Utah and Higher Education Budgeting

Rich Amon

Chief Financial Officer



3 Areas for Discussion

- 1. Budgeting Basics
- 2. Budgeting in Utah
- 3. Budgeting for the System of Higher Education

Budgeting 101

Public Budgeting

- What is Budgeting?
- What experience do you have with budgets?
 - Personal
 - Professional



Public Budgeting

Process of:

- Setting Goals
- Allocating Resources
- Measuring Progress
- Assigning Responsibility
- Controlling Activities



Why do we Budget?



Responsible Budgeting

- Budgeting developed in the United States as a way to hold public officials accountable
- Government Officials (elected and appointed) are responsible to the public and have a standard of care over revenues (taxes, tuition, utility fees, etc)
- Separation of Powers and Checks and Balances in the U.S distribute power and limit abuse, but also create inefficiencies and redundancies

"The governments of the U.S. were not designed to be efficient or powerful, but to be tolerable and malleable."

James Q. Wilson, Bureaucracy 1989

Budget as Policy

- All policy requires some form of budget to accomplish
 - Personnel are one of the largest sources of government expenditure
 - Most policies require someone to implement and/or be responsible
- Follow the money to find an organization's priorities



Who are the budget players involved in public budgeting?



Budget Players

- Public Organization
- Legislative Body
- Budget Office
- Executive Officer (Gov/Mayor)
- Lobbyists and Interest Groups
- Citizenry



Role of the Legislature

- Hold the purse appropriate money
- More representative of geographically diverse areas than executive
- In states and local government mostly part-time (hold other jobs)
- Budget committees
 - Appropriations committees
 - Executive committees



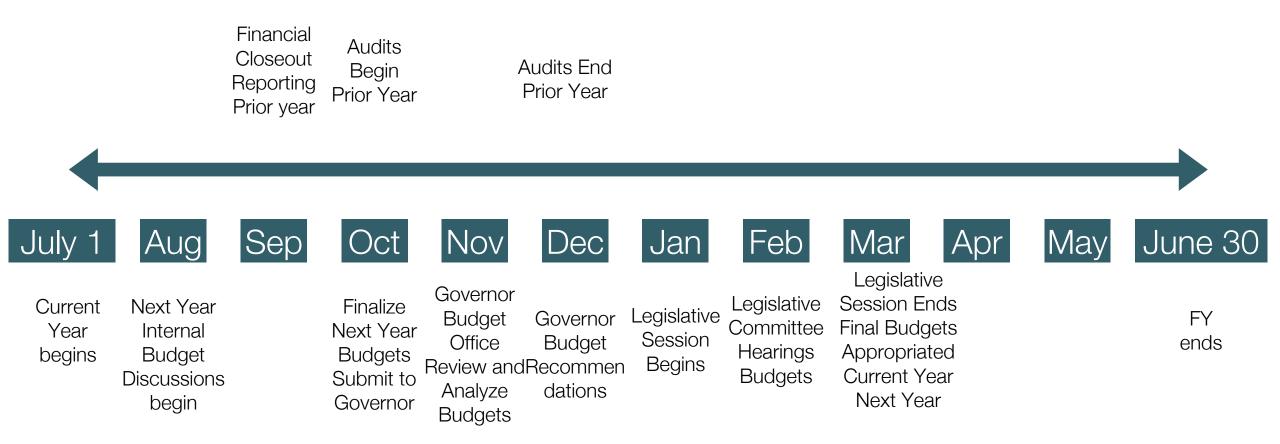
Role of the Chief Executive

- Set context for spending
- Important to balance the budget
 - Recession
 - Growth Economy
- Tactical concerns
 - Relationship with Federal and local governments
 - Relationship with the legislature
 - Citizen concerns with taxes and government services



Utah Budgeting Process

Utah Budget Cycle



Legislative Budget Committees

Each legislator assigned to a committee by legislative management (Speaker/President)

- 1. Business, Economic Development and Labor
- 2. Executive Offices and Criminal Justice
- 3. Higher Education
- 4. Infrastructure and General Government
- 5. Natural Resources, Agriculture, and Environment
- 6. Public Education
- 7. Retirement and Independent Entities
- 8. Social Services

Executive Appropriations Committee oversees all committees



Line Items

- Differentiate specific Legislative funding purposes
- Funds <u>may not</u> be moved between Line Items



- Provide flexibility as well as accountability
- Funds <u>may</u> be moved between Programs within a Line Item



To Utah Valley University - Education and General

From General Fund	59,301,600
From Education Fund	57,256,600
From Dedicated Credits Revenue	136,545,700
From Education Fund Restricted - Performance Funding Rest. Acct.	1,000,900
From Beginning Nonlapsing Balances	22,339,400
From Closing Nonlapsing Balances	(22,339,400)
Schedule of Programs:	
Education and General 249	9,522,300
Operations and Maintenance 4	,582,500

USHE Systemwide Line Items

• Education and General

- The principal line item that funds each higher education institution
- Provides significant flexibility for the institution to fund instruction, student services, operations, and other mission-related programs

• Educationally Disadvantaged

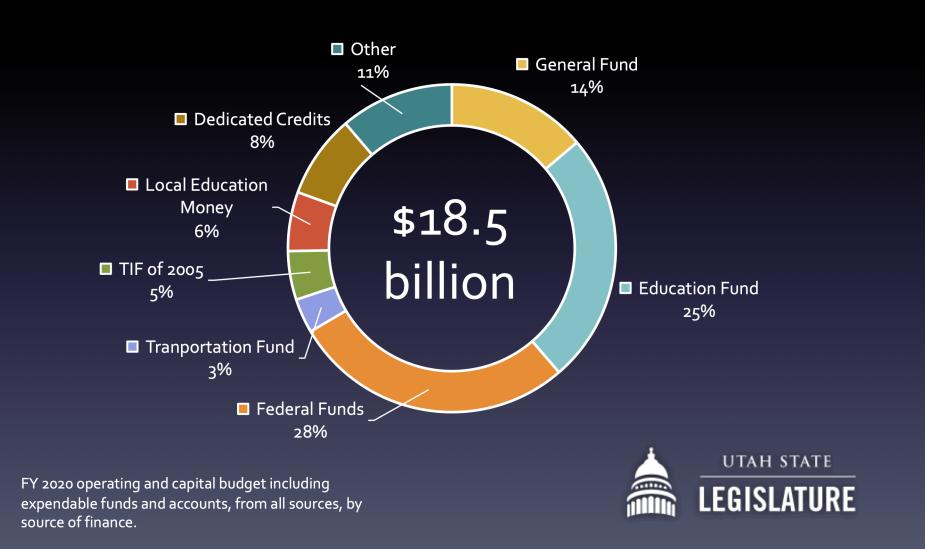
- Support educational needs of students who, because of their social-economic status or demographics, have historically been disadvantaged from pursuing a higher education
- Funds may be spent on tuition assistance, counselors, advisors, or tutoring

USHE Institution Specific Line Items

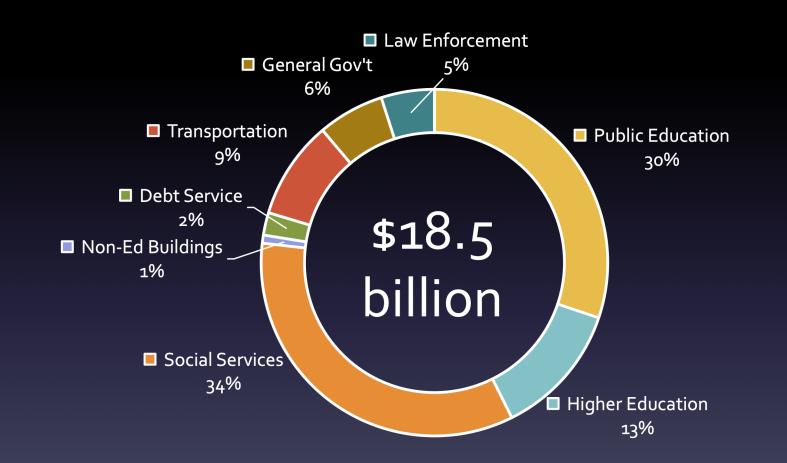
- University of Utah (12 Line Items)
 - School of Medicine
 - Cancer Research/Treatment
- Utah State University (11 Line Items)
 - Statewide Campuses
 - CTE (Career and Technical Ed.)
- Weber State University (2 Line Items)
- Utah Valley University (2 Line Items)

- Southern Utah University (4 Line Items)
 - Shakespeare
- Snow College (3 Line Items)
 - CTE (Career and Technical Ed.)
- Dixie State University (3 Line Items)
 - Zion Park Amphitheater
- Salt Lake Com. College (3 Line Items)
 - School of Applied Technology (CTE)

Where it all comes from...



Where it all goes...



FY 2020 operating and capital budget including expendable funds and accounts, from all sources, by use.



GOVERNOR GARY R. HERBERT

BUDGET RECOMMENDATIONS





FISCAL YEAR 2020 FISCAL YEAR 2019 SUPPLEMENTALS

THEME: GROWTH AND QUALITY OF LIFE

BUDGET OVERVIEW

Goal: Maintain Utah's quality of life by proactively managing growth

Utah's population is expected to double by about 2070. The state needs to proactively address growth-related challenges while maintaining and improving Utah's already enviable quality of life and economic opportunities for all Utahns. The Governor's budget focuses on foundational economic development drivers such as those listed below.



QUALITY OF LIFE IN THRIVING COMMUNITIES

Utah is growing rapidly, but limited undeveloped land remains on the Wasatch Front. Much of the growth should be absorbed through market-driven infill and mixed-use redevelopment coordinated with high-capacity transportation.

Community-focused Growth

Open Space & Efficient Land Use

\$50

iore than \$30 Million	to fund efforts, together with local matching funds, that integrate and preserve open space as part of mixed-used plans, including funding for redeveloping under-used spaces, large community parks, and open space within developments	\$6 Million	to the arts community through a merit-based process
	Allow a portion of the Transportation Investment Fund to be used for active transportation pathways		Enhance transit system and make targeted system expansions
\$20 Million	to pursue creating Utah's first state forest at Tabby Mountain (Duchesne County), ensuring recreation access for hiking, camping, and hunting	\$17 Million	for affordable housing
	QUALIFIED WORKFORCE		
K-12	Education - \$445 Million Total New State-directed Funding (\$293 Milli	on Ongoing, \$	152 Million One-time)
	Budget meets		\$32 Million

	Budget meets \$1 BILLION	\$15 Million WPU add-on for	\$1 Billion	\$104 Million	\$32 Million for school counseling			
	K-12 funding target a full year ahead of schedule (30% increase over 4 years)	children at risk of academic failure	in unused local property tax	for upgrading school facilities	\$30 Million Teacher bonuses			
	4% Weighted Pupil Unit (WPU) Increase	(\$19 million nev ce for flexible funds to	Million w, \$65 million existing) o address priority needs, eling and mental health					
	Higher Education - Ta	rgeted Investments in A	reas That Demonst	rate Measurable Impac	t			
(Ensure affordablility f students and taxpaye	for J Increa	ase student letion rates	Decrease the time to completion			
		Targete	d Investments					
) m	illion scholarship endowme	ent \$19 million for equ	uipment and technol	logy \$6.2 million for t	hree-year bachelor's degree			
	\$6 million to post-secondary advisory corps counseling meeting the \$275 million 4-year target a full year ahead of schedule							

POST-SECONDARY EDUCATION & A QUALIFIED WORKFORCE



The Governor continues commitment and challenges higher education to increase graduation rates while keeping the cost of education affordable

Highlights

Objective

The Governor calls on the Board of Regents to set new and ambitious goals that use innovative approaches to leverage systemic opportunities, lower costs, and increase quality and completion rates

The Governor calls on the Legislature to amend the Performance Funding statute to raise the bar and reach for more ambitious targets

The Governor calls on the Legislature to return program approval authority to the Board of Regents

The Governor recommends optimizing the use of existing facilities and recommends pausing new building construction for state and higher education buildings until a robust building utilization study is fully integrated into the building evaluation process

\$132.2 million of new funding for FY 2020 (\$68.5 ongoing and \$63.7 one-time)

Enough new ongoing funding has been allocated since FY 2016 to finance substantive changes—\$275 million (100 percent of the Governor's goal to invest \$275 million by FY 2021) Prepare a critical mass of skilled workers for high-paying jobs to support significant job growth in the coming years by:

- dramatically increasing the completion rate and number of graduates while lowering per-student costs
- leading the nation in students completing highquality technical education
- ensuring access and equity for all students, including first-generation and nontraditional students
- supporting training and certification programs for sectors currently experiencing skill gaps and labor shortages, and aligning graduate skills with workforce needs

Background

The 21st century economy requires a dynamic and educated workforce. Education drives innovation, attracts employers looking to fill high-skill jobs, and supports a higher quality of life. Post-secondary education levels correspond to higher average income and less government dependence.

Post-secondary education is among the largest state funding commitments and constitutes approximately 16 percent of the combined Education Fund and General Fund budget.

The Utah System of Higher Education (USHE), the Utah

Utah System of Higher Education

2019-20 Operating Budget Comparison (Tax Funds Only)

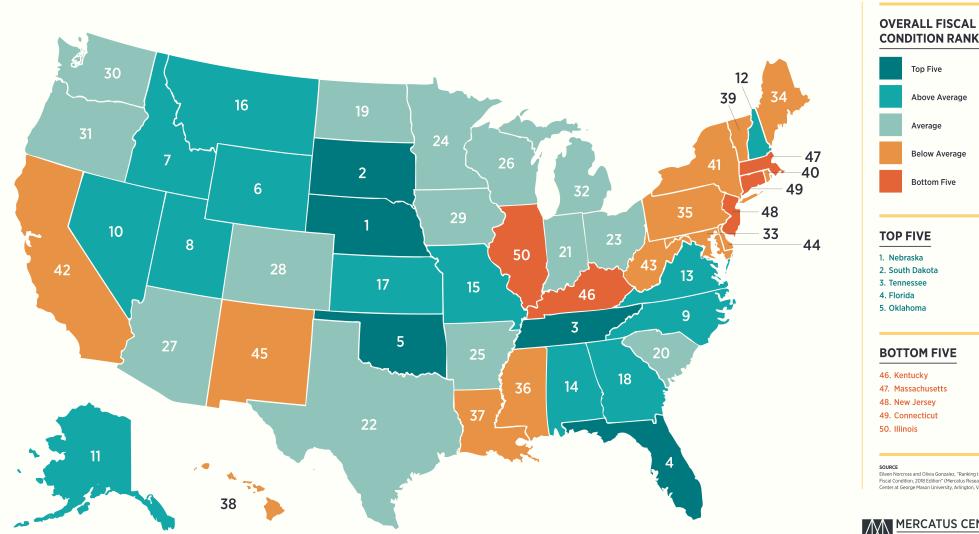
Board of Regents Request as compared to Governor Herbert and Executive Appropriations Committee

On-going Increase Compensation \$26,162,039 \$30,194,800 \$4,032,761 29,887,900 (\$306,900) 2% Salary Increase (75/25 match) ¹ 19,574,148 24,464,200 4,890,052 24,222,400 (241,800) 5% Health Premium Increases (75/25 match) ² 6,587,881 5,730,600 (857,221) 5,665,500 (65,700) Affordable Access 14,180,200 11,374,000 (2,806,200) 4,677,400 (6,656,600) Regents' Scholarships 5,995,000 5,995,000 - - (4,000,000) Institution Based Student Ad, Student Employment & Internships 3,185,200 - (1,000,000) - - Equity Funding for Technical Education Tuition in Rural Utah - 1,379,000 1,379,000 2,000,000 2,000,000 2,000,000 2,000,000 2,000,000 - <th></th> <th>Board of Regents</th> <th colspan="2">Governor Herbert</th> <th>Executive</th> <th>ommittee</th>		Board of Regents	Governor Herbert		Executive	ommittee	
On-going Increase Comparation 526,162,053 530,154,860 54,252,761 29,873,800 (8306,560) Affordable Access 11,374,060 (2,3852,00) 4,877,660 (2,4852,00) 4,877,660 (2,4852,00) 4,877,660 (2,4852,00) 4,877,660 (2,4852,00) 4,877,660 (2,5852,00) 4,877,660 (2,5852,00) 4,877,660 (2,5852,00) 4,877,660 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,5952,00) 1,774,000 (2,595,00) 1,774,000 (2,595,00) 1,774,000 (2,502,00) 1,774,000 (2,502,00) 1,774,000 (2,502,00) 1,774,000 (2,502,00) 1,774,000 (2,502,00) 1,774,000 (2,502,00) 1,774,100 3,970,00 3,970,00 3,970,00 1,774,100 3,970,00 1,774,100 3,970,00 1,774,100 1,774,100 1,774,100<	em of Higher Education Budget Priorities	A	A		A		Above/
Comparation 526,162,399 530,194,800 A,132,2761 228,830,900 (5316,940) 24,830,90 2% Salary Increases (725 match)" 5,730,800 (587,231) 5,655,000 16,810,00 3% Salary Increases (725 match)" 5,879,800 5,730,800 (857,231) 5,655,000 16,810,00 Mathematic Corp 5,955,000 1,316,200 1,374,000 2,422,400 (4,657,400) (6,595,000) Institution Ease Student AJ, Student Encloyment & Internation Students Tution in Aurual Utah 1,770,00 1,370,000 2,003,000<		Amount	Amount	(Below) SBR	Amount	(Below) Gov	(Below) SB
Comparation \$28,162,39 \$30,194,800 \$4,022,761 228,87,900 (\$30,69,00) 2% Salary Increases (7525 match)" 6,572,000 (\$57,211) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 (\$67,221) 5,655,000 \$63,300 \$7,000,00 <td>a Increase</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	a Increase						
¹ 25: Slady Increase (7525 mich) ¹ 55: Health Privation Increase (7525 mich) ¹ 45: Rest Privation Increase (7525 mich) ¹ 45: Rest Rest Rest Privation Increase (7525 mich) ¹ 45: Rest Rest Rest Rest Privation Increase (7525 mich) ¹ 45: Rest Rest Rest Rest Rest Rest Rest Rest		\$26,162,039	\$30,194,800	\$4,032,761	29.887.900	(\$306,900)	\$3,725,86
By Health Premium Increases (73/25 much) ¹ 6.587/891 5.730.000 (657.291) 5.665.00 (657.00) Reperter Scholarships 4.000.000 4.077.400 (2.895.000 - - (4.000.000) Statewich Adving Corp Institution Based Student King Student Employment & Internations Pacific Function Forced Entor Advises Programs 1.378.000 -							4.648.25
Affordabe Access 14.180.200 11.374.000 (2.882.200) 4.77.700 (6.666.600) Bigents Schularhigs 4.000.000 5.995.000 3.995.000 3.995.000 3.995.000 3.995.000 3.995.000 3.995.000 4.000.0							(922,39
Regent: Scholarships 4.000,000 1 1 (4.000,000) Statewide Akiespic Company 5,895,000 -							(9,502,80
Silewide Arkeing Corp 5,996,000 - - (5,996,000) Finst Gen and Undersverd Student Access Programs 1,000,000 - - - Ecuty Fination Freehned Exclamation In Rural Ulah - 1,770,000 1,770,000 2,703,000 2,203,000 2,000,000 1,000,000				(2,000,200)	4,077,400		(4,000,00
Institution Based Student ALS, Student Enorphyment & Internations 3.185.200 -				-	-	(4,000,000)	(5,995,00
First Gen and Undersmed Student Access Programs 1.000.000 - - - - - - - - - - - - - - 3.079.000 2.000.000 2.000.000 - - - - 3.04,100 3.00,100 - - - 3.04,100 3.00,000 3.000,000 - - - - 3.00,000 3.00,000 1.000,000 - - - - - 3.00,000 1.000,000 -				-			
Equity Funding for Fachinal Education Tutton in Rural Ulah 1.379.000 1.379.000 2.033.300 654.300 Access Ular Promise Schularitio - - 304,100 334,100 Career & Tachinal Education Scholarhip - - 300,000 40,000 40,000 40,000 40,000 40,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 2.230,000 7.456,000 3.80,000 7.456,000 2.230,000 7.456,000 7.456,000 7.456,000 7.456,000 7.456,000 7.456,000 7.456,000 7.500,000 -			-		-	-	(3,185,20
Access Uah Promise Scholarship - - - 300,000 2,000,000 Career & Technical Education Scholarship - - - 300,000 300,000 300,000 300,000 2,000,000 4,0000 1,0158,227 6,100,000 5,000,000 2,256,000 7,656,000 7,656,000 7,656,000 5,615,800 - <td></td> <td>1,000,000</td> <td>-</td> <td></td> <td>-</td> <td>-</td> <td>(1,000,00</td>		1,000,000	-		-	-	(1,000,00
T.H. Bell Program. Amendments - - - 304,100 304,100 Carere & Technical Education Scholarship - - - 300,000 40,000		-	1,379,000	1,379,000			2,033,30
Garer & Technizel Education Scholarship - - - 300,000 300,000 TimeY Completion 15,566,277 6,150,000 (9,216,27) 3,880,000 (2,250,000) Advising, Retenitor, And Student Success Programs 2,000,000 -		-	-	-			2,000,00
Student Prosperity Savings - - - - 40.000 40.000 Timely Completion 15.366.287 5.190.000 3.380.000 (2.250.000) 3.380.000 (2.250.000) Advising, Reention, And Student Success Programs 0.006 6.190.000 - <t< td=""><td></td><td>-</td><td></td><td>-</td><td></td><td></td><td>304,10</td></t<>		-		-			304,10
Time Completion 15.86.287 6.150.000 (9.21.62.7) 3.800.000 (2.250.000) Advisin, Retention, And Student Success Programs 2.000.000 6.150.000 3.800.000 (2.250.000) Workforce and Research 10.066.287 (10.066.287) (10.066.287) . . . Workforce and Research 10.0119.800 . (10.018.000) . . . Construction, Composites and Blealt Technologies 4.100.000 . (4.100.000) . . . Construction, Composites and Blealt Technologies 4.100.000 . <t< td=""><td>Career & Technical Education Scholarship</td><td>-</td><td>-</td><td>-</td><td>300,000</td><td>300,000</td><td>300,00</td></t<>	Career & Technical Education Scholarship	-	-	-	300,000	300,000	300,00
Three Year Eacheor's Degree 2.000.000 6,150.000 3.380.000 (2.350.000) Advision, Relention, And Studens Roccase Programs 2.000.000 - - - Online Programs 2.000.000 - (2.000.000) - - Workforcs and Related Programs 5.018.000 - (5.19.000) - - Engineering, T, and Related Froorpains 5.018.000 - (5.000.000) - - Engineering, Instalve - - - 5.000.000 1 - Stategic ViolAnderon Instalve - - - 98.100 95.600 95.600 95.600 95.600 95.600 95.600 95.600 95.726.000 - - 95.000 - - - 95.000 35.2600 35.26000 35.26000 35.26000 35.26000 35.26000 35.26000 35.26000 - - - - - - - - - - - - - - - -	Student Prosperity Savings	-	-	-	40,000	40,000	40,00
Advising, Retention, And Student Success Programs 10.666.287 -	nely Completion	15.366.287	6,150,000	(9.216.287)	3,800,000	(2.350.000)	(11.566.28
Advising, Retention, And Student Success Programs 10.666.287 -							1,000,00
Online Programs 2,000,000 - - - - Workfores and Research 10,019,800 - (10,019,800) - - - Engineering, Tran Related Programs 5,019,800 - (10,019,800) -			-		-	(2,000,000)	(10,566,2)
Workforce and Research 10,019,800 - (10,019,800) 7,05,000 7,05,000 Health Profesions and Related Technologies 4,100,000 - (4,100,000) - - Construction, Composites and Dises Technicians 300,000 - (4,100,000) - - - Construction, Composites and Dises Technicians 300,000 -							(2,000,00
Health Professions and Related Programs 5,619,800 - (5,619,800) - - Engineering Indiative 300,000 - (300,000) - - - Construction, Composities and Diesel Technologies/Technicians 300,000 - (300,000) - <					7 050 000	7 050 000	(2,969,80
Engineering, T. and Reisted Technologies/Technicians 4,100.000 - (4,100.000) - <			-		1,000,000	7,030,000	(5,619,80
Construction, Composites and Dised Technologies/Technicians 300,000 - (300,000) - - - - - - - - - - - - 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 3,126,000 1,000,000 5,000,000 3,126,000 1,000,000 3,126,000 1,000,000			-		-	-	
Engineering Initiative - - - 5,000,000 5,000,000 Stratepic Workforce Initiative - - - 10,000,000 10,000,000 Stratepic Workforce Initiative - - - 956,100 956,100 956,100 956,100 93,300 33,800 Student Growth & Capacity 7,150,000 - - - - 0,39,000 3,125,000 3,125,000 - - - - 1,10,000 - - - 1,10,000 - - - (7,10,000) - - - - - (7,10,100) - </td <td></td> <td></td> <td>-</td> <td></td> <td>-</td> <td>-</td> <td>(4,100,0</td>			-		-	-	(4,100,0
Cancer/Medical Innovation/IP Research - - 1.000.000 10.00.000 Strategic Workforce Initiative - - - 93.900 1.2956.000 31.256.000 31.266.000 31.266.000 31.266.000 31.266.000 31.266.000 31.266.000 31.900.000 - </td <td></td> <td>300,000</td> <td>-</td> <td>(300,000)</td> <td>-</td> <td>-</td> <td>(300,0</td>		300,000	-	(300,000)	-	-	(300,0
Statability - - - 95,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,100 956,000 3,126,000 7,150,000 7,150,000 7,150,000 - <td< td=""><td></td><td>-</td><td>-</td><td>-</td><td></td><td></td><td>5,000,0</td></td<>		-	-	-			5,000,0
Bare Inset Conservation Coordinator - - - - - 93 900 93		-	-	-			1,000,0
Student Growth & Capacity 18,646,800 9,330,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 7,150,000 1 <th1< th=""> 1 <th1< th=""></th1<></th1<>	Strategic Workforce Initiative	-		-	956,100	956,100	956,1
Systemwide Cyber Security 7,150,000 - - (7,150,000) New Faculty for High Demand, High Growth Programs 77,017,000 - <td>Rare Insect Conservation Coordinator</td> <td></td> <td></td> <td>-</td> <td>93,900</td> <td>93,900</td> <td>93,9</td>	Rare Insect Conservation Coordinator			-	93,900	93,900	93,9
Systemwide Cyber Security 7,150,000 - - (7,150,000) New Faculty for High Demand, High Growth Programs 77,017,000 - <td>Ident Growth & Capacity</td> <td>18.646.800</td> <td>9.830.000</td> <td>(8.816.800)</td> <td>12,956,000</td> <td>3.126.000</td> <td>(5,690,8</td>	Ident Growth & Capacity	18.646.800	9.830.000	(8.816.800)	12,956,000	3.126.000	(5,690,8
New Faculty for High Demand, High Growth Programs 7,701,800 - (7,701,800) - - Studemt Services and Operational Support 905,000 - (1390,000) - - - Institution Salary Equity 1,500,000 - (1300,000) - - - Student Prevention Psychiatry Medical Residents - 1,500,000 525,000 - (655,000) Reading Clinic for K-12 Students - - 5000,000 525,000 - (655,000) Institution Based Programs - - 5000,000 1,770,000 1,770,000 School of Dentistry - - 1,500,000 1,500,000 1,500,000 Rural and Underserved Medicine Training Experience - - 1,270,200 1,270,200 Wellness - - - 550,000 550,000 500,000 Teacher Education Initiative - - 500,000 500,000 500,000 Ubtotal - USHE Priority On-going Increase 84,375,126 57,548,800 2,284,900					-		(7,150,0
Student Services and Operational Support 905,000 - (e005,000) - - Institutional IT, Classroom E& Data Technology 1,390,000 - (1,390,000) - - Suicide Prevention Psychiatry Medical Residents 1,500,000 1,500,000 800,000 (700,000) Suicide Prevention Psychiatry Medical Residents - 1,500,000 525,000 - (655,000) Reading Clinic for K-12 Students - 525,000 525,000 5,000,000 5,000,000 SafeUT Operations - - 1,770,000 1,770,000 1,770,000 1,700,000 SafeUT Operations - - 1,500,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 1,500,000 1,500,000 1,500,000 1,500,000 1,500,000 1,500,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 1,500,000 1,500,000 1,500,000 1,500,000 5,000,000 5,000,000 5,000,000 5				(7 701 800)			(7,701,8
Institutional IT, Classroom Equipment & Data Technology 1,380,000 - (1,380,000) - - Institutional IT, Classroom Equipment & Data Technology 1,500,000 1,500,000 800,000 (700,000) Technical Education Program in Rural Utah - 855,000 655,000 - (655,000) Institution Based Programs - - 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 1,770,000 1,770,000 1,770,000 1,770,000 1,770,000 1,500,000 1,500,000 1,500,000 1,500,000 1,270,200 1,500,000 50,000,000 50,000,000 1,270,200 1,270,200							(905,0
Institution Salary Equity 1,500,000 - (1,500,000) - <td></td> <td></td> <td></td> <td></td> <td>-</td> <td></td> <td>(1,390,00</td>					-		(1,390,00
Suicide Prevention Psychiatry Medical Residents - 1,500,000 1,500,000 685,000 - (685,000) Reading Clinic for K-12 Students - - - 525,000 525,000 - (685,000) Institution Based Programs - - - - 525,000 1,770,000 1,7770,000 1,7770,000 1,7770,000 1,7770,000 1,7770,000 1,7770,000 1,500,000 54,000 1,500,000 500,000 44 1,161,000 1,500,000 550,000 560,000 560,000 560,000 560,000 60,000 60,000 60,000 60,000 500,000 560,000 560,000 62,68,900 6,268,900 6,268,900 6,268,900 6,268,900 6,268,900 6,268,900 2,374,900 2,374,900 2,374,900 2,374,900			-		-	-	
Technical Education Program in Rural Utah - 655,000 655,000 - (655,000) Reading Clinic for K-12 Students - 525,000 500,000 500,000 500,000 500,000 7770,000 1,770,000 1,770,000 1,500,000 4.41 Initiative - - 1,500,000 1,500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 5,800 <t< td=""><td></td><td>1,500,000</td><td>-</td><td></td><td>-</td><td>(700.000)</td><td>(1,500,0</td></t<>		1,500,000	-		-	(700.000)	(1,500,0
Reading Clinic for K-12 Students - 525,000 525,000 - (525,000) Institution Based Programs - - - - 1,770,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 1,500,000 1,500,000 1,500,000 1,500,000 1,500,000 1,500,000 1,270,200	Suicide Prevention Psychiatry Medical Residents	-			800,000		800,00
Institution Based Programs - - 5,000,000 5,000,000 SafeUT Operations - - - 1,770,000 1,770,000 School of Denlisity - - - 1,500,000 1,500,000 Rural and Underserved Medicine Training Experience - - 1,500,000 1,500,000 4-H Initiative - - - 1,270,200 1,270,200 1,270,200 Dual Immersion Transition to College - - - 550,000 550,000 Teacher Education Initiative - - 5,800 5,800 5,800 Performance Based Funding - - - 3,1500,000 3,590,000 Internal Service, Operations and Maintenance - - - 3,844,000 3,849,000 Operations and Maintenance - - - 2,374,900 2,374,900 USHE Priority On-going Increase 84,375,126 5,56% 50,000,000 5,000,000 - - Statewide Avising Corp - - <td></td> <td>-</td> <td></td> <td></td> <td>-</td> <td></td> <td>-</td>		-			-		-
SafeUT Operations - - 1770,000 1770,000 School of Dentistry - - - 1,500,000 1,500,000 Rural and Underserved Medicine Training Experience - - - 1,500,000 1,500,000 4-H Initiative - - - 1,270,200 1,270,200 1,270,200 Wellness - - - 500,000 550,000 550,000 Dual Immersion Transition to College - - - 500,000 500,000 Teacher Education Initiative - - - 500,000 500,000 Performance Based Funding - - - 5,800 5,800 5,800 Internal Service, Operations and Maintenance - - - 3,894,000 3,894,000 Internal Service, Operations and Maintenance - - - 2,374,900 2,374,900 Subtotal - USHE Priority On-going Increase 84,375,126 5,7,548,800 5,6% -2,6% 9,4% 3,8% <td< td=""><td></td><td>-</td><td>525,000</td><td>525,000</td><td>-</td><td></td><td>-</td></td<>		-	525,000	525,000	-		-
School of Dentisity - - 1,500,000 1,500,000 Rural and Underserved Medicine Training Experience - - - 1,500,000 1,500,000 4H Initiative - - - 1,270,200 1,270,200 1,270,200 Wellness - - - 550,000 550,000 550,000 Dual Immersion Transition to College - - 580,000 60,000 60,000 Teacher Education Initiative - - 580,00 580,000 580,000 Performance Based Funding - - - 31,500,000 31,500,000 Internal Service, Operations and Maintenance - - - 3,849,000 3,894,000 Operations and Maintenance - - - 2,374,900 2,374,900 USHE Budget Priority On-going Increase 84,375,126 5,6% -2,6% 96,140,200 38,591,400 Statewide Advising Corp - - 5,000,000 - - - - State		-	-	-			5,000,00
Rural and Underserved Medicine Training Experience - - - 1,500,000 1,600,000 4-H Initiative - - - - 1,270,200 1,270,200 1,270,200 Wellness - - - - 550,000 550,000 Dual Immersion Transition to College - - - 5800,000 500,000 Teacher Education Initiative - - 5,800 5,800 5,800 Performance Based Funding - - - 5,800 5,800 Internal Service, Operations and Maintenance - - - 5,268,900 2,268,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 3,884,000 - - - - - - - 2,374,900 3,859,400 3,859,400 - - - - - - - - - - - - - - - - - - -	SafeUT Operations	-	-	-	1,770,000	1,770,000	1,770,00
Rural and Underserved Medicine Training Experience - - - 1,500,000 1,600,000 4-H Initiative - - - - 1,270,200 1,270,200 1,270,200 Wellness - - - - 550,000 550,000 Dual Immersion Transition to College - - - 5800,000 500,000 Teacher Education Initiative - - 5,800 5,800 5,800 Performance Based Funding - - - 5,800 5,800 Internal Service, Operations and Maintenance - - - 5,268,900 2,268,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 3,884,000 - - - - - - - - 2,374,900 2,374,900 3,8591,400 9,4% 3,8% - - - - - - - - - - - - - - - - </td <td>School of Dentistry</td> <td>-</td> <td>-</td> <td>-</td> <td>1,500,000</td> <td>1,500,000</td> <td>1,500,00</td>	School of Dentistry	-	-	-	1,500,000	1,500,000	1,500,00
4-H Initiative - - 1,270,200 1,270,200 Wellness - - 550,000 550,000 Dual Immersion Transition to College - - - 500,000 Teacher Education Initiative - - 600,000 60,000 Ubit Communications Authority - - 6,268,900 62,89,900 Performance Based Funding - - - 6,268,900 6,268,900 Operations and Maintenance - - - 31,500,000 31,500,000 Internal Service Funds (Liability, Fleet, Property, AG) - - - 38,49,000 38,49,000 Ubtotal - USHE Priority On-going Increase 84,375,126 57,548,800 (26,826,326) 96,140,200 9,4% 3.8% USHE Budget Priorities Percent Increase* (2,997,500) -							1,500,0
Wellness - - - 550,000 550,000 550,000 550,000 550,000 550,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 3,894,000 3,859,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000 5,000,000							1,270,2
Dual Immersion to College - - 500,000 500,000 Teacher Education Initiative - - - 60,000 60,600,000 60,600,000 60,600,000							550,0
Teacher Education Initiative - - 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 5,800 6,268,900 6,268,900 6,268,900 6,268,900 6,268,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 3,8,591,400 3,50,500 5,00,000 5,00,							500,0
Utah Communications Authority - - 5,800 5,800 Performance Based Funding - - - 31,500,000 32,374,900 2,374,900 2,374,900 2,374,900 2,374,900 2,374,900 38,591,400 ubtotal - USHE Priority On-going Increase 84,375,126 57,548,800 (26,826,326) 96,140,200 38,591,400 3.85,91,400 USHE Budget Priorities Percent Increase ⁶ (2,997,500) 5,6% -2.6% 96,140,200 5,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,00		-	-	-			
Performance Based Funding - - 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 31,500,000 50,8900 6,268,900 6,268,900 6,268,900 6,268,900 6,268,900 2,374,900		-		-			60,0
Internal Service, Operations and Maintenance Operations and Maintenance - - - 6,268,900 3,894,000 3,894,000 3,894,000 3,894,000 3,894,000 3,894,000 3,894,000 2,374,900		-	-	•	5,800		5,8
Operations and Maintenance Internal Service Funds (Liability, Fleet, Property, AG) - - - 3.894,000 3.894,000 2.374,900 2.3		•	•	•			31,500,0
Internal Service Funds (Liability, Fleet, Property, AG) - 2,374,900 3,8591,400		-	•	•			6,268,9
ubtotal - USHE Priority On-going Increase 84,375,126 57,548,800 (26,826,326) 96,140,200 38,591,400 USHE Budget Priorities Percent Increase 8.3% 5.6% -2.6% 96,140,200 3.8,591,400 Inne-time Increase ⁴ (2,997,500) 47,002,500 50,000,000 2,243,200 (44,759,300) Endowment Scholarship Fund (need based) ³ - - - - - Advance Research & Treatment of Cancer - - - 5,000,000 50,000,000 50,000,000 Statewide Advising Corp - - - 5,000,000 500,000 500,000 500,000 Statewide Public Safety Intelligence Tool - - - 500,000 500,		-	•				3,894,0
USHE Budget Priorities Percent Increase 8.3% 5.6% 2.2% 9.4% 3.8% me-time Increase ⁶ Endowment Scholarship Fund (need based) ³ Statewide Advising Corp Advance Research & Treatment of Cancer (2,997,500) 47,002,500 50,000,000 2,243,200 (44,759,300) Advance Research & Treatment of Cancer - - - 5,000,000 50,000,000 50,000,000 50,000,000 50,000,000 10,000 50,000,000 50,000,000 50,000,000 500,000 <t< td=""><td>Internal Service Funds (Liability, Fleet, Property, AG)</td><td>- </td><td>-</td><td>-</td><td>2,374,900</td><td>2,374,900</td><td>2,374,9</td></t<>	Internal Service Funds (Liability, Fleet, Property, AG)	-	-	-	2,374,900	2,374,900	2,374,9
USHE Budget Priorities Percent Increase 8.3% 5.6% 2.8% 9.4% 3.8% me-time Increase ⁶ Endowment Scholarship Fund (need based) ³ Statewide Advising Corp Advance Research & Treatment of Cancer (2,997,500) 47,002,500 50,000,000 2,243,200 (44,759,300) Advance Research & Treatment of Cancer - - - 5,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 50,000,000 500,000							
USHE Budget Priorities Percent Increase 8.3% 5.6% 2.8% 9.4% 3.8% me-time Increase ¹ Endowment Scholarship Fund (need based) ³ Statewide Advising Corp Advance Research & Treatment of Cancer (2,997,500) 47,002,500 50,000,000 2,243,200 (44,759,300) Advance Research & Treatment of Cancer - - - 5,000,000 50,000,000 50,000,000 50,000,000 50,000,000 - - - - - - 5,000,000 500,000 500,000 500,000 500,000 500,000 500,000 500,000 -	I - USHE Priority On-going Increase	84.375.126	57.548.800	(26.826.326)	96.140.200	38.591.400	11,765,0
Endowment Scholarship Fund (need based) ³ - 50,000,000 50,000,000 - (50,000,000) Statewide Advising Corp (2,997,500) (2,997,500) -		8.3%	5.6%		9.4%	3.8%	1.2
Endowment Scholarship Fund (need based) ³ - 50,000,000 50,000,000 - (50,000,000) Statewide Advising Corp (2,997,500) (2,997,500) -	e Increase ⁴	(2 997 500)	47 002 500	50 000 000	2 243 200	(44 759 300)	5,240,7
Statewide Advising Corp (2,997,500) (2,997,500) - <td></td> <td>(2,001,000)</td> <td></td> <td></td> <td></td> <td></td> <td>3,240,7</td>		(2,001,000)					3,240,7
Advance Research & Treatment of Cancer - - 5,000,000 500,000 Statewide Public Safety Intelligence Tool - - - 500,000 500,000 Cancer/Medical Innovation/IPP Research - - - 500,000 500,000 Utah Coal Country Strike Team - - - 500,000 500,000 Strategic Workforce Initiative - - - 565,300 356,300 Primary Care Workforce - - - 300,000 300,000 Carbon Combustion Lab - - - 250,000 250,000 Study Adverse Effects of Cannabis - - 210,000 210,000 Psychiatry Medical Inscienters - - 20,000 200,000		(2 007 500)		30,000,000	-	(00,000,000)	-
Statewide Public Safety Intelligence Tool - - 500,000 500,000 Cancer/Medical Innovation/IPP Research - - - 500,000 500,000 Utah Coal Courty Stive Team - - 500,000 500,000 Strategic Workforce Initiative - - 500,000 356,300 356,300 356,300 366,300 260,000 Carbon Combustion Lab - - 200,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 210,000 210,000 210,000 210,000 210,000 20,000		(2,997,500)		· •	- -	- E 000 000	E 000 0
Cancer/Medical Innovation/IPP Research - - 500,000 500,000 Utah Coal Country Strike Team - - - 500,000 500,000 Strategic Workforce Initiative - - - 356,300 356,300 356,300 300,000 Primary Care Workforce - - - 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 250,000 200,000		-	-	-			5,000,0
Utah Coal Country Strike Team - - 500,000 500,000 Strategic Workforce Initiative - - - 366,300 356,300 366,300 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 300,000 250,000 250,000 250,000 250,000 250,000 250,000 210,000 210,000 210,000 210,000 210,000 20,000		-	-	-			500,0
Strategic Workforce Initiative - - 356,300 356,300 Primary Care Workforce - - - 300,000 300,000 Carbon Combustion Lab - - 250,000 250,000 250,000 250,000 210,000 Kem C. Gardner Policy Institute - - - 210,000 210,000 Study Adverse Effects of Cannabis - - 20,000 20,000 Psychiatry Medical Residents - - (800,000) (800,000)		-	-	-			500,0
Primary Care Workforce - - 300,000 300,000 Carbon Combustion Lab - - 250,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000 200,000 210,000 210,000 210,000 210,000 200,000 <td< td=""><td></td><td>- </td><td>-</td><td>-</td><td></td><td>500,000</td><td>500,0</td></td<>		-	-	-		500,000	500,0
Primary Care Workforce - - 300,000 300,000 Carbon Combustion Lab - - 250,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000 250,000 200,000 210,000 210,000 210,000 210,000 200,000 <td< td=""><td></td><td>- </td><td>-</td><td>-</td><td></td><td>356,300</td><td>356,3</td></td<>		-	-	-		356,300	356,3
Carbon Combustion Lab - - 250,000 250,000 Kem C. Gardner Policy Institute - - - 210,000 210,000 Study Adverse Effects of Cannabis - - 20,000 20,000 Psychiatry Medical Residents - - (800,000) (800,000)		-	-	-		300,000	300,0
Kem C. Gardner Policy Institute - - 210,000 210,000 Study Adverse Effects of Cannabis - - 20,000 20,000 Psychiatry Medical Residents - - (800,000) (800,000)		-	-				250,0
Study Adverse Effects of Cannabis - - 20,000 20,000 Psychiatry Medical Residents - - (800,000) (800,000)		-					210,0
Psychiatry Medical Residents (800,000) (800,000)			-	-			210,0
		-	-	-			(800,0
		-	-	-			(800,0
					(.,,	(.,,))	(.,, .
Subtotal - One-time Increase (2,997,500) 47,002,500 50,000,000 2,243,200 (44,759,300) USHE Budget Priorities Percent Increase -0.3% 4.6% 4.9% 0.2% -4.4%							5,240,7 0

OVERALL FISCAL CONDITION HOW DO THE 50 STATES RANK?

2018

EDITION





Eileen Norcross and Olivia Gonzalez, "Ranking the States by Fiscal Condition, 2018 Edition" (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, October 2018).



Utah System of Higher Education (USHE) Budgeting

The Utah System of Higher Education

Top 6 Employers in Utah 2017 **

USHE + UU Hospital	40,000+
IHC	20,000+
State of Utah	20,000+
BYU	15,000 - 19,999
Walmart	15,000 - 19,999
Hill Air Force Base	10,000 - 14,999

Population Size Comparison

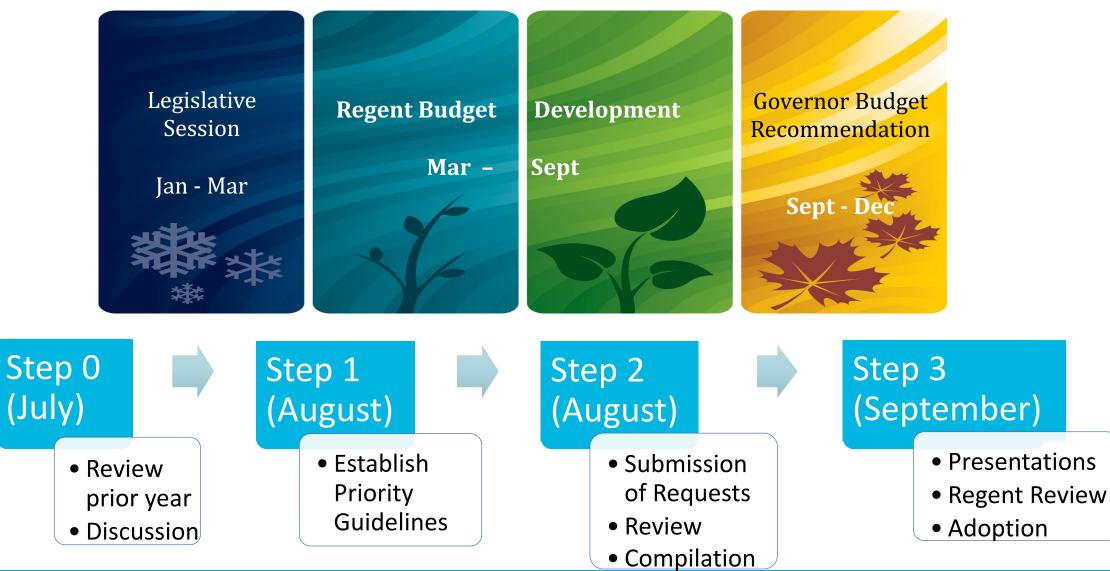
Salt Lake City: 181,743* USHE: 220,000+

- 40,739 FTE employees including UU Hospital and Clinics
- 33.8 million square feet of owned space with locations through the state
- FY18 Appropriated Operating Budget: \$1.9 billion
- Total Operating Budget with Hospitals: \$6.7 billion
- Over 180,000 students served annually

The Utah System of Higher Education



USHE Budget Timeline



FY 2020-21 Budget Development Process Guidelines

Four budget categories:

1. Compensation and Mandatory Increases

- 2. Institution Priorities (Performance, CTE, O&M)
- 3. Growth Funding
- 4. Regent Priority Initiatives

FY 2021 Budget Development Guidelines

Budget Priorities

- 1. College Access Advisors \$3M
- 2. Compensation (75/25 split) \$36M
- 3. Institutional Priorities
 - Performance Funding \$34.5M
 - O&M \$0.5M
- 4. Growth Funding \$3.9M
- USHE Schools of Applied Technology

Performance Funding Allocation - \$34.5M

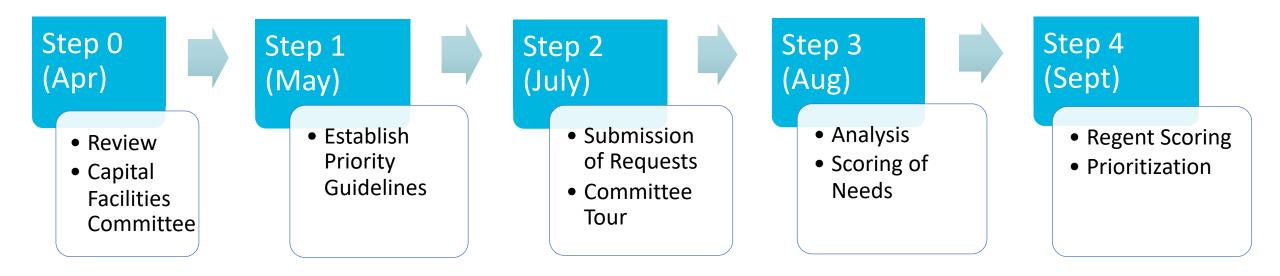
- University of Utah
- Utah State University
- Weber State University
- Southern Utah University
- Snow College
- Dixie State University
- Utah Valley University
- Salt Lake Community College

- \$10,136,400
- \$ 6,866,000
- \$ 3,647,700
- \$ 1,859,200
- \$ 1,007,000
- \$ 1,671,900
- \$ 5,372,100
- \$ 3,939,700

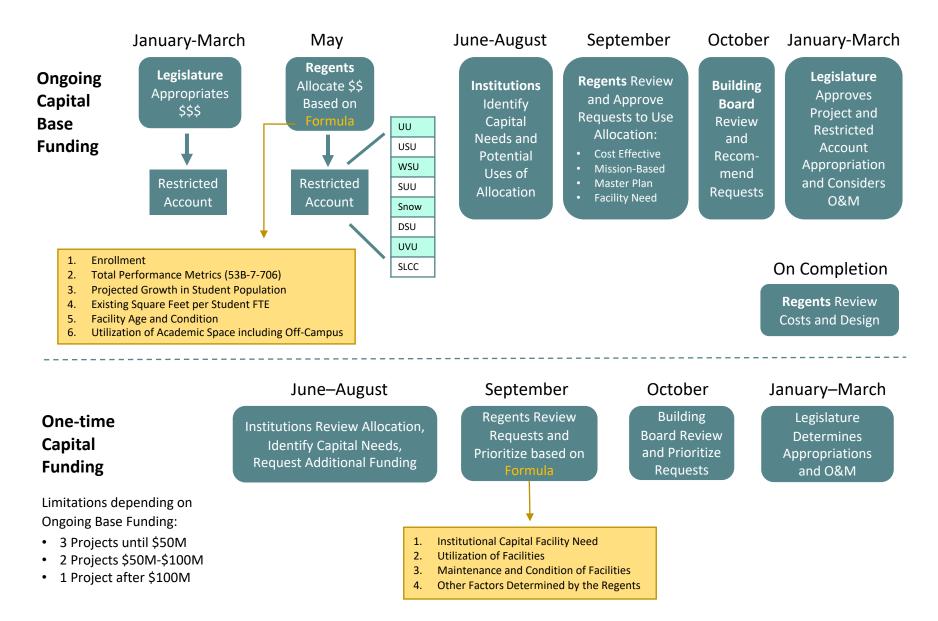
Current Performance Funding Model

		Completion	Underserved Students	Market Demand	Research	Awards per FTE	Total	1. Measures
2. Weight	Weighting	15%	10%	25%	10%	40%	100%	
	University of Utah							
	Available Allocation (29.31%)	\$1,175,820	\$ 783,880	\$1,959,700	\$ 783,880	\$3,135,520	\$7,838,800	3. Appropriation 4. Allocation
5. Progress	1% Progress Measure (increase/decrease)	3.16%	150.46%	5.15%	4.22%	3.17%		
	Actual Award within Available Allocation Percent (%) Funded	\$1,175,820 100.0%	\$ 783,880 100.0%	\$1,959,700 100.0%	\$ 783,880 100.0%	\$3,135,520 100.0%	\$7,838,800 100.0%	6. Award
7. Balance	Balance	\$ 0	\$ 0	\$ 0	\$ 0	\$0	\$	-

USHE Capital Prioritization Process



SB 102 - Utah System of Higher Education - Capital Funding Model





QUESTIONS