



UTAH SYSTEM OF HIGHER EDUCATION

Dedicated Capital Development Project Request

2023 General Session Authorization for Fiscal Year 2024

**Southern Utah University
Business Building West Addition (working name)**

New space	21,640 Sq Ft
Remodeled space	0 Sq Ft
Total Project space	21,640 Sq Ft
Demolished space	10,169 Sq Ft

Project Cost	\$17,344,344 based on 9/14/22 CBE update
Anticipated Dedicated Funds	\$12,510,000
Other Funds	\$4,834,344

Describe source and amount of other funds; attach letter(s) of commitment from donors that cite timing and amount of any donations

This project is design to expand SUU’s current Business Building to accommodate significant growth in enrollments and programming. Initial cost projections were between \$10-\$12 million. Over the past year each newly updated CBE has captured price escalations which have inflated the estimated cost to \$17.3 million as of September 14, 2022. Other funds for this project include \$2.5 million from Institutional Funds, \$2.5 million fundraising campaign in conjunction with the Business School’s National Advisory Board.

Letter(s) of commitment attached

Threshold requirements for capital projects: refer to R741-4 for instructions; ensure criteria are fully addressed

1. Cost Effective and Efficient Use of Resources

Under the direction of President Scott L Wyatt, growing SUU's enrollment became a significant priority. Prior to President Wyatt's tenure, which began in January 2014, enrollment at SUU had been flat for approximately ten years. End of term enrollment when President Wyatt began stood at just 8,200 students. By Fall 2021 SUU's enrollment has risen an impressive 75% to 14,324 students. As the University has documented in recent building requests, growing enrollment this significantly has caused a number of pressure points. The

School of Business did not project growth at this level and therefore built a new building that has basically been outgrown. Additional faculty positions have been added at SUU annually to address challenges of meeting the demand for general education courses and upper division courses as retention rates and completion rates have risen. Between Fall semester 2016 and Fall of 2022 the Administration has added 96 new full-time faculty positions, increasing from 277 to 373. Classrooms across campus are being used more frequently with accompanying larger class sizes where feasible (the vast majority of classrooms at SUU are designed for only 30-40 students). Office space has been at a premium with SUU's Facilities department remodeling annually to create more office space. In August 2018, SUU held the ribbon-cutting ceremony for the new Dixie L. Leavitt Business Building. At this time SUU enrollment was 10,196 students and business school enrollment for declared majors was 1,048 with 28 full-time faculty. From 2010 to 2016, the business school enrollment had been fairly flat fluctuating between 725 to 760 students, SUU enrollment followed a similar pattern. From 2018 to 2021 (4 years), business school enrollment for declared major has grown 61% with 1,690 students Fall semester 2021. SUU total enrollment topped out at 13,611 students Fall 2021, a 33% increase. This Fall (2022), the business school is expecting over 1,800 students with business as their declared major (an additional 750 students since 2018, 71% growth) and 45 faculty (an additional 17 faculty since 2018). In the past two years SUU has revamped its MBA program, which has nearly 500 students and added a Professional Sales and Masters in Business Analytics programs. This coming Fall the business school will launch a new Hospital Administration emphasis to the MBA. The current goal of the School of Business is to have 2,500 students by 2030 which will require adding approximately 20 - 22 additional faculty and staff. The charts included with this document summarize SUU's efficient use of space as business enrollments have grown.

2. Consistent with Institutional Role, Mission, and Master Plan

SUU's School of Business has become one of the fastest growing colleges at the University. Expansion space for the business school is the Administration's top building priority in order to accommodate the growth in enrollments and programming under the direction of Dean Mary Pearson, who was appointed to her role following construction of the current building. The Business School has a tremendous ability to address a key mission of SUU by providing 4 & 5 star jobs that will immediately impact economic development with the local and regional economies by providing industry demand jobs to our graduates. In 2021 business graduates had a 97% placement rate. The Dixie L. Leavitt School of Business is consistently updating curriculum and programs to meet the demand of our local, regional, and national workforce. Below is a summary of programs we have added in the last 5 years. We anticipate with the addition of the new business building we will be able to continue to grow these programs and add new programs that best fill the needs of our local and regional employers. In 2018, the School of Business added the Larry H. and Gail Miller Center for Entrepreneurship which has added over 25 new businesses in the last 3 years. The entrepreneurship program has five specific entrepreneurship courses and 16 members of an entrepreneurship leadership council who regularly mentor our student entrepreneurs. In 2019, the Masters in Business Analytics program was added due to a high demand for students with a quantitative skillset. This program has nearly 20 students enrolled with over 40 students seeking minors in Business Analytics. All students graduating in Business Analytics were employed prior to graduation with an average salary over \$65,000. In 2020, the Masters in Business Administration (MBA) program was revamped by changing all classes to a 7 week format, increasing the

faculty/student engagement in online courses, and offering 6 start dates throughout an academic year. Three emphases were added to the MBA program in finance, marketing, and leadership. This program grew from 85 students to nearly 500 students by Fall 2022. In 2020, the Event Planning minor was added to the Hotel Resort and Hospitality Management degree due to increased demand for students with event planning experience. In 2021, a minor in Professional Sales was started. Nearly 60% of college graduates work in a sales-oriented career after graduation with only 2% ever having had any sales training. This will train our graduates for success in their desired professions by providing them better foundational knowledge in sales topics. This minor is expected to be the most desired minor at Southern Utah University. In 2022, two additional emphases in the MBA program, Healthcare Administration and Business Analytics, were added. Both of these emphases are among the top 10 desired skillsets according to our professional marketing partner, Academic Partnerships. These programs will launch Fall 2022. An emphasis in Project Management will be added to the MBA program in 2023. This emphasis will provide an online graduate education option for students graduating in Project Management from the College of Southern Nevada. When the current business building was constructed in 2018, the business school had experienced fairly flat enrollment for 10 years prior, hovering around 750 students with 24 faculty and 3 full-time support staff. Programming for the current business building that began in 2016 was based upon slow enrollment growth, making the 31 total office spaces and gathering spaces seem adequate. With the addition of a new Dean and university president focused on growth the business school had outgrown its 42,000 square feet of faculty, classroom, centers, and gathering space within one year. By Fall 2021, two study rooms and one testing room in the business building had been converted to faculty offices and 8 offices in an adjoining building were housing business faculty. The remaining 5 study rooms in the current building are reserved for students from 8 a.m. to 8 p.m. every night with students now reserving classrooms to meet and work on projects. The business building regularly has employer/alumni events in the "wall street" area which also serves as a main corridor for students taking classes sometimes creating traffic jams during the prime hours of the day. The lack of space has been a topic of discussion since 2019 and ideas were generated in how to accommodate a growing student body and support faculty and staff. A possible 5,000 square foot addition to the current business building on the southwest corner was discussed, but soon after was determined to not be enough space to accommodate our students and additionally our 47 faculty and 10 staff currently employed in the business school. With the help of a supportive alumni who also serves as a member of the School of Business National Advisory Board, the business school was able to garner a significant pledge to support the construction of an expansion to the current business building. This expansion will be the catalyst for continued growth of our business programs and incredible outcomes for SUU students.

3. Fulfillment of a Critical Institutional Need

The Business Building West addition will provide space for SUU's fast-growing graduate programs, specifically the Masters in Business Administration (MBA), and new Masters in Business Analytics (MSBA) programs, the new Professional Sales Program, and a new Professional Development program designed to better prepare students for their life-long careers. In addition, this building will provide needed office and meeting space for faculty and staff who support these programs and collaboration - study spaces for students. The MBA program has grown exponentially in the last 5 years with a 573% enrollment growth

rate, topping out this Fall with nearly 500 students. Much of this growth can be attributed to the newly designed seven-week course format and excellent online instruction coupled with the marketing expertise of Academic Partnerships. The MBA currently has three emphases in Leadership, Finance, and Marketing with two additional emphases being added this year including Healthcare Administration, and Business Analytics. The School of Business anticipates significant demand in these new programs that will add to its growing number of graduate students. The MSBA program is starting its third year with 17 students enrolled Fall of 2022 in the graduate program and 40 students seeking a Business Analytics minor. To meet the current growth trajectory anticipated to be 400+ additional students in the next 10 years, it is anticipated that an additional 10 faculty will be needed to support the MBA and MSBA programs. The Professional Sales Program is beginning its second year and had over 50 students take the first Sales course last year. We expect this program to be one of the most popular minors at SUU. The program will need a Sales Center housed in the new building in order to be considered part of the National University Sales Alliance where students can obtain access to employers, competitions, and other sales related events. The School of Business boasts a 97% placement rate that comes from a robust and supportive employer network. SUU Career Services host bi-weekly career-ready events that are co-sponsored by alumni and employers. The proposed building will provide a gathering space to accommodate these career focused events that are supported by our growing student body and employer/alumni network. Each event is centered around better preparing students for lifelong personal and professional success. This building will incorporate areas where students are able to work in a collaborative business environment that better represents the workspaces they will be expected to thrive in after graduation. The Dixie L. Leavitt School of Business has had a 68% increase in students since 2018 and eagerly anticipates nearly 1,800 students Fall 2022. The 68% increase in students comprises 480 online students (66% of total growth) and 235 face to face/hybrid students (34% of total growth). One third of the student body in the business school are fully online students primarily in the MBA and MAcc programs, with 2/3 of the business student body being wholly face to face or hybrid. We currently have nearly 1,200 students on campus and about 600 online students. Based upon the current growth pattern and with the addition of the new online graduate programs, the School of Business is expected to grow to 2,500 students over the next 10 years. The distribution of students will change with approximately 44% of the student body being online and enrolled in graduate programs and 56% of students studying on campus (1,100 online, 1,400 F2F).