

# FY 2025-26 Capital Budget Guidance

July 12, 2024



UTAH  
SYSTEM OF  
HIGHER  
EDUCATION

# FY 2025-2026 Capital Budget Guidance

## *Action Requested to Adopt Guidance*

- **Key Areas**

- The Board's capital budget recommendation must adhere to statutory restrictions and be sensitive to state revenue environment.
- Guidance contemplates requests for dedicated, non-dedicated, landbank, and non-state funded projects.
- Scoring rubric for non-dedicated project requests has been updated.

# Last Year's Capital Budget Recap

## 2024 General Session Capital Project New Funding Items

2024 GS Capital Budget Appropriations	From CPF Base	Add'l Funds	Total	State O&M <sup>2</sup>
<b>State Funded Projects</b>				
<b>Non-Dedicated Projects</b>				
Snow: Social Science Classroom & Lab Building <sup>1</sup>	\$21,562,500	\$19,424,500	\$40,987,000	\$455,100
OWTC: Pathway Building Project	\$19,310,300	\$64,860,200	\$84,170,500	\$630,100
<b>Dedicated Projects</b>				
USU: Veterinary School Building	\$9,000,000		\$9,000,000	
USU: Human Resources Building	\$4,991,300		\$4,991,300	
SUU: HWY 56 Phoenix Plaza	\$4,635,000		\$4,635,000	\$162,600
UVU: Student Athlete Academic Building	\$3,500,000		\$3,500,000	
<b>Other Projects</b>				
Snow: 2023 GS Unused Landbank Funding		-\$673,000	-\$673,000	
UU: Huntsman Cancer Institute Vineyard Cancer Research		\$75,000,000	\$75,000,000	\$662,700
UU: Hospital Clinic on Redwood Road <sup>3</sup>		-\$12,500,000	-\$12,500,000	

<sup>1</sup>Total spending authority in HB 2, Item 47 equals the total state funded project cost of \$41,215,700. Shortfall of \$228,700 will need to be addressed next year

<sup>2</sup>State O&M was appropriated ongoing with equal amounts backed out one-time in FY 2025, with the exception of \$40,700 for SUU.

<sup>3</sup>\$25,000,000 in previously appropriated ARPA funding was pulled back and replaced with \$12,500,000 of Income Tax Fund.

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## **Dedicated Project Requests**

- Degree-granting institutions and technical colleges may submit requests to use anticipated FY 2026 capital project fund balances. Funding subject to appropriations by the Legislature.

## **Non-Dedicated Project Requests**

- Each institution may submit one non-dedicated project request.

## **Landbank Requests**

- Should be funded with institution dedicated project allocations, with additional new funding requests provisional on extenuating circumstances.

## **Non-State Funded Project Requests**

- Institutions may submit for Board approval consistent with statute and policy.

# Non-Dedicated Capital Facilities Prioritization

## Old - Quantitative Needs Points (75%)

Industry/Economic Demand (25%)

Utilization (15%)

Space Need (15%)

Imminent Non-functionality (10%)

Cost Effectiveness (5%)

Alternative Funding Sources (5%)

## New - Quantitative Needs Points (Initial Ranking)

Industry/Economic Demand (30%)

Utilization (30%)

Space Need (15%)

Imminent Non-functionality (10%)

Cost Effectiveness (10%)

Alternative Funding Sources (5%)

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## Old - Board Assessment (25%)

Access & Capacity

Affordability

Workforce

## New - Board Assessment (Final Ranking)

Quantitative Needs Points

Strategic Pillars

Other Board Considerations

# MOTION

I move to approve the Capital Facilities Request Process Guidelines.