based on the reported RUR score.

7.2 Seat Occupancy Rate (SOR) – An institution receives 5 points if it meets or exceeds the SOR standard set by the Board in R751 for Fall semester main campus classrooms. Institutions not meeting the adopted Board standard receive a proportionate share of the 5 points based on the reported SOR score.

R741-8 Major Infrastructure Points: The Office of the Commissioner, in consultation with the Division of Facilities Construction and Management, may award points for major infrastructure projects that address critical life safety, fire and seismic deficiencies and the need to preserve and repair critical infrastructure such as utilities. Such projects do not receive Needs Analysis, Utilization, or Facility Condition points. Up to 60 points can be applied based on the degree of severity of need as follows:

8.1 Imminent Non-functionality: Where circumstances exist that pose imminent non-functionality threats to the campus, points in the range of 41-60 can be assigned. To be considered for this level of support the project must be the institution’s top priority.

8.2 Operational but Seriously Deficient: Infrastructure in this condition can qualify for points in the range of 21-40.

8.3 Operational but Deficient: Infrastructure in this condition can qualify for points in the range of 1-20.

R741.9 Final Priority Ranking: The Board recommends projects for funding in the resulting rank order, with the project having the highest point total being the highest-ranked project.

R741.10 Operation and Maintenance Costs (O & M): The estimated O & M costs for each facility and the source of funding those costs will be listed for each facility on the priority list and will be approved by the Board as part of the approval process for construction or acquisition of each facility. In prioritizing nondedicated projects, the Board will consider the magnitude of future O & M obligations and the potential impact of approval on other components of the operating budget.

R741.11 Projects Funded from Non-State Appropriated Funds: Proposals from institutions for approval of capital development projects to be financed by non-state appropriated funds are subject to the approval process outlined in Policy R702, Non-State Funded Projects.

R741.12 Land Bank Acquisition Requests: Requests for purchase of land from funds to be appropriated by the state Legislature for future use of an institution must be reviewed and approved by the Board. In reviewing such requests, the Board shall use the guidelines in Policy R703, Acquisition of
Real Property and shall ensure that the request is consistent with the institutional master plan (see Policy R706, Capital Facilities Planning).
R741, Nondedicated Capital Project Prioritization

Process

**R741-1 Purpose:** To provide the methodology and process for prioritization of systemwide, state-funded, nondedicated capital development project needs for presentation to the Governor and State Legislature for funding.

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2.1 Utah Code Title 53B Chapter 4, Section 402 (Establishment of board -- Powers, duties, and authority)

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2.3 Utah Code Title 53B, Chapter 22, Section 201 (Capital Developments)

2.4 Utah Code Chapter 53B, Chapter 20, Section 101 (Property of Institutions to Vest in State Board)

2.5 Utah Code Title 63A, Chapter 5b (State Building Board)

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R741.12 Land Bank Acquisition Requests: Requests for purchase of land from funds to be appropriated by the state Legislature for future use of an institution must be reviewed and approved by the Board. In reviewing such requests, the Board shall use the guidelines in Policy R703, Acquisition of
Real Property and shall ensure that the request is consistent with the institutional master plan (see Policy R706, Capital Facilities Planning).
Revision to Policy R567, Internal Audit Program

Degree-granting institution internal auditors regularly identify information systems risks among their institutions. Though information systems risks remain prevalent at each degree-granting institution, the institutions do not always evaluate these risks through internal audits.

The proposed revisions to Board Policy R567, Internal Audit Program, would require degree-granting institution internal auditors to “conduct regular information systems audits to ensure adequate controls exist to promote the integrity of data security, access, and governance.” Beginning in fiscal year 2022, the Commissioner’s office will employ a shared information systems auditor to assist institution internal audit offices that do not have adequate resources to conduct information systems audits.

Commissioner’s Recommendation

The Commissioner recommends the Board adopt the proposed changes to Policy R567, Internal Audit Program, effective immediately.

Attachments
R567, Internal Audit Program

R567-1 Purpose: To establish policies and standards for internal audit departments within the Utah System of Higher Education (USHE).

R567-2 References

2.1 Utah Code Title 53B, Chapter 6, Section 102 (Standardized Systems Prescribed by the Board)
2.2 Utah Code Title 53B, Chapter 7, Section 101 (Financial Affairs Under the General Supervision of the Board)
2.3 Utah Code Title 53B, Chapter 5 (Utah Internal Audit Act)
2.4 Board Policy R565, Audit Committees
2.5 Board Policy R120-3:3:2.7, Bylaws of the Board of Higher Education
2.6 Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing (IIA Standards)

R567-3 Definitions

3.1 Audit Charter: “The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval. The audit charter should grant appropriate access to data, information, records, and personnel needed to fulfill the internal audit activity’s purpose and responsibilities.

3.2 Institution Audit Committee: Institution audit committees provide functional oversight of the internal audit activities, as described in the Internal Audit Act, and in accordance with IIA Standards. The Board of Higher Education shall appoint institution audit committees members in adherence to the Utah Internal Audit Act and R565, Audit Committees.

3.3 Internal Auditing: An independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

1 Draft: March 25, 2021
3.4 **Institution Internal Audit Activity:** Any activity administered by the institution’s internal auditing organization. Each institution’s audit committee shall establish an audit charter, granting the internal audit unit authority to engage in audit activities.

3.5 **Board of Higher Education Audit Director:** The audit director reports functionally to the Higher Education Audit Committee and administratively to the Associate Commissioner for Finance, Facilities, and Research within the Office of the Commissioner. The audit director provides audit support to the Board of Higher Education and to institution audit activities.

**R567-4 Policy**

4.1 **General Standards:** Internal audit activities shall comply with IIA Standards. Other professional standards (such as “Generally Accepted Auditing Standards” disseminated by the American Institute of Certified Public Accountants, or Government Auditing Standards published by the Comptroller General of the United States) may also apply to particular audit assignments, as determined by the institution’s audit committee or the Board of Higher Education.

4.2 **Internal Audit Activities Required at All Institutions:** The State Board of Higher Education requires each USHE institution to maintain an internal audit activity plan.

4.3 **Internal Audit Activity Independence and Objectivity:** Internal audit activities shall remain independent and objective. Institutions and internal auditors may foster independence by adhering to applicable standards, including:

4.3.1 **Organizational Independence:** Each institution should maintain organizational independence by establishing functional and administrative reporting relationships consistent with IIA Standards 1110 and 1111.

4.3.2 **Internal Audit Activity Objectivity:** Internal auditors shall adhere to standards of independence and objectivity outlined in IIA Standards 1100 and 1120.

4.3.3 **Independence Impairment Disclosure:** Internal auditors shall properly disclose impairments to independence, as required in IIA Standard 1130.

4.3.4 **Role in Institution Operations:** System and institution internal auditors shall not participate in institution management or operational responsibilities that would impair independence.
4.4 **Institution Audits:** In addition to audits required by policy, institution internal auditors shall conduct risk-based audits for their institutions, as assigned by the institution audit committee. Institution presidents and executive cabinet may also request audit activities.

4.5 **Required Audits:** Institution internal auditors shall annually conduct the following audits:

4.5.1 **Presidential Travel** (in accordance with R212-1.2)

4.5.2 **Institutional Investments** (in accordance with R541-11)

4.5.3 **Auxiliary Enterprises** (in accordance with R550-7.3)

4.5.4 **Information Systems Audits:** Each degree granting institution shall conduct regular information systems audits to ensure adequate controls exist to promote the integrity of data security, access, and governance. The audit committee for each degree granting institution also shall prioritize regular information systems audits on auditable risks identified in their institution’s annual risk assessment.

4.6 **Institution Risk Assessment:** Internal auditors shall participate in institution risk assessments at least annually and report the results to the institution audit committee. Institution risks may include financial, operational, efficiency, fraud, compliance, internal control, information systems, data loss, reputation and political.

4.7 **Institution Audit Communication:** Upon completion of internal audit activities, institution auditors shall communicate the results to the institution audit committee.

4.8 **Communication with Institution Management:** The chief audit executive shall meet with the institution president at least annually to review completed audits, institution responses, and other pertinent issues.

4.9 **Audit Committee Responsibilities:** The audit committee shall adhere to responsibilities established in the *Utah Internal Audit Act* and R565, Audit Committees.

4.10 **Coordination of System-Wide Audits:** Under the direction of the Board of Higher Education Audit Subcommittee, the Commissioner of Higher Education and institution presidents shall coordinate assignments to conduct system-wide internal audits.

4.11 **Special Audits Directed by the Commissioner:** Under the direction of the Board of Higher Education Audit Subcommittee, the Commissioner may schedule and conduct an audit at
an institution, separately or in cooperation with a resident chief audit executive. (See Board of Higher Education Bylaw R120-3.3.2.7.)

4.12 Audit Notification: The institution’s vice president of finance or chief audit executive shall promptly notify the Board of Higher Education audit director regarding apparent fraud or misconduct with any of the following attributes:

4.12.1 significant embezzlement, theft, or other fraud;

4.12.2 concerns that may damage an institution’s reputation;

4.12.3 apparent misuse of institutional resources of at least $25,000;

4.12.4 issues that may be covered by the media; or

4.12.5 any other issue that requires attention from the Board of Higher Education or the Commissioner.
R567, Internal Audit Program

R567-1 Purpose: To establish policies and standards for internal audit departments within the Utah System of Higher Education (USHE).

R567-2 References

2.1 Utah Code Title 53B, Chapter 6, Section 102 (Standardized Systems Prescribed by the Board)
2.2 Utah Code Title 53B, Chapter 7, Section 101 (Financial Affairs Under the General Supervision of the Board)
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2.6 Institute of Internal Auditors, International Standards for the Professional Practice of Internal Auditing (IIA Standards)

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3.1 Audit Charter: “The purpose, authority, and responsibility of the internal audit activity must be formally defined in an internal audit charter, consistent with the Definition of Internal Auditing, the Code of Ethics, and the Standards. The chief audit executive must periodically review the internal audit charter and present it to senior management and the board for approval.” The audit charter should grant appropriate access to data, information, records, and personnel needed to fulfill the internal audit activity’s purpose and responsibilities.

3.2 Institution Audit Committee: Institution audit committees provide functional oversight of the internal audit activities, as described in the Internal Audit Act, and in accordance with IIA Standards. The Board of Higher Education shall appoint institution audit committees members in adherence to the Utah Internal Audit Act and R565, Audit Committees.

3.3 Internal Auditing: An independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its

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IIA Standards, 1000: Purpose, Authority, and Responsibility.

See Utah Code 63I-5-301(3).

IIA Standard 1110.
objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

3.4 **Institution Internal Audit Activity:** Any activity administered by the institution’s internal auditing organization. Each institution’s audit committee shall establish an audit charter, granting the internal audit unit authority to engage in audit activities.

3.5 **Board of Higher Education Audit Director:** The audit director reports functionally to the Higher Education Audit Committee and administratively to the Associate Commissioner for Finance, Facilities, and Research within the Office of the Commissioner. The audit director provides audit support to the Board of Higher Education and to institution audit activities.

R567-4 Policy

4.1 **General Standards:** Internal audit activities shall comply with IIA Standards. Other professional standards (such as “Generally Accepted Auditing Standards” disseminated by the American Institute of Certified Public Accountants, or Government Auditing Standards published by the Comptroller General of the United States) may also apply to particular audit assignments, as determined by the institution’s audit committee or the Board of Higher Education.

4.2 **Internal Audit Activities Required at All Institutions:** The State Board of Higher Education requires each USHE institution to maintain an internal audit activity plan.

4.3 **Internal Audit Activity Independence and Objectivity:** Internal audit activities shall remain independent and objective. Institutions and internal auditors may foster independence by adhering to applicable standards, including:

4.3.1 **Organizational Independence:** Each institution should maintain organizational independence by establishing functional and administrative reporting relationships consistent with IIA Standards 1110 and 1111.

4.3.2 **Internal Audit Activity Objectivity:** Internal auditors shall adhere to standards of independence and objectivity outlined in IIA Standards 1100 and 1120.

4.3.3 **Independence Impairment Disclosure:** Internal auditors shall properly disclose impairments to independence, as required in IIA Standard 1130.

4.3.4 **Role in Institution Operations:** System and institution internal auditors shall not participate in institution management or operational responsibilities that would impair independence.
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- **4.5.2 Institutional Investments** (in accordance with R541-11)
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- **4.5.4 Information Systems Audits:** Each degree granting institution shall conduct regular information systems audits to ensure adequate controls exist to promote the integrity of data security, access, and governance. The audit committee for each degree granting institution also shall prioritize regular information systems audits on auditable risks identified in their institution’s annual risk assessment.

4.6 **Institution Risk Assessment:** Internal auditors shall participate in institution risk assessments at least annually and report the results to the institution audit committee. Institution risks may include financial, operational, efficiency, fraud, compliance, internal control, information systems, data loss, reputation and political.

4.7 **Institution Audit Communication:** Upon completion of internal audit activities, institution auditors shall communicate the results to the institution audit committee.

4.8 **Communication with Institution Management:** The chief audit executive shall meet with the institution president at least annually to review completed audits, institution responses, and other pertinent issues.

4.9 **Audit Committee Responsibilities:** The audit committee shall adhere to responsibilities established in the *Utah Internal Audit Act* and R565, Audit Committees.

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4.11 **Special Audits Directed by the Commissioner:** Under the direction of the Board of Higher Education Audit Subcommittee, the Commissioner may schedule and conduct an audit at
an institution, separately or in cooperation with a resident chief audit executive. (See Board of Higher Education Bylaw R120-3.3.2.7.)

4.12 Audit Notification: The institution’s vice president of finance or chief audit executive shall promptly notify the Board of Higher Education audit director regarding apparent fraud or misconduct with any of the following attributes:

4.12.1 significant embezzlement, theft, or other fraud;

4.12.2 concerns that may damage an institution’s reputation;

4.12.3 apparent misuse of institutional resources of at least $25,000;

4.12.4 issues that may be covered by the media; or

4.12.5 any other issue that requires attention from the Board of Higher Education or the Commissioner.
May 20, 2021

Adoption of Policy R517, Course and Program Fees

The purpose of this new policy is to establish the process for establishing, reviewing, revising, and repealing course and program fees in the Utah System of Higher Education.

Policy sections include requirements and guidance for:

- Statement on affordability
- General principles
- Delegation of authority to institutional boards of trustees
- Institutional policy and procedures
- Course and program fee committee
- Sunset of course fees
- Student notification
- Assessing and allocating
- Periodic audit reviews

Policy input and review was provided by institutional finance officers, audit groups, and Commissioner staff. This policy replaces the current technical college policy 204, Tuition and Fees section 8, and adds additional guidance to USHE Tuition and Fee policies R510, Tuition and R516, General Student Fees.

Commissioner’s Recommendation

The Commissioner recommends the Board adopt Policy R517, Course and Program Fees, effective immediately and revise technical college policy 204 to remove section 8.

Attachments
R517, Course and Program Fees

R517-1 Purpose: To establish the process for establishing, reviewing, revising, and repealing course and program fees for institutions in the Utah System of Higher Education.

R517-2. References

2.1 Utah Code Title 53B Chapter 1 (Governance, Powers, Rights, and Responsibilities)

R517-3. Definitions

3.1. Course Fees: Fees established to cover allowable costs of a particular course not covered by tuition.

3.2. Program Fees: Fees established to cover allowable costs of a particular program of study not covered by tuition.

R517-4. Affordability in the Utah System of Higher Education: The Utah Board of Higher Education has established affordability as a strategic priority. To support that priority, institutions and boards of trustees should consider the impact course fees and program fees have on the cost of attendance.

R517-5. General Principles: In addition to Board-approved tuition and general student fees, institutions may assess course-based and program-based fees established in accordance with this policy. This policy does not apply to courses or programs that do not charge Board-approved tuition such as continuing education or self-supporting courses.

Course fees and program fees may be instituted to cover direct costs essential to the educational outcomes for specific course or program offerings, and often include materials that cannot be purchased by individual students or for which bulk purchases reduce the cost to students. Such direct costs include course materials, chemicals, tooling, uniforms, laundry, testing, off-site instructional activities, supplies used in instruction; instructional equipment; student licensure and certifications; maintenance of laboratory equipment, computer software, subscriptions or transportation in which the entire class participates.

5.1. Course and program fees should cover only the specific costs associated with the particular course or program.

1 Adopted: May 21, 2021
5.2. Institutions may not charge course or program fees for costs that are incurred across all programs or courses.

5.3. Course and program fees should recover costs when no other dedicated funds are available for that purpose.

5.4. Institutions should set course and program fees based on the cost of the activity or service for which the fee is levied.

5.5. Institutions may use course and program fees only to support the activity or service for which the fee is being charged.

5.6. Institutions shall track and account course and program fees in such a way that the proper use of revenue can be evaluated or audited.

5.7. With the exception of equipment replaced on a rotating schedule, course and program fees shall be used each academic period for the benefit of the students who paid the fees.

5.8. Course and program fees at degree granting institutions shall not be used to pay instructional services rendered by faculty, staff, and teaching assistants. Exceptions may include special instructional arrangements such as private music, aviation, clinical, and tutors.

5.9. Course and program fees should not be used to pay for materials that can be purchased directly by students through campus stores or other approved institutional entities.

Exceptions to these general principles shall be documented by the institution and reviewed periodically by the institution’s course and program fee committee.

R517-6. Delegation of Authority to Establish Course Fees: The Board delegates to the boards of trustees the responsibility to review, approve, adjust, and repeal course fees and program fees.
**R517-7. Institutional Policy:** Each institution shall develop a course and program fee policy and procedure to govern the institution’s processes for establishing, reviewing, revising, and repealing course fees and program fees. The institutional policy shall include the following elements:

7.1. **Institution Course and Program Fee Committee:** Each institution shall establish a course and program fee committee, which shall oversee the establishing, revising, maintaining, or repealing course and program fees.

- **7.1.1. Appointment and Procedures of the Committee:** Each institution will adopt policies and procedures for appointing members of the course and program fee committee and for the operation of the committee consistent with this policy.

- **7.1.2. Student participation in the Committee:** Institutions shall invite student participation in the course and program fee committee.

- **7.1.3. Duties of Committee:** The course and program fee committee shall ensure that course fees and program fees are justifiable, reasonable, and necessary for the specific course or program for which they are proposed.

  - **7.1.3.1.** The institutional course and program fee committees shall review all proposals to establish new course and program fees to ensure the proposals meet the general principles of this policy and are supported by a demonstrated need, a clear statement describing the purpose of the fee, and a sound budget plan. If the committee determines the proposed fee meets these criteria, it may forward the proposal to the board of trustees. The board of trustees shall review the proposed fee in accordance with the criteria in this policy and the institution’s program and course fee policy and, if satisfied, may approve the new fee.

  - **7.1.3.2.** Institutional course and program fee committees shall review all proposed course and program fee revisions with their associated revised budget plans and evaluate the rationale for the proposed change.

  - **7.1.3.3.** Each institution’s course and program fee committee shall review each course and program fee at least once every three years to ensure the fee still meets established objectives. As part of this review, the committees shall review
fund balances for particular fees and ensure that the funds generated are used for their approved purpose.

7.2. Sunset of Course Fees: Course fees and program fees shall be repealed after a period prescribed by the institution’s policy if not reviewed and renewed by the course and program fee committee.

7.3. Notice to Students: Institutions shall include information about approved course and program fees in each academic term’s schedule available to students prior to registration. Any changes to course and program fees must be approved and published in the schedule for the academic term in which the change shall be effective. Only course and program fees included in the schedule shall be assessed for the academic term.

7.4. Assessing Fees: Institutions shall assess course and program fees subject to the same billing, refund, and collections process as tuition and shall be accounted for through institutional-authorized student and financial systems.

7.5. Allocating Fees: Institutional course and program fees shall be allocated for the approved purpose and accounted for within the institution’s financial system in a manner to facilitate audit verification.

7.6. Board of Trustees Oversight and Review: The institution’s board of trustees shall at least annually review the recommendations of the institution’s course and program fee committee for requests to establish, revise, or repeal course and program fees.

R517-8. Periodic Audit Review: Institutional or system internal auditors shall periodically review a sample of the institutions’ course and program fees for compliance with this policy.
Tech 204, Tuition and Fees

204.1 Purpose: To establish policies for setting tuition and fees to be charged to students attending USHE technical colleges.

204.2 Approval


R517-3 References

UCA 53B-2a-106, Technical Colleges — Duties

UCA 53B-2a-104, Utah Board of Higher Education — Powers and Duties

UCA 53A-15-301, Education Programs for Students with Disabilities

UCA 53B-9-101(2), Higher Education for Senior Citizens

Utah Administrative Code R277-419-4, Pupil Accounting

Utah Administrative Code R277-705, Secondary School Completion and Diplomas

Policy 200, Program/Course Approval and Reporting

Policy 205, Student Enrollment and Outcome Reporting

204.4 Definitions

4.1 Senior Citizen: Utah residents age 62 and over.

4.2 Audit: No record of competencies is posted to the student’s transcript.

204.5 Secondary Tuition
5.1 As prescribed in UCA 53B-2a-106(1)(b)(ii), no tuition is assessed to a secondary student documented according to Policy 205.5.1.1 who is formally scheduled in an approved program (200.4.1) or course (200.4.2).

5.2 A secondary student shall not be charged tuition at a USHE technical college, regardless of the day or time of the course or program, through the date that he or she no longer qualifies as a secondary student. Effective on that date, the student shall be considered a postsecondary student and shall be charged the college’s regular tuition rate. For a student whose secondary status changes while enrolled in a defined-length course (201.6.2), the student shall be allowed to complete the course without paying tuition for the remainder of the course.

5.3 A referral of a student by a public or private high school shall constitute sufficient documentation of secondary student status for tuition purposes. In the absence of a high school referral, a college shall require evidence that the student qualifies under Policy 205.5.1.1. Colleges shall not require but will encourage and facilitate referral of secondary students through public school districts.

204.6 Postsecondary Tuition

6.1 Postsecondary Tuition: Low cost tuition, as prescribed in UCA 53B-2a-106(1)(b)(i) and as approved by the Board of Higher Education, shall be assessed to postsecondary students formally scheduled in a program (200.4.1) or course (200.4.2).

6.2 Tuition Hearings: Each USHE technical college shall hold a meeting to receive public input and response on any proposed tuition increases. These meetings shall follow the requirements of UCA 53B-7-101.5.

6.3 Fiscal Year Effective Date: Tuition rates shall be effective for all coursework beginning July 1 of the fiscal year for which the rates are approved. Tuition for a defined-length course (201.7.2) shall be calculated and assessed for the complete course at the approved rate for the fiscal year in which the course begins, regardless of whether the final portion of the course occurs in the following year for which a different tuition rate is approved.

6.4 Differential Tuition: Based on extraordinary circumstances, a college board of directors may request that the Board of Higher Education approve a differential tuition rate for a specific course or program. Approved differential tuition rates shall expire on June 30 of each year. A new
request and approval of the Board of Higher Education is required to continue differential tuition rates past June 30 of each year.

6.5 Residency Classification: Because USHE career and technical education and basic instruction classes are short-term and non-credit, colleges are not required to determine students’ state residency classification.

204.7 Senior Citizen Tuition

7.1 Senior Citizen Audit Waivers: Senior citizens shall be permitted to enroll on an audit basis in courses or classes, at any USHE technical college, without payment of regular tuition, subject to the following:

7.1.1 Enrollment shall be on a space available basis, as determined by the college, after all students on the course waiting list (excluding programs) have been accommodated. Senior citizens seeking audit waivers shall not be permitted to place their names on course waiting lists.

7.1.2 A minimum administrative fee, as determined by the college, shall be charged to cover the cost of registration, record keeping, and reporting.

7.1.3 All applicable fees shall be charged, as determined by the college.

7.2 Payment of Tuition for Certificates: To receive a program certificate (200.4.3) from any course or program in which he or she is enrolled, a senior citizen shall be required to pay full tuition.

7.3 Senior Citizen Enrollment Reporting: Senior citizens participating through the audit waiver policy shall be enrolled as senior citizens (205.5.4).

204.8 Fees

8.1 Approval and Assessment of Fees: Fees, as approved by the college board of directors, may be assessed to secondary and postsecondary students and to senior citizens formally enrolled in an approved course or program.
8.2 Notification to Secondary Education Providers: By March 31 of each year, or a later date if agreed to by the district superintendent or charter school or private school chief executive officer and the college president, each USHE technical college shall provide written notification of the approved secondary student fee schedule to all secondary education providers in the geographic area served by the college, and to the Commissioner of Higher Education. The notification shall be provided in the following manner:

8.2.1 The technical college president shall provide written notification of the approved fee schedule and a list of required text and workbooks to each school district superintendent, to the chief administrative officers of charter/private schools, and to all other secondary education providers in the geographic area served by the college, and to the Commissioner.

8.2.2 Each local school district representative on the technical college board of directors shall provide written notification of the approved fee schedule and a list of required text and workbooks to the Board of Education president for the district he or she represents.

8.2.3 If any new programs are added by the college after March 31 of each year, for which a fee and/or text and workbooks have been approved, notification of the approved fee and required text and workbooks shall be provided in the manner described in 8.2.1 and 8.2.2 above.

8.3 Fee Waivers

8.3.1 If a secondary student is fee waiver-eligible, as determined by the local school district or charter school, a USHE technical college shall waive the eligible fees for that student.

8.3.2 Reimbursement for fee waiver-eligible students’ fees may be negotiated between individual USHE technical colleges and local districts and charter schools.

204.9 Refunds

All USHE technical colleges shall have a tuition and fees refund policy which meets, at a minimum, Council on Occupational Education requirements.
Adoption of Policy R743, Process for Use of Dedicated Capital Project Funds

During the 2019 Session, the Legislature passed S.B. 102, Higher Education Capital Facilities which created a new process for funding USHE capital facilities projects. For degree-granting institutions, the legislation requires the Board to allocate appropriations to the institutions based on a funding formula comprised of six factors. For technical education institutions, the legislation requires the Board to prioritize capital projects based on institutional need. The legislation requires the Board to establish procedures for the use of appropriated “dedicated capital project funds,” which procedures are defined in Policy R743. The funding formula for degree-granting institutions is currently defined in Policy R742, Dedicated Capital Project Allocation Formula.

Policy R743 creates a five-step process for degree-granting institutions to access and use dedicated capital project funds: 1. allocation of funds, 2. capital programming and cost estimation, 3. submission of requests, 4. Board review and authorization of projects, and 5. Board submission of authorized projects to the Legislature. The policy further creates a four-step process for the Board to prioritize technical college requests to use dedicated capital project funds: 1. submission of requests, 2. Board review and scoring of projects, 3. Board prioritization of projects, and 4. Board submission of authorized projects to the legislature. The Committee was asked to review and discuss this policy as part of the capital prioritization process for FY 2021-22 and is now requesting the Board adopt Policy R743.

Commissioner’s Recommendation
The Commissioner recommends the Board adopt Policy R743, Process for Use of Dedicated Capital Project Funds, effective immediately.

Attachment
R743, Process for Use of Dedicated Capital Project Funds

R743-1 Purpose: To provide the methodology and process for the use of funds appropriated by the State Legislature for dedicated capital projects.

R743-2 References

2.1 Utah Code Title 53B, Chapter 2a, Section 117 (Technical Colleges – Capital Development)
2.2 Utah Code Title 53B, Chapter 22, Section 201 (Capital Developments)
2.3 Utah Code Title 63A, Chapter 5b (State Building Board)
2.4 Board Policy R701, Capital Facilities
2.5 Board Policy R706, Capital Facilities Planning
2.6 Board Policy R742, Dedicated Capital Project Allocation Formula
2.7 Board Policy R751, Institutional Facilities Space Utilization

R743-3 Definitions

3.1 Capital Development Project:

3.1.1 A remodeling or site or utility improvement project with a total cost of $3,500,000 or more;

3.1.2 a new facility with a construction cost of $500,000 or more; or

3.1.3 a purchase of real property if an appropriation is requested and made for the purchase.

3.2 Dedicated Project: A institution’s capital development project funded by the institution’s allocation under Utah Code 53B-22-201 or from the Board’s prioritization of dedicated funds under Utah Code 53B-2a-117.

3.3 Capital Projects Fund: A capital project restricted fund created by 53B-22-202 and 53B-2a-118 to receive appropriations for USHE dedicated projects.

3.4 Capital Program: The services to define the scope and purpose of a proposed capital project as defined in 63A-5b-502.

1 Adopted May 21, 2021
R743-4 Dedicated Project Prioritization Process for Degree-Granting Institutions: The Board shall annually review and authorize dedicated projects submitted by USHE institutions. The annual dedicated project prioritization process consists of five steps:

4.1 Step 1 — Allocation of Funds: By June 30 of each year, the Board shall allocate funds appropriated by the State Legislature for dedicated projects as outlined in Board Policy R742, Dedicated Capital Project Allocation Formula. The Board shall submit the allocation to the State of Utah Division of Finance to track individual institutional allocations within the Higher Education Capital Projects Fund.

4.2 Step 2 — Capital Programming and Cost Estimation: Before a dedicated capital project may be submitted for Board and legislative consideration, institutions shall create a capital program for the facility to define the scope and purpose of the facility. In collaboration with the Department of Facilities Construction and Maintenance (DFCM), the institution shall use the program to create a realistic construction budget estimate (CBE) for the project.

4.3 Step 3 — Submission of Requests: Institutions shall submit capital development requests for funding from dedicated project allocations to the Board for evaluation based on procedures developed annually by the Office of the Commissioner, including a submission of the capital program and the construction budget estimate. Each institution may submit one or more projects. Project costs for the combined total of all submitted projects must be less than or equal to the institutional balance in the Higher Education Capital Projects Fund after the annual Board allocation. Institutions may not submit projects to the State Building Board or the State Legislature without prior Board approval.

4.4 Step 4 — Board Review and Authorization of Projects: The Board annually reviews dedicated project requests and votes to authorize or deny the project. The review shall include three statutory requirements:

4.4.1 Cost-Effective and Efficient Use of Resources

4.4.1.1 Institutions shall submit a detailed capital program and a capital budget estimate reviewed by DFCM. Institutions shall also describe to the Board how the project prudently and economically uses state and institutional resources.

4.4.1.2 With the assistance of DFCM and using the DFCM cost database, institutions shall compare the costs of the proposed facility with projects of like size and function and justify significant differences in comparable costs.
4.4.1.3 Institutions shall provide the total cost of ownership for the proposed facility, including the annual cost of operation and maintenance, the total cost of operation and maintenance over the useful life of the facility, and the total cost of capital improvements over the estimated life of the facility, and describe the funding sources to pay those costs.

4.4.2 Consistent with Institutional Role, Mission and Master Plan

4.4.2.1 Institutions shall demonstrate how the proposed facility will meet institutional needs and is consistent with the institution’s role and mission.

4.4.2.2 Institutions shall demonstrate how the proposed facility aligns with the institutional master plan and the 5-year plan required by Board Policy R706.

4.4.3 Fulfillment of a Critical Institutional Facility Need

4.4.3.1 Institutions shall demonstrate the need for the facility by providing quantifiable evidence, which may include measures of program growth, enrollment, facility obsolescence, etc.

4.4.3.2 Institutions shall provide current facility utilization measures and describe how the project will improve institutional space utilization, including how the institution will measure and report its improved utilization to the Board.

4.4.3.3 Institutions shall provide current deferred maintenance information, including the dollar amount of institutional deferred maintenance and a description of how the project will affect deferred maintenance.

4.5 Step 5 – Board Submission of Authorized of Projects: The Board shall submit its authorized dedicated projects to the State Building Board and the Governor for review and recommendation and to the State Legislature for further consideration and authorization to use allocated funds in the Higher Education Capital Projects Funds. Institutions may not spend allocated funds unless affirmatively authorized by the State Legislature and funded by the State Legislature for operation and maintenance.

R743-5 Dedicated Project Prioritization Process for Technical Colleges: The Board shall annually review, prioritize, and authorize dedicated projects submitted by USHE technical colleges. The annual dedicated project prioritization process consists of four steps:

5.1 Step 1 – Submission of Requests: Technical colleges submit capital development requests for funding from the Higher Education Capital Projects Fund to the Board based on procedures developed annually by the Office of the Commissioner. Each technical college may
submit no more than one project, but the project may request funding over several years. Institutions may not submit projects to the State Building Board or the State Legislature without prior Board approval. Requests must include the following information:

5.1.1 A detailed capital budget estimate reviewed by DFCM. Institutions shall also describe to the Board how the project prudently and economically uses state and institutional resources.

5.1.2 A demonstration of the need for the facility by providing quantifiable evidence, which may include measures of program growth, enrollment, facility obsolescence, etc.

5.1.3 Current facility utilization measures and a description of how the project will improve institutional space utilization, including how the improved utilization will be measured and reported to the Board.

5.1.4 The total cost of ownership for the proposed facility, including the annual cost of operation and maintenance, the total cost of operation and maintenance over the useful life of the facility, and the total cost of capital improvements over the estimated life of the facility.

5.1.5 How the proposed facility aligns with the institutional role, mission, master plan and the 5-year plan required by Board Policy R706.

5.2 Step 2 — Board Review and Scoring of Projects: The Board annually reviews dedicated project requests to prioritize funding in the Higher Education Capital Projects Fund for technical education projects. The scoring process assigns weighted points from five statutorily required factors. Each year, prior to the review, the Board shall establish the weights for the following factors considered in the scoring:

5.2.1 Growth and Capacity: The Board awards up to ten points to projects based on the gap between the calculated space need and an institution’s current inventory of space. An institution’s calculated space need shall be determined by multiplying an assignable square-foot per FTE standard by the projected number of FTE students (excluding online and concurrent enrollment students not using institutional facilities), faculty, or staff as appropriate for each category of space reported in the most recent USHE Space Inventory. The Board also awards up to ten additional points for space utilization (as reported in the most recent annual space utilization submission) that exceeds USHE standards set in Board Policy R751. Twenty points are possible.

5.2.2 Effectiveness and Support of Critical Programs: The Board awards points based on a qualitative review of each project’s support of institutional program needs. Institutions shall submit information relating to the programs that will be housed in the proposed facility,
including current enrollments, workforce demand, projected enrollments, and current capacity. Ten points are possible.

5.2.3 **Cost-Effectiveness:** The Board awards points for cost-effective projects as measured by the DFCM cost database. Ten points are possible.

5.2.4 **Building Deficiencies and Life Safety Concerns:** The Board awards points to projects that replace existing facility deficiencies identified by third-party facility condition assessments or DFCM in the following four areas: life or fire-safety, structural or seismic, electrical, and mechanical. A project receives a point for each five percent of a seismic/structural or life/fire safety deficiency (up to three points) and half a point for each five percent of electrical and mechanical deficiencies (up to two points) calculated as a percentage of the current replacement value of the building as insured by the Division of Risk Management. The points are then multiplied by the percentage of the project that includes renovated or demolished square feet. Ten points are possible.

5.2.5 **Alternative Funding Sources:** The Board awards points based on evidence that non-appropriated funds are in-hand or have been committed to the institution for use toward the project’s costs. Non-appropriated funds shall not create a future liability for the state, create an external property right, nor be given with an expectation of future payback. Neither student fees nor institutional funds will be counted as non-appropriated funds for purposes of awarding points. The Board will award one point for every one percent of allowable alternative funds calculated as a percentage of total project costs up to a maximum of 10 points.

5.3 **Step 3 – Board Prioritization of Projects:** Based on the scoring in subsection 5.3, the Board shall rank all technical education dedicated projects and determine which projects to recommend to the Legislature for funding. The Board may prioritize multiple projects up to the amount in the Higher Education Capital Projects Fund for technical education projects. The Board may also prioritize a single project that requires funding over multiple years.

5.4 Step 4 – Board Submission of Authorized of Projects: the Board shall submit its authorized dedicated projects to the State Building Board and the Governor for review and recommendation and to the State Legislature for further consideration and authorization to use allocated funds in the Higher Education Capital Projects Funds. Institutions may not spend allocated funds unless affirmatively authorized by the State Legislature and operation and maintenance funding is established.

**R743-6. Operation and Maintenance for Dedicated Projects:** As allowed by statute, all authorized projects may request operation and maintenance funding from the Legislature in conjunction
with dedicated capital project funding. If the Legislature does not fund the operation and maintenance for a particular project, the requesting institution must identify funds to operate and maintain the facility before construction may begin.

**R743-7. Review upon Completion of a Dedicated Project:** As required by statute, the Board shall review the costs and design of each capital project completed using dedicated capital project funds. Institutions shall submit all costs of a dedicated capital project to the Board, including but not limited to soft costs, land purchases, programming, design, and construction costs upon substantial completion. The institution shall also provide information to the Board on design decisions and elements for discussion in relation to costs of construction.
April 7, 2021

**Discussion: Prioritization of Strategies within the Utah Board of Higher Education’s Strategic Plan**

The Utah Board of Higher Education is currently developing its five-year strategic plan. At the April Board of Higher Education Committee meetings, the Committees will discuss and prioritize the strategies within their focus area of the strategic plan. This will support the Commissioner's office in focusing resources and capacity to those strategies that are the top priority of the Board.

Each Committee will prioritize strategies within their focus area¹ of the draft strategic plan:

1. Student Affairs Committee: Access
2. Finance and Facilities Committee: Affordability
3. Academic Education Committee: Completion
4. Technical Education Committee: Workforce Alignment

The Committees will prioritize these strategies into three tiers:

1. Tier I: most important and most urgent
2. Tier II: important but less urgent
3. Tier III: less important and less urgent

Feedback from the Committee discussion will be integrated into the final draft of the strategic plan. The Board will consider adoption of the full strategic plan with prioritized strategies at its May 21, 2021, Board meeting.

**2x2s**

To inform the Committee discussions, Commissioner’s office staff have provided a rough approximation of the potential impact and degree of difficulty of each strategy within each priority area:

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¹ Note: The Commissioner’s office will present a draft prioritization of the strategies within the new “System Unification” category during the Committee of the Whole at the May 21, 2021, Board meeting for consideration by the full Board.
### ACCESS (Student Affairs Committee)

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<tr>
<th>POTENTIAL IMPACT</th>
<th>DEGREE OF DIFFICULTY</th>
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<tbody>
<tr>
<td>Ensure high school students are meaningfully informed on scholarships, dual enrollment programming, financial aid, and higher ed pathways</td>
<td>Simplify institutional admissions processes</td>
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<tr>
<td>Support institutions in diversifying faculty and staff. Expand Utah’s pipeline of diverse K-12 educators</td>
<td>Strengthen admissions advisors’/tech college staff’s capacity for addressing student basic needs</td>
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### AFFORDABILITY (Finance and Facilities Committee)

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<tr>
<th>POTENTIAL IMPACT</th>
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<tr>
<td>Build and maintain legislative support</td>
<td>Shared services</td>
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<tr>
<td>Increase FAFSA completion</td>
<td>Evaluate and prioritize student financial aid</td>
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<tr>
<td>Cost structure model</td>
<td>Updated standard of affordability</td>
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### COMPLETION (Academic Education Committee)

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<th>POTENTIAL IMPACT</th>
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<tr>
<td>Structure awards to facilitate completion and transfer</td>
<td>Increase awarding of credit for prior learning</td>
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<tr>
<td>Expand supportive entry level education practices</td>
<td>Ensure systemwide institutional supports for student mental health and campus safety</td>
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### DEGREE OF DIFFICULTY

### WORKFORCE ALIGNMENT (Technical Education Committee)

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<th>POTENTIAL IMPACT</th>
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<tr>
<td>Increase student participation in work-based learning</td>
<td>Increase higher education participation rate of adults with/without a high school diploma</td>
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<tr>
<td>Increase participation in training leading to wage and employment progression</td>
<td>Ensure students are meaningfully informed about the value and ROI of higher education</td>
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Background
In October 2020, the newly-created Utah Board of Higher Education embarked on a strategic planning process. At that time, the Board adopted the main priorities of the strategic plan: Access, Affordability, Completion, and Workforce Alignment. In January 2021, the Board discussed progress with the statewide attainment goal measures and how those measures align with the proposed goals within the Board’s strategic plan.

At the February 2021 Board committee meetings, Board members discussed draft strategies, along with more details about strategic plan goals and performance funding measures, and how the Equity Lens Framework is central to the strategic plan. The Board also examined the four levers of the Board, which ensure outcomes of the strategic plan are in areas the Board can best impact. These levers are:

1. Policy
2. Research/Analysis
3. Funding
4. Collaboration/Advocacy

On March 4 and 5, 2021, the Commissioner’s office held consortia group meetings with USHE institutional staff to solicit institutional feedback on the draft strategic plan.

At the Committee of the Whole on March 26, 2021, the Board engaged in a robust discussion on progress thus far on the Board’s draft strategic plan. Committee chairs and the Commissioner presented on their Committee’s assigned priority:

1. Commissioner David Woolstenhulme: System Unification
2. Student Affairs Committee Chair Lisa Michele Church: Access
3. Finance and Facilities Committee Chair Wilford Clyde: Affordability
4. Degree-Granting Education Committee Chair Pat Jones: Completion
5. Technical Education Committee Chair Shawn Newell: Workforce Alignment

Commissioner’s Recommendation
This is a discussion item only; no action is required.
UTAH BOARD OF HIGHER EDUCATION
STRATEGIC PLAN
DRAFT
May 2021
SYSTEM UNIFICATION
**SYSTEM UNIFICATION**

Develop, strengthen, and leverage a seamless and articulated system of higher education

(For discussion)

<table>
<thead>
<tr>
<th>Align programs with institutional roles and minimize duplication among institutions</th>
<th>Increase stackability of credentials from technical colleges to degree granting institutions</th>
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<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
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<tr>
<td>Study current program offerings across degree granting institutions to ensure fit with institutional roles.</td>
<td>Study current program offerings across tech colleges to ensure fit with institutional role.</td>
</tr>
<tr>
<td>Explore tiered tuition structure tied to institutional roles.</td>
<td></td>
</tr>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Review policy governing award types across degree granting institutions to ensure policies are equity minded and supported by data and allow for stackability across all institutional types. Review policy R473, R401, R472 for articulation and transfer between technical colleges and degree granting institutions.</td>
<td>Review policy governing award types across tech colleges to ensure policies are equity minded and supported by data and allow for stackability across all institutional types. Review policy R473, R401, R472 for articulation and transfer between technical and degree granting institutions.</td>
</tr>
<tr>
<td>Develop standardized approach to understand number of students utilizing current articulations between tech colleges and degree-granting institutions. Define goal for student participation and attainment of stackable credentials within and between institutions.</td>
<td>Develop standardized approach to understand number of secondary students receiving credit for course work completed at the high school and define a goal to expand courses included and students participating in secondary articulation agreements.</td>
</tr>
<tr>
<td>Explore potential for transitioning technical education from clock-hours to credit hours.</td>
<td></td>
</tr>
</tbody>
</table>
## SYSTEM UNIFICATION

Develop, strengthen, and leverage a seamless and articulated system of higher education

### (For discussion)

<table>
<thead>
<tr>
<th><strong>DEGREE GRANTING</strong></th>
<th><strong>TECHNICAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Review policies to ensure alignment between tech colleges and degree granting institutions. Regularly review system policies to ensure they are equity-focused.</td>
<td>Review policies to ensure alignment between tech colleges and degree granting institutions. Regularly review system policies to ensure they are equity-focused.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DEGREE GRANTING</strong></th>
<th><strong>TECHNICAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Train boards of trustees on program approval process, tuition processes, equity, diversity, and inclusion, etc. Develop ongoing training for trustees.</td>
<td>Train boards of trustees on program approval process, equity, diversity, and inclusion, etc. Develop ongoing training for trustees.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DEGREE GRANTING</strong></th>
<th><strong>TECHNICAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Support presidents in meeting expectations of the Board, including incorporating equity, diversity, and inclusion in evaluations and R&amp;R.</td>
<td>Support presidents in meeting expectations of the Board, including incorporating equity, diversity, and inclusion in evaluations and R&amp;R.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DEGREE GRANTING</strong></th>
<th><strong>TECHNICAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Align data and measurements between tech colleges and degree granting institutions, when appropriate</td>
<td>Align data and measurements between tech colleges and degree granting institutions, when appropriate</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>DEGREE GRANTING</strong></th>
<th><strong>TECHNICAL</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Explore tracking graduate placement in the workforce</td>
<td>Explore tracking graduate placement in the workforce</td>
</tr>
</tbody>
</table>
## ACCESS

### GOAL
- Remove structural barriers to entry
- Increase the college-going rate of high school graduates by 3% in 5 years.
- Increase the college-going rate of underrepresented groups by 4% in 5 years.

### STRATEGY
- Ensure high school students are meaningfully informed on scholarships, dual enrollment programming, financial aid, and higher ed pathways
- Simplify institutional admissions processes

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund statewide expansion of the Utah College Advising Corps (UCAC) to every high school in the state. Evaluate program data to determine efficacy and best practices.</td>
<td>Fund statewide expansion of the Utah College Advising Corps (UCAC) to every high school in the state. Ensure advisors are meaningfully trained on technical education opportunities. Evaluate program data to determine efficacy and best practices.</td>
</tr>
<tr>
<td>Facilitate collaboration among college access partners such as UCAC, TRIO, GEAR UP, AVID, Latinos in Action, USHE CE Directors, CTE directors, institutions, and advisors.</td>
<td>Facilitate collaboration among college access partners such as UCAC, TRIO, GEAR UP, AVID, Latinos in Action, USHE CE Directors, CTE directors, institutions, and advisors.</td>
</tr>
<tr>
<td>Partner with USBE on messaging and advising on advanced coursework options in K-12, including PRIME pilot implementation.</td>
<td>Partner with USBE on messaging and advising on TE/CTE coursework options in K-12, including PRIME pilot implementation.</td>
</tr>
<tr>
<td>Pilot new CE College and Career Readiness course in partnership with access/multicultural student programs</td>
<td></td>
</tr>
</tbody>
</table>

### BOARD’S ROLE
- PRIORITY
- TACTIC

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consider a USHE common admissions and scholarship application, and acceptance letter.</td>
<td>Consider a USHE common technical education admissions and scholarship application, and acceptance letter.</td>
</tr>
<tr>
<td>Connect institutions to high school student data to improve access, particularly for underrepresented student populations. Implement the Single Student Identifier systemwide. Analyze available data to determine more inclusive future measures.</td>
<td>Connect institutions to high school student data to improve access, particularly for underrepresented student populations. Implement the Single Student Identifier systemwide. Analyze available data to determine more inclusive future measures.</td>
</tr>
</tbody>
</table>
## ACCESS

**Goal:**
Remove structural barriers to entry

Increase the college-going rate of high school graduates by 3% in 5 years.
Increase the college-going rate of underrepresented groups by 4% in 5 years.

### DEGREE GRANTING

<table>
<thead>
<tr>
<th>Tactic</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide additional training and resources for admissions officers to</td>
<td>Provide additional training and resources for technical college staff to</td>
</tr>
<tr>
<td>connect new students with health, transportation, housing, food,</td>
<td>connect new students with health, transportation, housing, food,</td>
</tr>
<tr>
<td>services for undocumented students, childcare, or technology for</td>
<td>services for undocumented students, childcare, or technology for</td>
</tr>
<tr>
<td>student success. Evaluate data on referrals and outcomes to determine</td>
<td>student success. Evaluate data on referrals and outcomes to determine</td>
</tr>
<tr>
<td>efficacy.</td>
<td>efficacy.</td>
</tr>
<tr>
<td>Facilitate collaboration between community partners and on campus</td>
<td>Collaborate with community and tech college staff to identify resources</td>
</tr>
<tr>
<td>services to identify resources for basic student needs; advocate for</td>
<td>for student basic needs; advocate for better community and campus</td>
</tr>
<tr>
<td>better community and campus resources supporting degree granting college</td>
<td>resources supporting tech college students.</td>
</tr>
<tr>
<td>students.</td>
<td></td>
</tr>
</tbody>
</table>

### TECHNICAL

<table>
<thead>
<tr>
<th>Tactic</th>
<th>DEGREE GRANTING</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support institutions in diversifying faculty and staff. Expand Utah’s</td>
<td>Review policy to support institutions in their efforts to attract and retain</td>
</tr>
<tr>
<td>pipeline of diverse K-12 educators.</td>
<td>diverse faculty and staff. Facilitate collaboration on best equitable hiring</td>
</tr>
<tr>
<td></td>
<td>and retention practices.</td>
</tr>
<tr>
<td>Facilitate collaboration on best equitable hiring and retention</td>
<td>Facilities with USBE to support efforts to diversify the K-12 educator</td>
</tr>
<tr>
<td>practices.</td>
<td>workforce through TH Bell Scholarship funding and other collaborative efforts.</td>
</tr>
</tbody>
</table>
AFFORDABILITY
## AFFORDABILITY

**Remove structural barriers to affordability**

### Increase student ability to pay cost of attendance.

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>TACTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Increase completion of the Free Application for Federal Student Aid (FAFSA).</td>
<td>Evaluate and prioritize state student financial aid.</td>
</tr>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Data analysis (demographics data). Study what other states are doing (audit).</td>
<td>Data analysis (demographics data). Study what other states are doing (audit).</td>
</tr>
<tr>
<td>Explore FAFSA requirement for state and degree granting institutional scholarships.</td>
<td>Explore FAFSA requirement for state and tech college scholarships.</td>
</tr>
<tr>
<td>Research creation of a simplified, pre-FAFSA form to indicate if participants may qualify for financial aid before filling out the full FAFSA.</td>
<td>Research creation of a simplified, pre-FAFSA form to indicate if participants may qualify for financial aid before filling out the full FAFSA.</td>
</tr>
<tr>
<td>Partner with USBE to consider requiring FAFSA completion for high school graduation (with opt-out).</td>
<td>Partner with USBE to consider requiring FAFSA completion for high school graduation (with opt-out).</td>
</tr>
</tbody>
</table>

### Build and maintain legislative support

<table>
<thead>
<tr>
<th>STRATEGY</th>
<th>TACTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Build and maintain legislative support.</td>
<td>Develop policy and implement of new scholarship programs (Adult Learner Grant Program and Opportunity Scholarship).</td>
</tr>
<tr>
<td>Advocate for state scholarship support for undocumented students.</td>
<td>Advocate for state scholarship support for undocumented students.</td>
</tr>
<tr>
<td>Streamline statewide HB-144 affidavit process.</td>
<td>Advocate for full legislative funding of compensati on.</td>
</tr>
<tr>
<td>Leverage Concurrent Enrollment for high school students to reduce student cost.</td>
<td>Leverage free tech ed tuition for high school students to reduce student cost.</td>
</tr>
</tbody>
</table>
Develop a cost structure model to compare the cost of delivering degrees and awards for each USHE institution by the end of 2021.

**AFFORDABILITY**

Remove structural barriers to affordability

Ensure institutional cost of attendance remains within the standard of affordability year over year.

---

**Develop a cost structure model**

**DEGREE GRANTING**

- Study shared services in the System. Board reviews recommendations from the study.

---

**TECHNICAL**

- Study shared services in the System. Board reviews recommendations from the study.

---

**Create implementation plan for shared services. Create policy to have cost savings realized from shared services used for student aid.**

---

**EXPAND SHARED SERVICES**

- Create implementation plan for shared services. Create policy to have cost savings realized from shared services used for student aid.
COMPLETION
### COMPLETION

**Remove structural barriers to graduation**

Increase timely completion of degrees and awards by 3% in 5 years.
Increase the timely completion of underrepresented students by 4% in 5 years.

#### Structure awards to facilitate completion and transfer

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Update policy to structure certificate to associate to bachelor’s pathways, appropriate to discipline.</td>
<td>Identify programs that have the potential for pathway agreements.</td>
</tr>
<tr>
<td>Conduct transfer study to determine barriers to transfer.</td>
<td>Conduct transfer study to determine barriers to transfer.</td>
</tr>
<tr>
<td>Facilitate coordination among academic disciplines to align program structure to support transfer and completion, as appropriate.</td>
<td>Facilitate coordination among programs to align program structure to support transfer, wherever possible.</td>
</tr>
<tr>
<td>Update Policy R470 to embed equity, diversity, and inclusion in General Education essential learning outcomes.</td>
<td>Embed equity, diversity, and inclusion in foundational training requirements.</td>
</tr>
</tbody>
</table>

#### Increase awarding of credit for prior learning

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implement Policy R472, including institutional PLA reporting.</td>
<td>Adjust policy to define reporting for credit for prior learning in the documentation of alternate documentation and competency-demonstration. Benchmark and set goals to increase the awarding of credit for prior learning.</td>
</tr>
<tr>
<td>Update the Utah Transfer Guide to include transfer pathways from tech ed to degree granting, and include statewide standardized credit for examinations (AP, IB, CLEP, DSST) in the Utah Transfer Guide.</td>
<td>Update the Utah Transfer Guide to include articulations from high school to technical colleges.</td>
</tr>
</tbody>
</table>
### COMPLETION

Remove structural barriers to graduation

Increase timely completion of degrees and awards by 3% in 5 years.
Increase the timely completion of underrepresented students by 4% in 5 years.

<table>
<thead>
<tr>
<th>Ensure systemwide institutional supports for student mental health and campus safety</th>
<th>Expand supportive entry level education practices</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Continue partnering with JED Campus at degree-granting institutions. Receive recommendations after completion of institution assessments.</td>
<td>Implement JED Campus at technical colleges. Receive recommendations after completion of institutional assessments.</td>
</tr>
<tr>
<td>Analyze Cicero campus safety study to determine next steps from a degree-granting institution perspective.</td>
<td>Analyze Cicero campus safety study to determine next steps on campus safety from a technical college perspective.</td>
</tr>
<tr>
<td>Develop baseline expectations for mental health/campus safety for degree-granting institutions. Support institutions in meeting baseline expectations. Facilitate collaboration on best practices.</td>
<td>Develop baseline expectations for mental health/campus safety for technical colleges. Support institutions in meeting baseline expectations. Facilitate collaboration on best practices.</td>
</tr>
<tr>
<td><strong>DEGREE GRANTING</strong></td>
<td><strong>TECHNICAL</strong></td>
</tr>
<tr>
<td>Refine policy to develop standards for placement, supportive instruction, corequisite remediation, and other models to support student entry into and success in introductory academic college-level coursework.</td>
<td>Refine policy for supportive instruction offerings for students unable to meet minimum admission requirements, and implement corequisite and other models to support student entry in and success into technical programs.</td>
</tr>
</tbody>
</table>
WORKFORCE ALIGNMENT
<table>
<thead>
<tr>
<th>BOARD’S ROLE</th>
<th>GOAL</th>
<th>STRATEGY</th>
<th>TACTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORKFORCE ALIGNMENT</td>
<td>Increase availability and stackability of high-demand, high-wage programs</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase completion rate of graduates in high-demand, high-wage programs by 7% in 5 years.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increase completion rate of underrepresented groups in programs aligned with high-wage, high-demand jobs by 8% in 5 years.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<p>| Increase higher ed participation rate of adults with/without a high school diploma |</p>
<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborate with stakeholders (DWS, USBE, UCAC, UDOC) to support enrollment of adult learners in academic education.</td>
<td>Collaborate with stakeholders (DWS, USBE, UCAC) to support the enrollment of adult learners in technical education.</td>
</tr>
<tr>
<td>Increase adult learner awareness of scholarships and other aid for degrees via Keys to Success.</td>
<td>Increase adult learner awareness of scholarships and other aid for certificates via Keys to Success.</td>
</tr>
</tbody>
</table>

<p>| Ensure students are meaningfully informed on the value and ROI of higher ed |</p>
<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Align existing resources (Programs &amp; Majors Guide, Transfer Guide, etc) to Keys to Success. Engage with stakeholders (DWS, UCAC, USBE, institutions) to ensure Keys is a one-stop for all postsecondary resources.</td>
<td>Ensure technical education program information, articulation of secondary course work, and opportunities for educational, career, and wage progression are represented in the Programs and Majors Guide, Transfer Guide, and Keys to Success.</td>
</tr>
<tr>
<td>Advocate for statewide marketing campaign. Focus on the unique needs of adult learners (program flexibility, prior learning, funding, etc).</td>
<td>Advocate for statewide marketing campaign. Focus on the unique needs of adult learners (program flexibility, prior learning, funding, etc).</td>
</tr>
</tbody>
</table>
## WORKFORCE ALIGNMENT

### Increase availability and stackability of high-demand, high-wage programs

- Increase completion rate of graduates in high-demand, high-wage programs by 7% in 5 years.

- Increase completion rate of underrepresented groups in programs aligned with high-wage, high-demand jobs by 8% in 5 years.

### Increase student participation in work-based learning

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refine policy to define the role of work-based learning in academic education.</td>
<td>Refine policy to define the role of work-based learning in technical education.</td>
</tr>
<tr>
<td>Develop systemwide tracking mechanism for reporting progress in participation of work-based learning activities.</td>
<td>Develop systemwide practices for reporting progress in the development of and participation in work-based learning activities.</td>
</tr>
<tr>
<td>Collaborate with stakeholders (DWS, GOED, USBE) to connect work-based learning opportunities to high-demand pathways to degrees</td>
<td>Collaborate with stakeholders (DWS, USBE, GOED) to connect work-based learning opportunities to high-demand pathways to certificates</td>
</tr>
</tbody>
</table>

### Increase participation in training (reskilling/upskilling) leading to wage and employment progression

<table>
<thead>
<tr>
<th>DEGREE GRANTING</th>
<th>TECHNICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engage employers to strengthen the connection between degrees and employment options.</td>
<td>Engage employers to strengthen the connection between certificates and employment options.</td>
</tr>
<tr>
<td>Refine program approval process to increase transparency of program alignment with verifiable workforce needs.</td>
<td>Review policy governing enrollment and classification of adult students enrolled in training for the purpose of maintaining or advancing their employment.</td>
</tr>
<tr>
<td>Refine policy to ensure workforce training is equity-minded, supported by data, and reflect institutional roles.</td>
<td></td>
</tr>
</tbody>
</table>

## DEGREE GRANTING

- Refine policy to define the role of work-based learning in academic education.

## TECHNICAL

- Refine policy to define the role of work-based learning in technical education.

## DEGREE GRANTING

- Engage employers to strengthen the connection between degrees and employment options.

## TECHNICAL

- Engage employers to strengthen the connection between certificates and employment options.

## DEGREE GRANTING

- Refine program approval process to increase transparency of program alignment with verifiable workforce needs.

## TECHNICAL

- Review policy governing enrollment and classification of adult students enrolled in training for the purpose of maintaining or advancing their employment.

## DEGREE GRANTING

- Refine policy to ensure workforce training is equity-minded, supported by data, and reflect institutional roles.
May 20, 2021

Institutions’ Health Plan Changes

The health benefits package is a critical component of the overall compensation package provided to institutional employees, and is subject to significant conversation and review at each institution.

Annually, the Board receives a summary report regarding the USHE institutional health benefit plans for the upcoming year. The attached report provides the Board with several key metrics for an institution’s health benefit plans including: 1) Plans; 2) Annual costs and premium split for employer and employee; 3) Cost increases for employer and employee; and 4) Any major plan design changes.

Commissioner’s Recommendation

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

Attachment
## Summary of USHE Health Plan Changes

**Fiscal Year 2021-22**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Health Insurance</th>
<th>Plan</th>
<th>Annual Employer Costs</th>
<th>Annual Employee Costs</th>
<th>Premium Split</th>
<th>% Increase for Employer</th>
<th>% Increase for Employee</th>
<th>Total % Cost Increase</th>
<th>Plan Changes</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Utah</td>
<td>Blue Cross Blue Shield</td>
<td>Advantage Single</td>
<td>7,577</td>
<td>848</td>
<td>90/10</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td>Adding $7,500 lifetime fertility benefit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Two-party</td>
<td>13,258</td>
<td>1,485</td>
<td>92/8</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family</td>
<td>20,000</td>
<td>2,240</td>
<td>90/10</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td>Utah State University</td>
<td>Blue Cross Blue Shield</td>
<td>Blue Single</td>
<td>6,121</td>
<td>1,309</td>
<td>82/18</td>
<td>0.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td>No major plan changes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Two-party</td>
<td>13,819</td>
<td>2,944</td>
<td>92/18</td>
<td>0.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family</td>
<td>19,811</td>
<td>4,253</td>
<td>92/18</td>
<td>0.0%</td>
<td>3.5%</td>
<td>0.3%</td>
<td></td>
</tr>
<tr>
<td>Weber State University</td>
<td>PEHP</td>
<td>Advantage Single</td>
<td>6,960</td>
<td>773</td>
<td>90/10</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td>No major plan changes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Two-party</td>
<td>14,349</td>
<td>1,594</td>
<td>90/10</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family</td>
<td>19,956</td>
<td>2,280</td>
<td>90/10</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td></td>
</tr>
<tr>
<td>Southern Utah University</td>
<td>United Healthcare</td>
<td>Traditional Single</td>
<td>5,730</td>
<td>1,620</td>
<td>78/22</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>No major plan changes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Two-party</td>
<td>12,888</td>
<td>3,672</td>
<td>78/22</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Family</td>
<td>18,480</td>
<td>5,280</td>
<td>78/22</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Snow College</td>
<td>PEHP</td>
<td>Advantage Single</td>
<td>7,095</td>
<td>638</td>
<td>92/8</td>
<td>4.3%</td>
<td>4.3%</td>
<td>4.3%</td>
<td>No major plan changes</td>
</tr>
<tr>
<td></td>
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May 20, 2021

Capital Improvement Update for 2021-22

Capital improvement projects are also known as alterations, repairs, and improvements or AR&I. These projects help maintain existing facilities by repairing and replacing old and failing components, systems, and equipment. Typical projects include utility upgrades, correction of code violations, roofing repairs, structural improvement, hazardous materials abatement, and the remodeling of nonfunctional space.

By statute, the state legislature delegates authority to DFCM to allocate capital improvement funds to specific agency and institutional projects. Institutions request projects each year based on each institution’s inventory of needed capital improvements. DFCM allocated over $86 million to USHE institutions for capital improvement projects in FY 2022 (60% of the allocation). The almost $158 million dollars appropriated by the State Legislature for FY 2022 is the largest amount of capital improvement funding provided by the Legislature.

Despite high levels of funding over the last several years, institutions continue to have a greater need than available funding. For FY 2022, USHE institutions requested $335.2 million of capital improvement projects and received funding of $86.2 million. According to a recently completed independent audit of state-owned facilities, there are over $1.01 billion of projects that need funding throughout the State.

The materials attached provide additional information and detail on the capital improvement funding for FY 2022. The attachments include: (1) a five-year summary of capital improvement funding and (2) the detail of the projects requested and funded for USHE institutions in FY 2022.

Commissioner’s Recommendation

This is an information item; no action is required

Attachments
## Attachment A - Five-Year Capital Improvement Funding History

<table>
<thead>
<tr>
<th>Agencies / Institutions</th>
<th>FY 2018</th>
<th>%</th>
<th>FY 2019</th>
<th>%</th>
<th>FY 2020</th>
<th>%</th>
<th>FY 2021</th>
<th>%</th>
<th>FY 2022</th>
<th>%</th>
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<td><strong>Total USHE</strong></td>
<td><strong>$ 61,668,163</strong></td>
<td><strong>56%</strong></td>
<td><strong>$ 62,058,112</strong></td>
<td><strong>55%</strong></td>
<td><strong>$ 77,696,370</strong></td>
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<td><strong>$ 76,227,159</strong></td>
<td><strong>61%</strong></td>
<td><strong>$ 86,240,333</strong></td>
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## Attachment A - Five-Year Capital Improvement Funding History

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<th>%</th>
<th>FY 2019</th>
<th>%</th>
<th>FY 2020</th>
<th>%</th>
<th>FY 2021</th>
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## Attachment B - USHE Capital Improvement Allocations 2021-22

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<thead>
<tr>
<th>Capital Improvement Project Description</th>
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<tbody>
<tr>
<td><strong>University of Utah</strong></td>
<td></td>
</tr>
<tr>
<td>Infrastructure Bond Debt Service</td>
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<tr>
<td>East Campus Plant - Replace Expansion &amp; Soft Water Tanks</td>
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<tr>
<td>Merrill Engineering South Reroof with Structural Upgrade</td>
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<tr>
<td>Safety/Code Improvements</td>
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<tr>
<td>Eye Wash Stations</td>
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<tr>
<td>HTW Plant Seismic &amp; Fire Protection Upgrade - Design Only</td>
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<tr>
<td>Research Administration Bldg. Elevator Modernization</td>
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<tr>
<td>Chemistry 2nd Floor SE Lab Rebuild &amp; System Upgrade - Design Only</td>
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<td>HTW Plant - Replace Make up Water System</td>
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<td>Study &amp; Design Fund</td>
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<td>Biology Fume hood &amp; HVAC Upgrade - NE Quadrant</td>
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<td>Eying Chemistry Elevator Modernization</td>
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<td>Life Sciences Seismic Upgrades</td>
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<td>East Campus Plant HTW Generator Replacement</td>
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<td>Marriott Library Roof Improvements</td>
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<td>Biomedical Polymers Bldg. Replace Ro/Di Water Piping</td>
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<td>Tree Replacement Following Wind Storm</td>
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<td>Talmage Bldg. Historical Stairs Replacement</td>
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<tr>
<td>Biology Fume hood &amp; HVAC UPGRADE - SW Quadrant - Dsign Only</td>
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<td>Fire Sprinkler Line Discharge</td>
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<tr>
<td>Behavioral Science HVAC Upgrade - Dsign Only</td>
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<tr>
<td>Eccles Broadcast - Replace AC Unites for UIT Server Room</td>
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<td>Widtsoe Bldg. Historical Stairs Replacement</td>
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<td>Chemistry Lecture Hall Reroof</td>
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<td>Building Access Security Improvements</td>
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<td><strong>Total University of Utah</strong></td>
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<p>| <strong>Utah State University</strong>                                                          |                  |
| Medium Voltage Upgrade                                                             | $500,000         |
| Planning and Design Fund                                                           | 175,000          |
| Campus-Wide Health, Life Safety, Code Compliance &amp; Asbestos Abatement             | 150,000          |
| Campus Concrete Replacement                                                        | 300,000          |
| Campus-Wide Bike Racks &amp; Site Furnishings                                         | 60,000           |
| Campus-Wide Security Electronic Access Control                                   | 200,000          |
| Campus Sign System                                                                | 50,000           |
| Site &amp; Safety Lighting                                                             | 350,000          |
| Campus Wide Classroom                                                              | 250,000          |
| BNR South Wing Window, Wall and Seismic Upgrade                                   | 3,250,000        |</p>
<table>
<thead>
<tr>
<th>Capital Improvement Project Description</th>
<th>DFCM Allocation</th>
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<tbody>
<tr>
<td>Animal Science Building Reroof Design</td>
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<tr>
<td>Price MCC Building HVAC Upgrades</td>
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<td>Water Lab Front Bridge</td>
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<tr>
<td>700 North Street Improvements</td>
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<tr>
<td>Quad North Portal Improvements</td>
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<tr>
<td>Blanding Campus Concrete Replacements</td>
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<tr>
<td>Site Lighting Upgrades</td>
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<td>Chiller Replacement</td>
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<td>Price Campus Concrete Replacement</td>
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<td>East Stadium Parking Lot</td>
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<td>NR Rume Hood Upgrade</td>
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<td>Aste Building Reroof</td>
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<td>Elevator Upgrades</td>
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<td>Tooele Building Window Replacement</td>
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<tr>
<td>Experiment Station Greenhouse Backup Generator</td>
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<tr>
<td>Facilities Building Air Handler Replacement</td>
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<tr>
<td>Engineering Tech MEP Phase 2</td>
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<td>Boiler Replacement - Ground source conversion - Phase 3 - Noorda</td>
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<td>Thunderbird Way Storm Drain/ADA Sidewalk Improvements</td>
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<td>SUU - ELC Air Handler Replacement</td>
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<td>Sharwan Smith Student Center Reroof</td>
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<td>SUU - Technology Window Replacement</td>
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### Capital Improvement Project Description

#### DFCM Allocation

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<tr>
<th>Project Description</th>
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<tr>
<td>Acticity Center Roof Replacement</td>
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<td>Richfield Administration Building Roof Replacement</td>
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<td>Lucy Phillips Elevator Replacement</td>
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<td>Business Building Plumbing Upgrades</td>
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<td>High Tech Rooftop Unit Replacement</td>
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<td>West Campus Boiler Replacement</td>
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<td>Science Building Remodel for Education Department</td>
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<td>South Parking Lot</td>
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<td>100 South Flood Wall</td>
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<td>High Voltage Loop Upgrades Phase II</td>
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<td>Campus Wide - Exterior Door ADA Prox Lock Phase III</td>
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<td>Exterior Infrastructure - Campus Wide Irrigation Controllers</td>
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<td>Campus Wide - Replace Obsolete Light Control Panels Phase I</td>
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<td>Infrastructure - Cp-01 Secondary HW and CHW Pumps and Drives - Re-Engineer/Update System.</td>
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<td>Wasatch Campus Cooling Tower - Remove and Replace</td>
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<td>Infrastructure - Central Plant 1 Cooling Tower Pumps and Sand Filter - Remove and Replace</td>
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<td>Numerous Buildings - BTU Meters Installed Various Buildings</td>
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<td>BA Heat Pump Heat Exchanger System Overhaul &amp; Ceiling Electrical Upgrade</td>
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<td>BA AHU-03 Change Heating/Cooling Coil From a Two-Pipe to a Four-Pipe System. Replace Plate</td>
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<td>Exterior Infrastructure - Campus Wide Sidewalk Connector ADA Safety Phase I</td>
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<td>Infrastructure - Central Plant 3 Well Improvements</td>
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<td>UCCU Events Center Fan walls</td>
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<td>BA Administration Envelope Improvements, Remodel-Repurpose Space</td>
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<td>Various - Campus Wide Lighting and Ceiling Grid Repair Replacement</td>
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<td>Campus Wide Entry Door Replacements Phase I</td>
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<td>GT Replace Dual Duct with Standard VAV</td>
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<td>Campus Wide - Concourse Relight LEDs Phase III - Additional funds Project #20301790</td>
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<td>SCC Site Fountain &amp; Site Concrete Replacement</td>
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<td>RRC Tennis Court Replacement</td>
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<td>RRC Steam Pipe Expansion Joints</td>
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<td>SLCC Door Hardware Replacement</td>
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<td>LAC Arena Seating &amp; Gym Floor Replacement</td>
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<td>WPC SSB Roof and Rooftop Mechanical Replacement</td>
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<td>100, 200, 300, 400, 600 - SLCC Pavement Maintenance Phase 1&amp;2</td>
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<td>LHM PSET Dorm Condensate Re-Pipe, SCC Culinar Re-Pipe</td>
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<td>SLCC Mechanical Controls Upgrades</td>
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<td>SLCC Pavement Maintenance Phase 3</td>
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## Capital Improvement Project Description

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### Bridgerland Technical College

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<td>Energy Loan Repayment</td>
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<tr>
<td>Main Campus - Culinary Arts - Walk-In Refrigerator/Freezer Refrigeration systems, replace flooring, appliances, plumbing fixtures and lighting</td>
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<tr>
<td>West Campus - Replace EPDM Single-Ply Membrane</td>
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<tr>
<td>Main Campus - Isolation Valves in Hot Water Heating System Main &amp; Branch Lines</td>
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<tr>
<td>Main Campus, West Campus - Improve the Power Factor in the Electrical Systems</td>
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<td><strong>Total Bridgerland Technical College</strong></td>
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### Davis Technical College

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<td>Main Campus Emergency Backup Power Infrastructure</td>
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<td>Composites and Automation Roof Replacement</td>
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<tr>
<td>Parking Lots 2 &amp; 4 Seal Coat and Stripe</td>
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<tr>
<td>Main Campus Building Automation Upgrade</td>
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<tr>
<td>Redundant Chiller</td>
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<tr>
<td><strong>Total Davis Technical College</strong></td>
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### Dixie Technical College

<table>
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<tr>
<th>Project Description</th>
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<tbody>
<tr>
<td>Old Airport Parking Lot Lighting Upgrade</td>
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<td><strong>Total Dixie Technical College</strong></td>
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### Mountainland Technical College

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<td>Provo Campus Upgrade Dental and IT Programs</td>
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<td>Provo Campus Roof Upgrade</td>
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### Ogden-Weber Technical College

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<thead>
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<th>Project Description</th>
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<tbody>
<tr>
<td>Phase Three - Steam Infrastructure Repairs/Replacement</td>
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<tr>
<td>Phase Two - Upgrade Fire Alarm Systems</td>
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<td><strong>Total Ogden-Weber Technical College</strong></td>
<td><strong>1,450,000</strong></td>
</tr>
</tbody>
</table>

### Southwest Technical College

<table>
<thead>
<tr>
<th>Project Description</th>
<th>DFCM Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>A&amp;T - Parking Lot Improvements &amp; Lighting</td>
<td>309,500</td>
</tr>
<tr>
<td>Server &amp; IDF Rooms Fire Suppression</td>
<td>80,325</td>
</tr>
<tr>
<td>HP&amp;T - CDL Concrete Parking</td>
<td>74,520</td>
</tr>
<tr>
<td><strong>Total Southwest Technical College</strong></td>
<td><strong>464,345</strong></td>
</tr>
</tbody>
</table>

### Tooele Technical College

<table>
<thead>
<tr>
<th>Project Description</th>
<th>DFCM Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Lot Crack Seal and Seal Coat</td>
<td>36,120</td>
</tr>
<tr>
<td>Bathroom Tile</td>
<td>42,000</td>
</tr>
<tr>
<td><strong>Total Tooele Technical College</strong></td>
<td><strong>78,120</strong></td>
</tr>
</tbody>
</table>

### Uintah Basin Technical College

<table>
<thead>
<tr>
<th>Project Description</th>
<th>DFCM Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Window Replacement (Phase II)</td>
<td>291,968</td>
</tr>
<tr>
<td>Roofing Replacement</td>
<td>1,014,756</td>
</tr>
<tr>
<td><strong>Total Salt Lake Community College</strong></td>
<td><strong>1,306,724</strong></td>
</tr>
</tbody>
</table>

### UTAH SYSTEM OF HIGHER EDUCATION TOTALS

<table>
<thead>
<tr>
<th>Project Description</th>
<th>DFCM Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>86,240,333</strong></td>
</tr>
</tbody>
</table>
May 20, 2021

Office of Commissioner Quarterly Budget Update – 3rd Quarter FY 2021

The attached report summarizes the year-to-date activity for the Office of the Commissioner of Higher Education’s budget for fiscal year 2021. The budget for personnel, travel, and current expenses is categorized using four separate programs. These programs are Administration, Pass-Through, Financial Aid, and Utah Medical Education Council. The attached report compares the year-to-date expenses with the percentage of the year that has passed. This helps in evaluating how well expenses are tracking with the budget. Noteworthy expenses are as follows.

Pass-through and Financial Aid

Pass-through and financial aid programs represent funds that our office receives and passes/transfers onto institutions. Usually, most of these funds are transferred during the first quarter but there were some notable transfers made in the third quarter. We noted that $450,000 was sent to the Trula Foundation and $250,000 CARES funds were sent for Regents’ Scholarships.

Summary

Comparing the year-to-date expenses with the percentage of the year that has passed gives us a way to make sure that the expenses are within the budget. With some slight variations, mostly due to timing, the expenses are well within the established budget.

Commissioner’s Recommendation

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

Attachment
Utah Board of Higher Education
FY 21 Quarterly Budget Report
As of March 31, 2021

<table>
<thead>
<tr>
<th>Administration</th>
<th>FY21 Budget</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>YTD %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel</td>
<td>5,625,847</td>
<td>1,306,529</td>
<td>1,712,338</td>
<td>1,320,785</td>
<td>77%</td>
</tr>
<tr>
<td>Travel</td>
<td>84,000</td>
<td>1,788</td>
<td>1,097</td>
<td>2,060</td>
<td>6%</td>
</tr>
<tr>
<td>Current Expense</td>
<td>2,433,053</td>
<td>553,040</td>
<td>29,349</td>
<td>76,668</td>
<td>27%</td>
</tr>
</tbody>
</table>

| Pass-Through    |            |        |        |        |       |
| Personnel       | 98,786     | 26,024 | 25,284 | 25,918 | 78%   |
| Travel          | 2,500      | 907    | -      | -      | 36%   |
| Current Expense | 14,663,258 | 10,795,435 | 1,702,322 | 458,661 | 88%   |

| Financial Aid   |            |        |        |        |       |
| Personnel       | 245,195    | 42,669 | 49,618 | 49,050 | 58%   |
| Travel          | 25,000     | 907    | -      | -      | -     |
| Current Expense | 30,625,105 | 28,817,869 | 1,099,345 | 308,513 | 99%   |

| UMEC            |            |        |        |        |       |
| Personnel       | 621,165    | 163,036 | 207,227 | 152,920 | 84%   |
| Travel          | 25,000     | 323    | -      | -      | 1%    |
| Current Expense | 1,635,000  | 144,305 | 50,645 | 39,478 | 14%   |