

STATE BOARD OF REGENTS
UNIVERSITY OF UTAH, SALT LAKE CITY, UTAH
S.J. QUINNEY COLLEGE OF LAW
FRIDAY, JANUARY 20, 2017

AGENDA

7:30 – 8:50 AM **BREAKFAST MEETING – STATE BOARD OF REGENTS, UNIVERSITY OF UTAH BOARD OF TRUSTEES, PRESIDENT PERSHING, COMMISSIONER BUHLER**
Location: Moot Courtroom

9:00 – 10:30 AM **DISCUSSION—Regents, Commissioner, Presidents**
(Topic: Service Regions and Branch Campuses/Teaching Sites)
Location: Moot Courtroom

10:30 – 12:00 PM **MEETINGS OF BOARD COMMITTEES**

ACADEMIC AND STUDENT AFFAIRS COMMITTEE

Regent Robert W. Prince, Chair

Location: Flynn Faculty Workshop

ACTION:

- | | |
|---|-------|
| 1. University of Utah – Bachelor of Science in Quantitative Analysis of Markets and Organizations with Emphases in: Business Economics & Analytics, and Finance | TAB A |
| 2. University of Utah – Master of Science in Construction Engineering (online) | TAB B |
| 3. University of Utah – Master of Software Development | TAB C |
| 4. Weber State University – Bachelor of Science in Public Health | TAB D |
| 5. Snow College – Associate of Fine Arts in Visual Studies | TAB E |
| 6. Adoption of Regent Policy R262, <i>Student Safety</i> | TAB F |

CONSENT:

Please see the General Consent Calendar at TAB AA

INFORMATION:

- | | |
|---|-------|
| 1. University of Utah Completion Report | TAB G |
| 2. Statewide Completion Report | TAB H |
| 3. Outreach & Access Update | TAB I |
| 4. USHE Annual Career and Technical Education Report | TAB J |
| 5. Engineering and Computer Technology Initiative Annual Report | TAB K |

FINANCE/FACILITIES COMMITTEE

Regent Robert S. Marquardt, Chair

Location: Room 6623

DISCUSSION:

- | | |
|---|-------|
| 1. USHE – Fiscal Health Dashboard Presentation & Discussion | TAB L |
| 2. USHE – Discussion of Tuition & Fees | TAB M |

ACTION:

- | | |
|--|-------|
| 1. University of Utah – Property Disposal | TAB N |
| 2. University of Utah – Property Acquisition | TAB O |

- | | |
|---|-------|
| 3. University of Utah – Series 2017 Refunding Bond Issue | TAB P |
| 4. Utah State university – Property Acquisition | TAB Q |
| 5. USHE – Capital Facilities Policies; Repeal R701, R710, R720 and Adopt R701, R702, R703, R704, R705, R706 | TAB R |
| 6. USHE – Revision of Policy R571, <i>Delegation of Purchasing Authority</i> | TAB S |
| 7. UHEAA – Amendment to Authorizing Resolution: Student Loan Backed Notes | TAB T |

CONSENT:

Please see the General Consent Calendar at TAB AA

INFORMATION:

- | | |
|---|-------|
| 1. University of Utah – Series 2016B General Revenue and Refunding Bond Results | TAB U |
| 2. Dixie State University – Property Sale Follow-up | TAB V |
| 3. USHE – Annual Report on Institutional and Revenue Bonded Indebtedness | TAB W |
| 4. USHE – 2017 Data Book Update | TAB X |
| 5. USHE – Update on Institutional Audit Reports to the Regents’ Audit Committee | TAB Y |
| 6. USHE – Annual Auxiliary Funds Report | TAB Z |

12:00 – 1:00 PM LUNCH
Location: Multipurpose Room (Rooms 6619 & 6613)

1:00 – 1:30 pm STATE OF THE UNIVERSITY – PRESIDENT PERSHING
Location: Moot Courtroom

1:30 – 2:30 PM COMMITTEE OF THE WHOLE
Location: Moot Courtroom

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| 1. General Consent Calendar | TAB AA |
| 2. A State of Opportunity: 2017 Progress Report, the Board of Regents Strategic Plan 2025 | TAB BB |
| 3. Legislative Priorities | TAB CC |
| 4. Reports of Board Committees | |

2:30 – 2:45 PM TRANSITIONAL BREAK

2:45 – 3:45 pm EXECUTIVE SESSION
Location: Flynn Faculty Workshop

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 (801-321-7124), at least three working days prior to the meeting. TDD # 801-321-7130.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Bachelor of Science in Quantitative Analysis of Markets and Organizations with Emphases in: Business Economics and Analytics, and Finance

Issue

The University of Utah requests approval to offer the Bachelor of Science in Quantitative Analysis of Markets and Organizations (QAMO) with two areas of emphasis, one in Business Economics and Analytics, and another emphasis in Finance, effective Fall Semester, 2017. The proposed program was approved by the institutional Board of Trustees September 13, 2016.

Background

There is strong labor market demand for employees who understand and can apply analytic skills that assist in business decision-making and development of strategy. The intersection of business and economics often provides a core basis for analysis that leads to a solid understanding of operations and market position. Further, many graduate programs in business and related fields incorporate high-level analytic tools. This proposed program will provide students with a background in quantitative analytic tools that link business and economics and that are useful in a variety of workplace settings. Additionally, the program will prepare students for graduate programs in business and related fields.

The program will emphasize:

- Quantitative analysis to develop students' analytical, technical and problem-solving skills
- Econometrics skills that will give students an ability to answer real-world questions using real-world data
- Game theory, a toolkit that is essential for understanding strategic decision-making
- Business applications of economics with courses that blend economics and game theory with econometric analysis of real-world data.

While the program will be offered by the business school, it has been developed through partnership with the economics department. Students completing the QAMO degree will take three economics courses and will also complete the requirements for the emphasis in Business Economics and Analytics (BEA). The finance emphasis is an option for students and is the first of several possible emphases that will likely be developed as options within the program. Unlike other business programs, QAMO students will not be required to complete the business school's pre-business core or the upper division business core; it has its

own set of specialized courses. Additionally, the BEA emphasis will be offered as an option for economics students who wish to gain an understanding of business economics.

The institution has identified occupational groups for which the proposed program will prepare students. The following table shows these occupational groups along with labor market information as reported by the Utah Department of Workforce Services. Information is projected for the 2014 – 2024 time period.

Occupational Group	SOC Code	Percent Annual Growth	Annual Openings	Median Annual Income
Management Analysts	13-1111	4.3	380	\$70,850
Market Research Analysts	13-1161	5.2	350	\$53,120
Financial Analysts	13-2051	2.8	90	\$72,510
Credit Analysts	13-2041	2.6	70	\$41,840
Operations Research Analysts	15-2031	6.0	50	\$69,360
Budget Analysts	13-2031	2.2	20	\$71,830
Statisticians	15-2031	6.4	10	\$73,830

Policy Issues

The proposed program has been developed through established institutional procedures and Board of Regents policy. Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input.

Commissioner's Recommendation

The Commissioner recommends the Board of Regents approve the Bachelor of Science in Quantitative Analysis of Markets and Organizations with Emphases in: Business Economics and Analytics, and Finance.

David L. Buhler
 Commissioner of Higher Education

DLB/BKC
 Attachment

Utah System of Higher Education Program Description - Full Template

Section I: The Request

University of Utah requests approval to offer the following Baccalaureate degree(s): Quantitative Analysis of Markets and Organizations with Emphases in Business Economics & Analytics and Finance effective Fall 2017. This program was approved by the institutional Board of Trustees on .

Section II: Program Proposal

Program Description

Present a complete, formal program description.

The purpose of the Bachelor of Science in Quantitative Analysis of Markets & Organizations (QAMO) degree is to give students a deep, rigorous and technical education in the application of economic analysis to business decision-making.

The degree is built around four points of differentiation from other degrees in economics and business at the University of Utah:

- First, the program is more quantitatively demanding, and is designed to build students' analytical, technical and problem-solving skills.
- Second, the program emphasizes econometrics; these skills will give students an ability to answer real-world questions using real-world data.
- Third, the program emphasizes the analytical tools of game theory, a toolkit that is essential for understanding strategic decision-making.
- Fourth, the program focuses on the business applications of economics, with courses that blend economics and game theory with econometric analysis of real-world data.

Further, while the QAMO degree is granted by the David Eccles School of Business, it is an economics degree that emphasizes business applications as opposed to being a business degree. Students majoring in QAMO are not required to complete the Business School's Pre-Business Core or its Upper Division Core.

The QAMO major is connected to the business curriculum in three ways. First, QAMO students are required to take the "Honors Business Foundations" course (BUS 1051). This is a liberal-education course focusing on the nature of business and its historical, philosophical, and current role in today's world. Second, students are required to take a new survey course, "Economics and the Business Disciplines," which will be taught by invited faculty from other business disciplines (Accounting, Entrepreneurship, Finance, Information Systems, Management, Marketing, Operations, Strategy, with participation at their discretion). The goal of the course will be to provide a survey of the conceptual and practical content of each business discipline, and to illustrate the applications of economic reasoning within each discipline. Third, interested business departments can offer a transcribed emphasis in their discipline within the QAMO major. The courses in such an emphasis would illustrate the applications of economic analysis within that business discipline, and prepare interested QAMO students for business careers related to that discipline. One such emphasis (in Finance) is proposed below, and we expect to submit others to the college curriculum committee soon.

This major has been designed in collaboration with the University of Utah's Department of Economics, which is part of the College of Social and Behavioral Sciences. Students completing the QAMO degree must take three courses from the Department of Economics. Students completing the QAMO degree will also complete the requirements for an emphasis in Business Economics & Analytics (BEA). The Business Economics & Analytics emphasis has been jointly developed by the Department of Finance and the Department of Economics, and is available to students majoring in Economics as well as QAMO.

Consistency with Institutional Mission

Explain how the program is consistent with the institution's Regents-approved mission, roles, and goals. Institutional mission and roles may be found at higheredutah.org/policies/policyr312/.

The mission of the University of Utah is to serve the people of Utah and the world through the discovery, creation and application of knowledge; through the dissemination of knowledge by teaching, publication, artistic presentation and technology transfer; and through community engagement. This major is consistent with the Regents-approved mission because it will disseminate knowledge to students about the applications of economic analysis to business problems.

Section III: Needs Assessment

Program Rationale

Describe the institutional procedures used to arrive at a decision to offer the program. Briefly indicate why such a program should be initiated. State how the institution and the USHE benefit by offering the proposed program.

Economics is both a foundational social science and a valuable toolkit for decision-making. The Quantitative Analysis of Markets & Organizations Major will fill a need by giving interested students a deep, rigorous and technical education in the applications of economic analysis to business decision-making.

Economics is an unusually broad field, and business economics is a growing subfield within economics. Leading MBA programs typically employ dozens of economics PhDs who teach and conduct research at the intersection of economics and business. Increasingly, universities are offering "business economics" as an undergraduate major. In some cases, such majors are collaborations between an economics department and a business school, while in other cases the majors are housed solely within a school of business.

The QAMO major, together with a Business Economics & Analytics emphasis, is designed to give students two ways to explore the connections between economics and business. The Business Economics & Analytics emphasis, which consists of three courses from economics and three from business, can be taken as part of a standard economics major. Additionally, students majoring through the school of business will have a foundation in economics and analytics that will be useful in almost all professional business settings.

QAMO students can opt for additional depth in the business disciplines by selecting an emphasis within the QAMO major. Business departments will offer a transcripted emphasis in their respective disciplines. The courses in such an emphasis would illustrate the applications of economic analysis within that business discipline, and prepare interested QAMO students for business careers related to that discipline. The first of these business emphases in Finance is part of this proposal. Other emphases will follow.

The QAMO major and the BEA emphasis will differ from the current economics major in four important ways.

First, the QAMO major and the BEA emphasis will require a high level of quantitative proficiency on the part of students. Math 1210 (Calculus I) and Math 1220 (Calculus II) will be pre-requisites for all BEA and QAMO courses. This choice will allow us to emphasize analytical rigor in our courses, and further develop students' quantitative and technical skills.

Second, the QAMO major and the BEA emphasis will develop students' econometric skills and their ability to apply econometric analysis for business decision-making. The emphasis includes two required econometrics courses, while the major includes three. Students electing the major will also take a series of electives that allow students to use real-world data to conduct business-relevant analyses.

Third, the QAMO major and the BEA emphasis will require game theory (QAMO 3020) to develop students' strategic-thinking skills. For students electing the QAMO major, the game theory course will be a pre-requisite for all 4000-level electives. The application of game theory to economics (and the subsequent development of information economics) was perhaps the most important theoretical development in economics in the 1970s and 1980s, and the work done then has generated many Nobel Prizes. These tools are simply part of how mainstream economists think today, and the QAMO major will place this important toolkit front and center and use it throughout.

Fourth, the QAMO major and the BEA emphasis will emphasize business applications of economic reasoning. Leading business schools now employ large numbers of economics PhDs to teach MBA students, and the courses developed there provide a roadmap for developing business-relevant economics courses for undergraduates at the University of Utah.

It is not unusual for universities to offer various versions of an economics major. Economics is broad and diverse, and many universities have determined that students benefit from a variety of economics majors. This is increasingly common among universities with leading business schools. To illustrate, the list below shows five universities with Top-20 ranked undergraduate business programs (per Business Week) that offer economics majors or concentrations within their business schools. Each business economics program coexists with an economics department that offers an economics major through a college of arts and sciences.

Cornell University offers an "Economics" major through its College of Arts and Sciences and an "Applied Economics and Management" major through the Charles Dyson School of Applied Economics and Management.

Washington University offers an "Economics" major through its Faculty of Arts & Sciences and an "Economics and Strategy" major through the Olin Business School.

The University of Pennsylvania offers an "Economics" major through its School of Arts and Sciences and a "Business Economics and Public Policy" major through the Wharton School of Business.

Indiana University offers an "Economics" major through its College of Arts and Sciences and an

"Economic Consulting" major through the Kelley School of Business.

New York University offers an "Economics" major through its College of Arts and Sciences and an "Economics" major through the Stern School of Business.

Labor Market Demand

Provide local, state, and/or national labor market data that speak to the need for this program. Occupational demand, wage, and number of annual openings information may be found at sources such as Utah DWS Occupation Information Data Viewer (jobs.utah.gov/jsp/wi/utalmis/gotoOccinfo.do) and the Occupation Outlook Handbook (www.bls.gov/oco).

The tools of economic analysis are in great demand in the labor market. Recently, the Brookings Institution has, through its Hamilton Project, published an online "Earnings by Major" interactive tool showing how lifetime earnings (from Census data) compare across different levels of educational attainment (high school vs. associates degree vs. bachelors degree) and across different college majors. The authors conclude: "Majors that emphasize quantitative skills tend to have graduates with the highest lifetime earnings. The highest-earning majors are those in engineering fields, computer science, operations and logistics, physics, economics, and finance."

The tool shows that

- Median annual earnings for full-time employed mechanical engineering majors 20 years after the start of the individual's career: \$100,000 (in 2014 dollars).
- Median annual earnings for full-time employed economics majors at the same point in the individual's career: \$94,000
- Computer science: \$90,000
- Finance: \$88,000

It is expected that the QAMO major, with its strong reliance on quantitative skills, will yield graduates who have better career prospects than a typical economics or business major at the University of Utah.

The degree is intended to give students strong analytical and quantitative skills, along with a firm understanding of how markets work, how to analyze data, and how to think strategically. These skills are in demand across a broad range of occupations, and it is difficult to think of many occupations in business or public policy where these skills would not be valuable.

As one data point from a similar program: Indiana University's Kelley School reports that business economics graduates have recently been hired into positions with the consultancies McKinsey, Bain, Deloitte, Accenture, PwC, KPMG; the banks Barclays, Goldman Sachs, Bank of America, and Lazard; and Fortune-500 stalwarts such as Google, Microsoft, IBM, and Procter & Gamble. According to Kelley's Career Service Office, Class of 2013 Business Economics majors earned an average starting salary of \$58,164, which is higher than that earned by accounting, finance, operations, management and marketing majors. Further, the Class of 2013 graduates obtained employment in a variety of industries:

- Consulting (41% of the Class of 2013)
- Banking and Finance (16%)
- Sales Management (10%)
- Public Accounting (10%)

- Operations (6%)
- Information Technology (4%)
- Other (12%)

Local demand for employees in data-analysis fields is strong and is likely to remain so. Projections from the Utah Department of Workforce Services for occupational groups related to the proposed program reveal the following labor market estimates for the 2014 - 2024 time period. Management Analysts are projected to grow at an annual rate of 4.3%, and have a current median annual wage of \$70,850. Market Research Analysts are projected to grow at an annual rate of 5.2% and have a current median wage of \$53,120. Budget Analysts are projected to grow at an annual rate of 2.2% and have a current median wage of \$71,830. Credit Analysts are projected to grow at a 2.6% annual rate, and have a current median wage of \$41,840. Financial Analysts are projected to grow at a 2.8% annual rate, and have a current median wage of \$72,510. Operations Research Analysts are projected to grow at a 6.0% annual rate, and have a current median wage of \$69,360. Statisticians are projected to grow at a 6.4% annual rate, and have a current median wage of \$73,830.

These occupational categories are representative of analyst occupations related to the proposed program and demonstrate evidence of demand and median wage data. These occupational groups, however, are not intended to represent a comprehensive list of occupations for which the QAMO major will offer preparation. As noted above, the analytical, statistical, and strategic thinking skills are applicable to nearly any occupation in business and public policy.

Student Demand

Provide evidence of student interest and demand that supports potential program enrollment. Use Appendix D to project five years' enrollments and graduates. Note: If the proposed program is an expansion of an existing program, present several years enrollment trends by headcount and/or by student credit hours that justify expansion.

Student demand is evidenced in two ways. First, the Business Economics and Public Policy major at Indiana University's Kelley School of Business graduates around 100 students per year. Indiana is larger than the University of Utah (32,000 undergraduates compared to our 24,000), and hence there likely be smaller numbers at the University of Utah's program.

Second, freshman and sophomore students who were enrolled in BUS 2010 were surveyed. BUS 2010 is an intermediate microeconomics course taught by economics faculty in the School of Business. These students were given a sketch of the proposed major and asked about their level of interest. The results suggest that there is considerable student interest:

- 5 students out of 44 surveyed (11%) said they would "definitely" select the proposed major
- 20 students out of 44 surveyed (45%) said they would "strongly consider" selecting the proposed major
- 16 students out of 44 surveyed (36%) said they would "consider" selecting the proposed major

Thus, 41 out of 44 would at least consider such a major. This conclusion is, of course, subject to caveats. The surveyed students are (a) interested in business, and (b) sufficiently interested in business economics to take a required economics course from School of Business. Hence, it is not likely that the responses from this group are representative of the preferences of other groups of students. However, the survey does suggest there is sufficient interest for students to consider such a major.

Similar Programs

Are similar programs offered elsewhere in the USHE, the state, or Intermountain Region? If yes, identify the existing program(s) and cite justifications for why the Regents should approve another program of this type. How does the proposed program differ from or compliment similar program(s)?

Among the five USHE universities, the University of Utah is alone in housing the Department of Economics outside the School of Business. At Southern Utah University, Utah State University, Weber State University and Utah Valley University, the Economics Department is part of the School of Business, and hence the economics majors there do emphasize the business applications of economics. These programs do not, however, offer a similar focus on quantitative proficiency, econometrics, and game theory. This major will be unique within the USHE system.

Collaboration with and Impact on Other USHE Institutions

Indicate if the program will be delivered outside of designated service area; provide justification. Service areas are defined in higheredutah.org/policies/policyr315/. Assess the impact the new program will have on other USHE institutions. Describe any discussions with other institutions pertaining to this program. Include any collaborative efforts that may have been proposed.

This program will not be offered outside the University of Utah's designated service area, thus the impact on other USHE institutions should be negligible.

External Review and Accreditation

Indicate whether external consultants or, for a career and technical education program, program advisory committee were involved in the development of the proposed program. List the members of the external consultants or advisory committee and briefly describe their activities. If the program will seek special professional accreditation, project anticipated costs and a date for accreditation review.

No outside consultants were involved in the development of the program. The institution does plan to convene an advisory board from industry, but at this point it does not exist. It is anticipated that such a board would assist in curriculum review and development as well as internship and job placement. As part of the David Eccles School of Business, the new major will be part of the School's review by the Association to Advance Collegiate Schools of Business (AACSB). The School of Business underwent an accreditation review in the 2014-15 academic year, and the next accreditation review will likely be in 2018 or 2019. It is not expected that the addition of this major to the School of Business will complicate the process of gaining accreditation. The AACSB assesses the School of Business on two measures: (1) participating faculty, which is an indicator of faculty engagement, and (2) academic qualifications, which is an indicator of faculty currency. The Economics Department has committed to staff the courses required for this major with tenure-line faculty, which should be sufficient to maintain academic qualifications for accreditation purposes.

Section IV: Program Details

Graduation Standards and Number of Credits

Provide graduation standards. Provide justification if number of credit or clock hours exceeds credit limit for this program type described in R401-3.11, which can be found at higheredutah.org/policies/R401.

Students must complete all courses listed in the program of study with a grade of C- or better. The total number of credit hours required is 39. To graduate, students must complete all required major coursework

with a grade of "C" or better. Students must also have an overall GPA in major coursework of 2.3 or better.

Admission Requirements

List admission requirements specific to the proposed program.

Admission to the major will be selective. The goal is to give students a deep, rigorous and technical education in the application of economics to business decision-making. As such, coursework will be quantitatively demanding, and assessment of prospective students' quantitative skills prior to admission into the major needs to take place to assure student success. Admission decisions will be based on a student's background in mathematics and performance in the QAMO 3010 course.

Curriculum and Degree Map

Use the tables in Appendix A to provide a list of courses and Appendix B to provide a program Degree Map, also referred to as a graduation plan.

Section V: Institution, Faculty, and Staff Support

Institutional Readiness

How do existing administrative structures support the proposed program? Identify new organizational structures that may be needed to deliver the program. Will the proposed program impact the delivery of undergraduate and/or lower-division education? If yes, how?

The major will require an investment in course development. None of the QAMO courses proposed as part of the major currently exist at the University of Utah, although several of these courses have been taught by our faculty at other institutions. This major is being proposed by the Finance Department, and all Finance faculty members have been consulted repeatedly during the preparation of this document. The Business Economics & Analytics Emphasis, which is shared between Finance and Economics, has been reviewed by faculty in both the Finance and Economics Departments.

Faculty

Describe faculty development activities that will support this program. Will existing faculty/instructors, including teaching/graduate assistants, be sufficient to instruct the program or will additional faculty be recruited? If needed, provide plans and resources to secure qualified faculty. Use Appendix C to provide detail on faculty profiles and new hires.

The institution has committed to hire four additional tenure-track faculty members in business economics over the next few years. These new faculty will provide support for this and other business and economics programs.

Staff

Describe the staff development activities that will support this program. Will existing staff such as administrative, secretarial/clerical, laboratory aides, advisors, be sufficient to support the program or will additional staff need to be hired? Provide plans and resources to secure qualified staff, as needed.

It is not expected that additional staff will be required to support the program.

Student Advisement

Describe how students in the proposed program will be advised.

Initial enrollments in the program are expected to be modest. The Undergraduate Advising Office at the David Eccles School of Business has sufficient capacity to serve these students. If there is a significant net increase to students into the School of Business, an increase in advising resources may be required. The Dean's Office at the School of Business has committed to support the program in the event that this becomes necessary.

Library and Information Resources

Describe library resources required to offer the proposed program if any. List new library resources to be acquired.

The institution does not expect that additional library resources will be required to support the program. The program's needs will be similar to those of existing business and economics majors.

Projected Enrollment and Finance

Use Appendix D to provide projected enrollment and information on related operating expenses and funding sources.

Section VI: Program Evaluation

Program Assessment

Identify program goals. Describe the system of assessment to be used to evaluate and develop the program.

The program's goals are:

1. To serve University of Utah students by giving them strong analytical and quantitative skills, as well as foundational knowledge about economics, econometrics, and game theory, and the application of these tools to business problems.
2. To serve the people of the State of Utah by producing graduates with strong analytical and quantitative skills, and with a firm understanding of how markets work, how to analyze data, and how to think strategically. These graduates will strengthen the state's economy by making valuable contributions to our firms and our state and local governments, and by helping attract national employers who demand the skills of economic and econometric analysis.

Progress toward these goals will be measured in two ways. On the student side, the institution will track overall interest in courses required within the major. It will also survey students in program courses and within the major to determine overall satisfaction. On the employer side, we will track starting salaries and placement rates of students to determine their post-graduation marketability. Faculty will consult with employers to learn about students' preparedness to meet today's business and policy challenges. By the fifth year of implementation, faculty will prepare a progress report to the advisory board and to the Dean's Office at the David Eccles School of Business.

Student Standards of Performance

List the standards, competencies, and marketable skills students will have achieved at the time of graduation. How and why were these standards and competencies chosen? Include formative and summative assessment measures to be used to determine student learning outcomes.

Graduates will be expected to:

1. Make use of analytically rigorous approaches to problem-solving

2. Understand, conduct, and present (in both written and oral forms) quantitative analyses
3. Build economic models using principles such as marginal analysis, optimization, and equilibrium, and apply such models to business decision-making
4. Analyze data using sophisticated econometric techniques and state-of-the-art software packages
5. Use game theory and information economics to assess the effects of strategic interactions and asymmetric information on business situations
6. Understand economic efficiency, and be able to use economic reasoning in thinking through issues of sustainability and business ethics.

These standards were selected because they form the core of how economic analysis can be applied to business situations. Students' competencies on these dimensions will be assessed in examinations, projects and assignments throughout the program.

The program's emphasis on data analysis means that students will be asked to analyze data and present their findings in many courses. Written reports and oral presentations will be a substantial part of the Business Econometrics I and Business Econometrics II courses, and are likely to be included in many elective courses.

Appendix A: Program Curriculum

List all courses, including new courses, to be offered in the proposed program by prefix, number, title, and credit hours (or credit equivalences). Indicate new courses with an X in the appropriate columns. The total number of credit hours should reflect the number of credits required to be awarded the degree.

For variable credits, please enter the minimum value in the table for credit hours. To explain variable credit in detail as well as any additional information, use the narrative box at the end of this appendix.

Course Number	NEW Course	Course Title	Credit Hours
General Education Courses (list specific courses if recommended for this program on Degree Map)			
General Education Credit Hour Sub-Total			
Required Courses			
BUS 1051		Honors Business Foundations	3
ECON 4011	×	Intermediate Microeconomic Analysis for BEA	3
ECON 4651	×	Principles of Econometrics for BEA	3
ECON 3201	×	Money and Banking for BEA	3
QAMO 3010	×	Business Economics	3
QAMO 3020	×	Game Theory	3
QAMO 3030	×	Business Econometrics I	3
QAMO 3040	×	Business Econometrics II	3
QAMO 3050	×	Economics and the Business Disciplines	3
Required Course Credit Hour Sub-Total			27
Elective Courses			
QAMO 4010	×	Economics of Strategy	3
QAMO 4020	×	Personnel Economics	3
QAMO 4030	×	Economics of Organization	3
QAMO 4040	×	Managing in Non-Market Environments	3
QAMO 4050	×	Contracts and Bargaining	3
QAMO 4060	×	Economics of Business Taxation	3
QAMO 4070	×	Design of Markets and Institutions	3
QAMO 4080	×	Information Economics	3
QAMO 4999	×	Honors Thesis	3
Elective Credit Hour Sub-Total			12
Core Curriculum Credit Hour Sub-Total			39

Are students required to choose an emphasis? Yes or No

Course Number	NEW Course	Course Title	Credit Hours
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Course Number	NEW Course	Course Title	Credit Hours
Name of Emphasis:		Business Economics & Analytics	
		Note: All courses below are required for completion of the QAMO major, so there is no increase in credit hours to complete this emphasis.	
QAMO 3010	×	Business Economics	3
QAMO 3020	×	Game Theory	3
QAMO 3030	×	Business Econometrics I	3
ECON 4011	×	Intermediate Microeconomic Analysis for BEA	3
ECON 4651	×	Principles of Econometrics for BEA	3
ECON 3201	×	Money and Banking for BEA	3

Emphasis Credit Hour Sub-Total		18
Total Number of Credits to Complete Program		57

Course Number	NEW Course	Course Title	Credit Hours
Name of Emphasis:		Finance	
ACCTG 2600		Survey of Accounting	3
FINAN 3014		Honors Financial Management	3
		Choose three of the following six:	
ACCTG 3600/1		Principles of Accounting / Honors version	3
FINAN 3050		Introduction to Investments	3
FINAN 4050		Intermediate Investments	3
FINAN 4211		Honors Valuation	3
FINAN 4380		Financial Modeling	3
FINAN 5880		Honors Student Investment Fund	3

Emphasis Credit Hour Sub-Total		15
Total Number of Credits to Complete Program		54

Program Curriculum Narrative

Describe any variable credits. You may also include additional curriculum information.

Math 1210 (Calculus I) and 1220 (Calculus II) are pre-requisites for all courses requires for the QAMO major except for "Honors Business Foundations". Additionally, an introductory statistics course is a pre-requisite for "Principles of Econometrics for BEA". None of the QAMO courses listed currently exist at the University of Utah, although current faculty have taught courses like these at other institutions. QAMO 3010, QAMO 3020 and QAMO 3030 will be pre-requisites for all 4000-level electives. The ECON

courses listed above are modifications of existing courses, with the modifications designed to make use of the students' greater quantitative sophistication.

A transcribed emphasis in Business Economics & Analytics is part of the program design. This emphasis has been jointly designed by the Department of Economics and the Finance Department in the David Eccles School of Business, and students may elect to complete this emphasis either within the QAMO major or within a standard economics major. QAMO students will benefit from completing this emphasis because their transcripts will show an expertise in both economics and the analysis of data. Note that this set of courses is a subset of the courses required to complete the QAMO major, so all students electing the QAMO major will graduate with an emphasis in Business Economics & Analytics. As a result, there will be no institutional or financial impact beyond that required for the QAMO major. Further, the program schedule listed above will suffice for students to complete the BEA emphasis.

An additional emphasis in Finance is being submitted with this proposal. This emphasis has been designed by the Department of Finance at the David Eccles School of Business, and students may elect to complete this emphasis in addition to the QAMO major. QAMO students will benefit from completing this emphasis because their transcripts will show an expertise in both finance and the analysis of data.

Many economics graduates begin their careers in finance. The University of Utah's Career Services website reports that over 25% of undergraduate economics majors for which they have data accepted positions with traditional financial firms. With QAMO's focus on markets, the application of economic tools to business problems, and training in analytics, finance is a natural career path for QAMO majors. The finance emphasis for QAMO majors has two required courses, ACCTG 2600 and FINAN 3041, which will provide students with a grounding in interpreting financial statements and the basics of finance. Students will choose three additional electives from a list of existing finance and accounting courses that will complement the QAMO training. The finance emphasis would add 15 credit hours to the QAMO major. A total of 54 credit hours are required to complete the QAMO major and the finance emphasis, which would allow a student to complete the requirements for a bachelor's degree with the emphasis well within the university's 122 credit minimum. All of the classes in the emphasis are offered currently to David Eccles School of Business students. Given the predicted size of the QAMO major, we anticipate the incremental enrollment from students selecting the Finance Emphasis will not require adding additional sections of existing courses. As a result, there will be no institutional or financial impact beyond that required for the QAMO major.

Degree Map

Degree maps pertain to undergraduate programs ONLY. Provide a degree map for proposed program. Degree Maps were approved by the State Board of Regents on July 17, 2014 as a degree completion measure. Degree maps or graduation plans are a suggested semester-by-semester class schedule that includes prefix, number, title, and semester hours. For more details see <http://higheredutah.org/pdf/agendas/201407/TAB%20A%202014-7-18.pdf> (Item #3).

Please cut-and-paste the degree map or manually enter the degree map in the table below.

First Year Fall	Cr. Hr.	First Year Spring	Cr. Hr.
Math 1210 - Calculus I	3	Math 1220 - Calculus II	3
BUS 1050 - Honors Business Foundations	3	Math 1070 - Intro to Statistical Inference	3
Total	6	Total	6
Second Year Fall	Cr. Hr.	Second Year Spring	Cr. Hr.
QAMO 3010 - Business Economics	3	QAMO 3020 - Game Theory	3
ECON 4011 - Int Microeconomic Analysis (BEA)	3	QAMO 3030 - Business Econometrics I	3
ECON 4651 - Principles of Econometrics (BEA)	3	QAMO 3201 - Econ and the Bus Disciplines	3
Total	9	Total	9
Third Year Fall	Cr. Hr.	Third Year Spring	Cr. Hr.
ECON 3201 - Money and Banking (BEA)	3	QAMO 4020 - Personnel Economics	3
QAMO 3040 - Business Econometrics II	3	QAMO 4030 - Economics of Organization	3
Total	6	Total	6
Fourth Year Fall	Cr. Hr.	Fourth Year Spring	Cr. Hr.
QAMO 4010 - Economics of Strategy	3	QAMO 4040 - Manging in Non-Market Env	3
Total	3	Total	3

	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree	Institution where Credential was Earned	Est. % of time faculty member will dedicate to proposed program.	If "Other," describe

Part III: New Faculty / Staff Projections for Proposed Program

Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate		4		PhD in Economics	100
Faculty: Part Time with Doctorate					
Faculty: Full Time with Masters					
Faculty: Part Time with Masters					
Faculty: Full Time with Baccalaureate					
Faculty: Part Time with Baccalaureate					
Teaching / Graduate Assistants	////	////			
Staff: Full Time					
Staff: Part Time					

Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

Three Year Projection: Program Participation and Department Budget						
	Year Preceding Implementation	New Program				
		Year 1	Year 2	Year 3	Year 4	Year 5
Student Data						
# of Majors in Department		240	250	270	280	290
# of Majors in Proposed Program(s)	////	15	25	45	55	65
# of Graduates from Department		85	85	90	100	105
# Graduates in New Program(s)	////	0	0	5	15	20
Department Financial Data						
	Department Budget					
	Year Preceding Implementation (Base Budget)	Year 1	Year 2	Year 3		
		Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)		
<i>Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."</i>						
EXPENSES – nature of additional costs required for proposed program(s)						
<i>List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.</i>						
Personnel (Faculty & Staff Salary & Benefits)	\$6,316,946	\$325,000	\$650,000	\$650,000		
Operating Expenses (equipment, travel, resources)	\$130,000	\$0	\$0	\$0		
Other:						
TOTAL PROGRAM EXPENSES	////	\$325,000	\$650,000	\$650,000		
TOTAL EXPENSES	\$6,446,946	\$6,771,946	\$7,096,946	\$7,096,946		
FUNDING – source of funding to cover additional costs generated by proposed program(s)						
<i>Describe internal reallocation using Narrative 1 on the following page. Describe new sources of funding using Narrative 2.</i>						
Internal Reallocation						
Appropriation	\$2,038,067					
Special Legislative Appropriation						
Grants and Contracts						
Special Fees						
Tuition						
Differential Tuition (requires Regents approval)	\$4,408,879	\$325,000	\$650,000	\$650,000		
PROPOSED PROGRAM FUNDING	////	\$325,000	\$650,000	\$650,000		
TOTAL DEPARTMENT FUNDING	\$6,446,946	\$6,771,946	\$7,096,946	\$7,096,946		
Difference						
Funding - Expense	\$0	\$0	\$0	\$0		

Part II: Expense explanation

Expense Narrative

Describe expenses associated with the proposed program.

The primary expenses will be the hiring of new faculty.

Part III: Describe funding sources

Revenue Narrative 1

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services.

See response below under Narrative 2.

Revenue Narrative 2

Describe new funding sources and plans to acquire the funds.

There have been numerous discussions between Dean Taylor Randall and Sr VP Ruth Watkins wherein Dr. Watkins has agreed, in principle, to fund the addition of faculty needed for this department. The institution is committed to provide start-up funding through internal reallocations from existing graduate programs within the business school. In the long-term it is expected the program will be self-sufficient and not require sources of outside funding.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Master of Science in Construction Engineering (online)

Issue

The University of Utah (UU) requests approval to offer a Master of Science in Construction Engineering effective Fall Semester, 2017. The proposed program was approved by the institutional Board of Trustees October 11, 2016.

Background

In July 2016, the Board of Regents approved a baccalaureate degree in Construction Engineering at the University of Utah. This newly proposed graduate degree program provides an opportunity for students who earn the bachelor's degree in construction engineering, as well as degrees in related fields, to pursue advanced preparation in the construction engineering field.

An expanded and improved physical infrastructure for public and commercial use is needed to respond to population growth and assist with economic development throughout the world. The UU reported that three independent changes in the construction industry will alter the manner in which infrastructure systems are designed and built. These changes are: 1) increases in the number of design/build projects, 2) utilization of 3-dimensional Building Information Modeling software; and 3) increases in sustainable/resilient development requirements. From beginning planning to final operation and maintenance, engineers are needed to ensure successful projects. Construction Engineers are educated to understand and solve the complexities that arise during the engineering and construction phases.

The institution plans to develop program courses for on-line delivery, enabling the program to serve populations in diverse locations. Several other tier-one institutions offer similar programs in construction engineering at the baccalaureate and graduate levels.

While the Utah Department of Workforce Services does not track Construction Engineers as a separate occupational group, it does project Civil Engineers, a related group, to have an annual average job growth rate of 3.6% between 2012 - 2022 and a median income of \$74,820 per year. Another related occupational group, Construction Managers, is projected to have a 2.9% growth rate and annual average median income of \$77,580.

Policy Issues

The proposed program has been developed through established institutional procedures and Board of Regents policy. Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input.

Commissioner's Recommendation

The Commissioner recommends the Board of Regents approve the Master of Science in Construction Engineering.

David L. Buhler
Commissioner of Higher Education

DLB/BKC
Attachment

Program Description – Full Template
University of Utah
Master of Science, Construction Engineering
8/01/2017

Section I: The Request

University of Utah requests approval to offer a Master of Science (MS) in Construction Engineering, effective Fall 2016. This program was approved by the institutional Board of Trustees on October 11, 2016.

Section II: Program Description

Complete Program Description

Physical infrastructure (roads, buildings, water distribution and treatment, etc.) is needed to promote population and economic development throughout the world. From beginning planning to final operation and maintenance, engineers are needed to ensure successful projects. Construction Engineers are educated to understand and solve the complexities that arise during the engineering and construction phases. This comprehensive approach includes initial design through the completion of the exterior building façade. The Construction Engineering degree will teach students to work in both public and private industry positions, improving graduate's skills to meet this growing trend.

Purpose of Degree

According to the American Institute of Steel Construction, three independent movements are converging to radically alter the manner in which infrastructure systems are designed and constructed. These factors represent the emergence of: 1) design/build projects, 2) 3-dimensional Building Information Modeling (BIM) software; and 3) sustainable/resilient development requirements. The national trend for Construction Engineering is very evident in both the public and private sectors. (e.g. \$1.59 billion dollar I-15 reconstruction project, 12300 South Design Buld Project in Draper and Riverton Utah, both using the design/build process in order to maximize cost saving and innovative design). The Construction Engineering degree requires a hybrid education consisting of a civil engineering foundation coupled with experiential learning in architecture and construction practices. By providing the degree online, the institution anticipates being able to serve all of Utah and the surrounding region to enhance the capabilities of those working in the construction industry.

Institutional Readiness

The Department of Civil and Environmental Engineering is proposing a Master of Science degree in Construction Engineering. This program is anticipated to be online and compete nationally with other programs emerging in this growing area. Creation of a MS degree was first discussed in the department's Executive Committee and faculty meetings prior to submitting the Engineering Initiative Proposal in February 2015. This proposed graduate program will compliment a recently approved bachelor of science (BS) in Construction Engineering offered by the University of Utah. Civil and Environmental Engineering faculty formally voted to approve both efforts. Continued discussion aimed at providing a quality educational experience has occurred in frequent faculty meetings before and after the Engineering Initiative approval, including a departmental retreat held during the fall of 2015.

These new degrees will fit naturally within the department since it already offers several elective courses that can support the program. Furthermore, it is anticipated that two or three of the new courses may be

used as electives for existing graduate programs in Civil Engineering. Civil Engineering has also been working with the College of Engineering Dean's Office, UOnline, and support offices to promote the best degree/education options for Construction Engineering. The Department of Civil & Environmental Engineering has also been in contact with more than 17 local large construction firms who support this effort and agree to provide assistance or service on the Industry Advisory Board. The creation of the Construction Engineering BS and MS in Construction Engineering is not expected to adversely affect the existing Bachelor of Science in Civil Engineering program or other programs within the university.

The recently approved undergraduate BS Construction Engineering degree will prepare graduates to apply knowledge of mathematics through differential and integral calculus, probability and statistics, general chemistry, and calculus-based physics; to analyze and design construction processes and systems in a construction engineering specialty field, applying knowledge of methods, materials, equipment, planning, scheduling, safety, and cost analysis; to explain basic legal and ethical concepts and the importance of professional engineering licensure in the construction industry; to explain basic concepts of management topics such as economics, business, accounting, communications, leadership, decision and optimization methods, engineering economics, engineering management, and cost control. When a student applies for the MS in Construction Engineering, their coursework and education will build on the foundation from their undergraduate Construction Engineering degree. An undergraduate background in Civil and Environmental Engineering will also be suitable experience for the MS program.

If students want to complete the MS degree in Construction Engineering without the BS in Construction or Civil Engineering or closely related field, their committee will determine missing knowledge and assign appropriate additional coursework to prepare the student to be ready for the MS program.

Departmental Faculty

In addition to the faculty listed below, funding provided through the Engineering and Computer Science Initiative will provide 4-5 adjunct faculty who will be hired part-time from industry. This will allow the department to provide instruction from top individuals in industry and promote increased relationships for the program. The department will follow ABET accreditation requirements in faculty hires.

Department Faculty Category	Dept Faculty Headcount – Prior to Program Implementation	Faculty Additions to Support Program	Dept Faculty Headcount at Full Program Implementation
With Doctoral Degrees (Including MFA and other terminal degrees, as specified by the institution)			
Full-time Tenured	21.5	1	22.5
Full-time Non-Tenured	1	2	3
Part-time Tenured	0	0	0
Part-time Non-Tenured	0	0	0
With Master's Degrees			
Full-time Tenured	0	0	0
Full-time Non-Tenured	0	0	0
Part-time Tenured	0	0	0
Part-time Non-Tenured	0	0	0
With Bachelor's Degrees			

Full-time Tenured	0	0	0
Full-time Non-Tenured	0	0	0
Part-time Tenured	0	0	0
Part-time Non-Tenured	0	0	0
Other			
Full-time Tenured	0	0	0
Full-time Non-Tenured	0	0	0
Part-time Tenured	0	0	0
Part-time Non-Tenured	4	4	8
Total Headcount Faculty in the Department			
Full-time Tenured	22.5	3	25.5
Full-time Non-Tenured	0	0	0
Part-time Tenured	0	0	0
Part-time Non-Tenured	4	4	8
Total Department Faculty FTE <i>(As reported in the most recent A-1/S-11 Institutional Cost Study for "prior to program implementation" and using the A-1/S-11 Cost Study Definition for the projected "at full program implementation.")</i>	22.5	4	26.5

Staff

The institution has targeted funds from the Engineering and Computer Science Initiative to be used to hire one staff person. This person will serve as the online coordinator in the department, advise the online students, be a point of contact for the UOnline office, marketing and promoting online education, and coordinate the creation and recording of classes. One teaching assistant was also budgeted in the request.

Library and Information Resources

The library has verified it has sufficient resources available to provide for faculty or student needs relative to the proposed program.

Admission Requirements

Admissions will be completed online through Apply Yourself (Admissions Office software). Requirements include the Graduate Record Exam (GRE) or Professional Engineer License. Professional track applicants who have graduated from an ABET accredited program with a BS degree in engineering or a closely related field and a GPA of 3.20 or higher are not required to take the GRE.

Student Advisement

The new staff hire will advise using technology for face-to-face appointments, telephone calls, email correspondence, open house events, or company presentations (marketing events with industry partners). A faculty advisor from the three new hires will also be assigned to each student.

Justification for Graduation Standards and Number of Credits

The MS Construction Engineering degree will require 30 credits of graduate-level coursework with a minimum cumulative GPA of 3.0 for the program of study according to University guidelines. These are standard requirements for course-only MS degrees within the department and elsewhere around the country.

External Review and Accreditation

This program was presented to the College of Engineering advisory board for input. Additionally, the Department Chair of Civil and Environmental Engineering met with several construction professionals to seek input regarding program content. The next step involves the creation of an Industry Advisory Board (IAB). The IAB will be created from construction firms around the globe to provide input, meeting three times each year to review the specifics of the program in consultation with department faculty and the department chair.

Projected Program Enrollment and Graduates; Projected Departmental Faculty/Students

Data Category	Current – Prior to New Program Implementation	PROJ YR 1	PROJ YR 2	PROJ YR 3	PROJ YR 4	PROJ YR 5
Data for Proposed Program						
Number of Graduates in Proposed Program	X	0	15	25	25	25
Total # of Declared Majors in Proposed Program	X	15	30	50	50	50
Departmental Data – For All Programs Within the Department						
Total Department Faculty FTE (as reported in Faculty table above)	22.5	23.5	24.5	24.5	25.5	26.5
Total Department Student FTE (Based on Fall Third Week)	296	306	321	346	371	396
Student FTE per Faculty FTE (ratio of Total Department Faculty FTE and Total Department Student FTE above)	13.15:1	13.6:1	14.26:1	15.37:1	16.48:1	17.6:1
Program accreditation-required ratio of Student FTE/Faculty FTE, if applicable: (Provide ratio here: _____)	-	-	-	-	-	-

Expansion of Existing Program

This is a new degree aimed at a new audience even though it does have some common elements with the Civil and Environmental Engineering curriculum.

Section III: Need

Program Need

The proposal was submitted as part of the Engineering and Computer Science Initiative and was approved by the Dean of Engineering for funding. The decision to provide the program online is responsive to the needs of working professionals who work both in-state as well as out-of-state.

According to the American Institute of Steel Construction, three independent movements are converging to radically alter the manner in which infrastructure systems are designed and constructed. These factors represent the emergence of: 1) design/build projects, 2) 3-dimensional Building Information Modeling (BIM) software; and 3) sustainable/resilient development requirements. These factors have transformed the often contentious nature of architect-engineer-contentious dynamics into a more seamless collaborative team effort. This integrated approach has already begun to revolutionize the delivery of projects designed and constructed to meet client needs for timely delivery of high quality, economically sensitive projects that minimize environmental and energy impacts.

In speaking with several local construction firms the institution believes demand for project managers with engineering backgrounds will continue to grow. In light of 2015 legislation raising the gas tax for infrastructure improvements and the law allowing local communities the option of raising sales taxes to help pay for transit, it is believed the combination of transportation and construction engineering will present opportunities for growth. This is also part of a national movement with a few large universities already addressing long-term needs for individuals prepared in the construction engineering field.

Labor Market Demand

While the Utah Department of Workforce Services does not track Construction Engineers as a separate occupational group, it does project Civil Engineers, a related group, to have an annual average job growth rate of 3.6% between 2012 - 2022 and a median income of \$74,820 per year. Another related occupational group, Construction Managers, is projected to have a 2.9% growth rate and annual average median income of \$77,580.

Student Demand

Currently the department offers four construction related courses that will be used in the Construction Engineering program. These courses are well populated by existing students. In speaking with several local construction firms it is understood that the demand for project managers with engineering backgrounds will continue to grow.

Similar Programs

There are no other master degree level construction engineering degrees offered in the state. The program is not expected to adversely impact related programs in civil engineering or construction management since the new program is expected to address unique labor market needs that are not being met by these existing programs.

Collaboration with and Impact on Other USHE Institutions

It is not anticipated that there will be an impact on the other USHE Institutions.

Benefits

This degree will benefit the community and state by attracting students and building the University of Utah's reputation. The ability to offer online courses and attract students across the state, providing rural areas access to higher education. Furthermore, it will help build a national reputation as a leader in engineering education.

Consistency with Institutional Mission

The University of Utah contributes to the quality of life and economic development at the local, state, and national levels. This proposed program fits within this mission. It is one more link that enhances the development of workforce talent for STEM and STEM-oriented occupations.

Section IV: Program and Student Assessment

Program Assessment

The proposed program will prepare students for successful careers in engineering related to design/build construction and project management. Specifically, graduates will be educated in the heavy and highway construction, underground utilities, and building structural frame segments of the construction industry. Graduate training is designed to instill independent and critical thinking, develop problem solving technical skills, and provide the foundation for life-long learning.

Program graduates will have:

1. An understanding of competencies within well-defined principles of construction engineering at levels clearly exceeding undergraduate expectations.
2. The ability to apply their understanding to the design, analysis and construction of infrastructure systems.
3. Effective oral and written technical communication skills.
4. The skills and understanding required for life-long learning and professional development.
5. An understanding of ethical responsibilities related to society and civic engagement.

Expected Standards of Performance

Program outcomes will be routinely monitored by the Industry Advisory Board to maintain relevancy with practicing construction professionals. Likewise, course content will be developed that contribute to these outcomes. It is expected that graduates will maintain a 3.0 GPA, choosing classes with the help of their faculty advisor that will prepare them for the marketplace.

Section V: Finance

Department Budget

This budget is an estimate and does not adjust for inflation.

Three-Year Budget Projection							
Departmental Data	Current Departmental Budget – Prior to New Program Implementation	Departmental Budget					
		Year 1		Year 2		Year 3	
		Addition to Budget	Total Budget	Addition to Budget	Total Budget	Addition to Budget	Total Budget
Personnel Expense							
Salaries and Wages	2,164,973	342,000	2,421,973	0	2,421,973	0	2,421,973
Benefits	669,008	118,070	780,278	0	780,278	0	780,278
Total Personnel Expense	\$2,833,981	\$460,070	\$3,202,251	\$0	\$3,202,251	\$0	\$3,202,251
Non-Personnel Expense							
Travel	1,000	0	1,000	0	1,000	0	1,000
Capital	0	0	0	0	0	0	0
Library	0	0	0	0	0	0	0
Current Expense	84,100	19,930	104,030	0	104,030	0	104,030
Total Non-Personnel Expense	85,100	19,930	105,030	0	105,030	0	105,030
Total Expense (Personnel + Current)	\$2,919,081	\$480,070	\$3,207,281	\$0	\$3,207,281	\$0	\$3,207,281
Departmental Funding							
Appropriated Fund	2,443,576	480,000	3,307,281	0	2,443,576	0	2,443,576
Other:	13,813	0	13,813	0	13,813	0	13,813
Special Legislative Appropriation	0	0	0	0	0	0	0
Grants and Contracts	0	0	0	0	0	0	0
Special Fees / Differential Tuition	376,432	0	376,432	0	376,432	0	376,432
Total Revenue	\$2,833,821	\$480,000	\$3,307,281	\$0	\$3,307,281	\$0	\$3,307,281
Difference							
Revenue-Expense	\$-85,260	\$0	\$6,540	\$0	\$6,540	\$0	\$6,540

Departmental Instructional Cost / Student Credit Hour* (as reported in institutional Cost Study for "current" and using the same Cost Study Definition for "projected")	\$	\$	\$	\$	\$	\$	\$
---	----	----	----	----	----	----	----

* Projected Instructional Cost/Student Credit Hour data contained in this chart are to be used in the Third-Year Follow-Up Report and Cyclical Reviews required by R411.

Funding Sources

Funding from the Engineering and Computer Science Initiative will be used to support this program along with differential tuition generated by engineering courses.

Reallocation

No reallocation of resources is necessary.

Impact on Existing Budgets

None. This program will be managed without diverting existing budgets.

Section VI: Program Curriculum

All Program Courses (with New Courses in Bold)

Students will take a subset of the classes listed below for a total of 30 credits to graduate. The courses will be offered on a yearly or every-other-year rotation based on enrollments and student graduation needs.

Course Prefix and Number	Title	Credit Hours
CVEEN 6840	Construction Finance and Accounting	3
CVEEN 6855	Commercial Construction	3
CVEEN 6860	Residential Construction	3
CVEEN 6865	Principles of Design-Build Project Delivery	3
CVEEN 6870	Design-Build Contract & Risk Management	3
CVEEN 6875	Environmental Regulations	3
CVEEN 6880	Façade Engineering II	3
CVEEN 6885	Utilities Construction and Rehabilitation	3
CVEEN 6890	Advanced Computer-Aided Construction	3
	Entrepreneurial Engineering	3
CVEEN 6810	Cost Estimating	3
CVEEN 6820	Project Scheduling	3
CVEEN 6830	Project Management	3
CVEEN 6850	Engineering Law and Contracts	3
CVEEN 5500	Sustainable Materials	3

Course Prefix and Number	Title	Credit Hours
	Sub-Total	30
Elective Courses		
Sub-Total		
Track/Options (if applicable)		
Sub-Total		
	Total Number of Credits	30

Program Schedule

A tentative schedule of new classes is provided.

<u>Fall-odd years</u> CVEEN 6840 CVEEN 6860 CVEEN 6810	<u>Spring-even years</u> CVEEN 6855 CVEEN 6830	<u>Summer-even years</u> CVEEN 6875 Entrepreneurial Engineering
<u>Fall-even years</u> CVEEN 6865 CVEEN 6890 CVEEN 6820	<u>Spring-odd years</u> CVEEN 6880 CVEEN 6885 CVEEN 6850	<u>Summer-odd years</u> CVEEN 6870

Section VII: Faculty

A search committee has been organized and a job description will soon be created. New faculty hires will be recording online classes, mentoring with the Center for Teaching and Learning Education, and finalizing the curriculum for the new degree.

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: University of Utah – Master of Software Development

Issue

The University of Utah requests approval to offer a Master of Software Development effective Fall Semester, 2017. The proposed program was approved by the institutional Board of Trustees December 13, 2016.

Background

Software Development is an occupation that is in high demand within Utah as well as nationwide. Industry leaders are unable to hire enough people from within the state to fill available positions. This proposal seeks to broaden the talent pool of people prepared to work as software developers and in related occupations by designing the curriculum to accommodate qualified students with baccalaureate degrees in non-technical areas. This is a professional degree with the primary purpose of preparing people for professional positions in industry. Admission to the program will occur on an annual basis with students admitted into a cohort group. Students will attend classes each semester, including summers, and by doing so will be able to complete the full program in approximately 18 months.

The Utah Department of Workforce Services Occupational Explorer shows the Software Developers occupational group as having strong labor market demand. Statewide projections for software development show the following 2014 - 2024 labor market data:

SOC Code	Occupation	Annual Percent Change in Job Openings	Total Annual Openings	Hourly Median Wage
15-1132	Software Developers, Applications	5.9	640	\$43.96
15-1133	Software Developers, Systems Software	4.3	170	\$44.63

Policy Issues

The program is comprised of ten four-credit-hour courses for a total of 40 credit hours. Regent Policy R401 specifies that master degree programs should require no more than 36 credit hours, but provides for additional credits if required for accreditation. There are not accreditation requirements specifying that this program should require 40 hours. However, because the program is designed for students who have no formal preparation in software development or related fields, additional time is needed to ensure that graduates are appropriately prepared and can contribute professionally to the occupation. Because of this and because the program's scheduling format enables completion within 18 months, staff recommends that an exception be approved by the Board of Regents to allow this program to require 40 credit hours.

The proposed program has been developed through established institutional procedures and Board of Regents policy. Chief academic officers as well as faculty in related departments from the Utah System of Higher Education institutions have reviewed the proposal and have provided input.

Commissioner's Recommendation

The Commissioner recommends the Board of Regents approve the Master of Software Development and grant an exception so that the institution may require 40 credit hours for program completion.

David L. Buhler
Commissioner of Higher Education

DLB/BKC
Attachment

Utah System of Higher Education Program Description - Full Template

Section I: The Request

University of Utah requests approval to offer the following Master's degree(s): Master of Software Development effective Fall 2017. This program was approved by the institutional Board of Trustees on .

Section II: Program Proposal

Program Description

Present a complete, formal program description.

The educational mission of the proposed Master of Software Development (MSD) degree program in the School of Computing at the University of Utah is to prepare students with bachelor degrees in various non-technical backgrounds to be well versed in computer and software fundamentals, to be technically proficient in software development, and to be responsive to the needs of local industry. This new program will help meet the critical state and national need for highly capable software developers and also help create new, high-paying, job opportunities for students with degrees or backgrounds that may be limiting their current potential.

The MSD curriculum stresses significant hands-on teaching and an immersive learning environment, which will prepare students to become competent software developers who, as lifelong learners, will be able to effectively adapt to the ever-changing demands of the increasingly digital world, and pursue additional training and/or certifications to expand their expertise. The MSD program will use active-learning, project-oriented approaches to equip students with tools and perspectives for problem solving while honing their critical thinking skills that transcend specific software languages or applications.

The salient features of the MSD program include but are not limited to the following:

- Produce a high quality workforce of software developers.
- Emphasize immersion, teamwork, and leadership in software development through in-person classroom and lab training. Will create or use existing online resources (including partnering with online education companies) for appropriate learning objectives.
- Incorporate active-learning and project-oriented approaches, to develop skills and a portfolio of open-source, software credentials.
- Include interdisciplinary projects that teach students how to apply software skills in a variety of application domains.
- Establish close collaboration with industry. Recruit domain experts to teach the practice of software development. Facilitate recruitment of program students.
- The duration of the MSD program is 18 months (Fall/Spring/Summer/ Fall) involving classroom teaching and extensive lab and project experiences.

The technical content covered in the MSD program will be divided into interconnected units emphasizing both fundamental principles and concepts and practice of software development. Very importantly, robust design, security, and reliability will be the cornerstone of the technical content spanning computer/device hardware and software, programming languages, data

structures and algorithms, operating systems, networking, architecture, software practice, data analytics and visualization, and frontend and backend systems. The technical content will be strengthened with the help of hands on assignments, and case studies in current and emerging technologies including Internet of Things, Cloud Computing, Mobile Computing, Big Data, among others.

The MSD program is comprised of 9 required courses and one required MSD project, 4 credit hours each, for a total of 40 credit hours. There are no electives. Students admitted to the program every fall semester move together as cohorts for the duration of the program.

The School of Computing faculty (on 04/08/2016) and the College of Engineering Curriculum Committee (on 04/11/2016) , with a majority vote, have consented to move the proposal forward.

Consistency with Institutional Mission

Explain how the program is consistent with the institution's Regents-approved mission, roles, and goals. Institutional mission and roles may be found at higheredutah.org/policies/policy312/.

The MSD program will meet the University of Utah mission by serving the people of Utah through application and dissemination of knowledge. The new program will expand the portfolio of the School of Computing and the University of Utah and help boost this leadership role. It has the potential to attract newer businesses to Utah that require high quality software development.

Section III: Needs Assessment

Program Rationale

Describe the institutional procedures used to arrive at a decision to offer the program. Briefly indicate why such a program should be initiated. State how the institution and the USHE benefit by offering the proposed program.

The Governor's Office of Economic Development triggered the discussions on the new MSD program in the summer of 2015. Since then there have been several discussions on the need for this program, its structure, and its finances involving the School of Computing faculty, the Dean of College of Engineering, office of the Vice President of the University of Utah, the industry advisory boards of the School of Computing and the College of Engineering, and the Utah Technology Council.

The MSD program would help meet the critical state and national need for highly capable software developers and also create new, high-paying, job opportunities for students with degrees or backgrounds that may be limiting their current potential. The demand for software engineers is much more than the computer science degrees that are awarded each year in the United States. The MSD program by reaching out to non-CS majors, will recruit an untapped demographic to meet this demand.

Students from other USHE institutions will also benefit from the MSD program. A pipeline of students for the MSD program from other USHE institutions will be established through collaborations.

Labor Market Demand

Provide local, state, and/or national labor market data that speak to the need for this program. Occupational demand, wage, and number of annual openings information may be found at sources such as Utah DWS Occupation Information Data Viewer (jobs.utah.gov/jsp/wi/utalmis/gotoOccinfo.do) and the Occupation Outlook Handbook (www.bls.gov/oco).

The MSD program will train students from non-CS backgrounds to allow them to obtain better jobs while also meeting the growing need for software developers in industry. According to the United States Department of Labor, employment of software developers is projected to grow 22 percent in a recession-resistant manner from 2012 to 2022, much faster than the average for all other occupations. The main reason for the rapid growth is a large increase in the demand for computer software. The Utah Technology Council estimates that there are 14,000 current opening for workers with a baccalaureate degree or higher in engineering or computer science in Utah. Furthermore, the number of unfilled positions is expected to grow more in the future. Many industries including the auto-industry, healthcare, defense, and online banking among many others are increasingly relying on software and have full-fledged software divisions.

A key element of the MSD program is its close industry involvement. Besides helping to teach some of the MSD classes, industry colleagues will be involved in evaluating and critiquing student work. This will expose students to current industry trends and practices. Students will work with MSD faculty and industry colleagues on resumé building and improving job interview skills.

Student Demand

Provide evidence of student interest and demand that supports potential program enrollment. Use Appendix D to project five years' enrollments and graduates. Note: If the proposed program is an expansion of an existing program, present several years enrollment trends by headcount and/or by student credit hours that justify expansion.

The University of Pennsylvania at Philadelphia has a program similar to the MSD program called Master of Computer and Information Technology (MCIT). This program is in high demand with a 10% (approximately) acceptance rate. In general, the student demand for a Master's degree in computer science/computing related fields is high. This is evident in the existing MS programs in the School of Computing that receive close to 600 applications every year. Some of these applications are not found suitable because of lack of a thorough Computer Science or related background. These students, who are otherwise strong, would be good candidates for the MSD program. The new MSD program will generate wide-scale interests among both domestic and international students of different disciplines especially given the high and growing demand for computer related workers.

Similar Programs

Are similar programs offered elsewhere in the USHE, the state, or Intermountain Region? If yes, identify the existing program(s) and cite justifications for why the Regents should approve another program of this type. How does the proposed program differ from or compliment similar program(s)?

There is no Master's level degree program in Utah in Software Development for non-Computer Science students. The MSD degree is designed for non-Computer Science majors or even those with non-technical majors. The School of Business at the University of Utah offers an Master of Science in Information Systems (MSIS) and a graduate certificate in Information Systems. The MSIS and graduate certificate in information systems programs are intended to prepare students for business careers where an understanding of technology is of financial and strategic

value to a firm. The MSIS program focuses on producing information systems executives, analysts and specialists with business management skills to align information technology with business strategy. The new MSD degree offered by the School of Computing will produce high quality software developers by focusing on teaching hard software design and development skills. The courses in MSIS and MSD, even with similar sounding names, thus have different content. Furthermore, the MSIS and MSD degrees, like the School of Business and the School of Computing, serve different markets. Therefore, the MSD degree is distinct from the MSIS degree.

There are primarily three other categories of software training programs for non-CS majors.

- Short-term boot camps focused on very specific skills
- Remedial programs followed by a regular MS degree in Computer Science
- Online programs that offer a variety of courses and modules from which students can learn at their own pace.

The short-term boot camps do not provide college credentials but are useful in teaching specific skills. The remedial program approach requires about a year of remedial courses followed by a regular MS degree. This approach would take significantly longer than the 18 month MSD degree. The online programs do not offer a comprehensive immersive and cohort experience that the new MSD program offers. The MSD program approach of using online resources as necessary allows incorporating the benefits of the boot camps as well as those of the online programs.

Collaboration with and Impact on Other USHE Institutions

Indicate if the program will be delivered outside of designated service area; provide justification. Service areas are defined in higheredutah.org/policies/policyr315/. Assess the impact the new program will have on other USHE institutions. Describe any discussions with other institutions pertaining to this program. Include any collaborative efforts that may have been proposed.

The MSD program will not be delivered outside of the institution's designated service area. The MSD program should have no adverse impact on other USHE institutions. None of the other USHE institutions offer a similar program. However, students from other USHE are likely to enroll in the MSD program. A pipeline of students for the MSD program from other USHE institutions will be established through collaborative efforts.

External Review and Accreditation

Indicate whether external consultants or, for a career and technical education program, program advisory committee were involved in the development of the proposed program. List the members of the external consultants or advisory committee and briefly describe their activities. If the program will seek special professional accreditation, project anticipated costs and a date for accreditation review.

Program content was informed from similar programs that meet industry needs for software developers.

Section IV: Program Details

Graduation Standards and Number of Credits

Provide graduation standards. Provide justification if number of credit or clock hours exceeds credit limit for this program type described in R401-3.11, which can be found at higheredutah.org/policies/R401.

To receive the MSD degree, a student must:

- Complete the required 40 hours of coursework.
- Receive at least a 3.0 GPA for the entire program.
- Receive no less than a B- in any of the program courses.
- Receive a B grade or higher in the MSD Project.

Given the need for covering both basic and advanced content students will be taking more credit hours than a typical master degree program. This is required to ensure students are prepared for a professional position in the software industry.

Admission Requirements

List admission requirements specific to the proposed program.

The admission requirements for the MSD degree will be different from those of other programs within the School of Computing. The key difference is that for the MSD degree only students with little or no Computer Science or related backgrounds will be admitted. However, the applicants to the MSD program must demonstrate problem solving skills and the ability to reason mathematically and logically through undergraduate or higher level courses in one or more of the following: Calculus, Probability Theory, or Statistics (examples of courses at the University of Utah that would satisfy this requirement include MATH 1100, 1170, 1210, ECON 3620, 3640, or PSY 3000). All students will be required to have valid Graduate Record Examination (GRE) scores (the GRE requirement could be waived in very few cases for domestic students who are able to demonstrate verbal, quantitative, and analytical abilities through other verifiable means). All international students will be required to take the TOEFL or the IELTS exam. The MSD program admission process and requirements are as follows.

- School of Computing MSE Online Application
- GRE Test Score: An official GRE test score is required for all MSE applications. There are no minimum GRE scores required for application. Applicants are encouraged to meet overall program GRE averages, but all application materials are evaluated to determine the strength of the application.
- Transcripts/GPA: This requirement includes a list all colleges and universities applicants have attended including the University of Utah, regardless of length of attendance. Official transcripts from each institution will be required. A minimum cumulative 3.0 undergraduate GPA is required for admission. The transcripts should include courses that demonstrate the ability to reason mathematically and logically.
- Three Letters of Recommendation
- One statement-of-purpose essay, describing the applicant's intent and goals for joining the program
(submitted within the online application).
- Resume
- English Language Proficiency: International applicants must receive a minimum score of 90 on the TOEFL exam or 6.5 on the IELTS exam.

Curriculum and Degree Map

Use the tables in Appendix A to provide a list of courses and Appendix B to provide a program Degree Map, also referred to as a graduation plan.

Section V: Institution, Faculty, and Staff Support

Institutional Readiness

How do existing administrative structures support the proposed program? Identify new organizational structures that may be needed to deliver the program. Will the proposed program impact the delivery of undergraduate and/or lower-division education? If yes, how?

The MSD program will be a part of the offerings of the School of Computing under the College of Engineering. The international reputation of the School in undergraduate and graduate training, as well as world-class research, will help attract the very best students from within Utah and beyond. It will also help recruitment of MSD graduates into professional positions. Research-active faculty are part of the team managing and running the MSD program, and they know the trends in computer science, software engineering, and software development. One of the School of Computing faculty members will serve as the director of the MSD program. The MSD program will be taught with the help of additional teaching faculty specially recruited in the School of Computing for this program. The MSD program will also recruit domain experts from industry as adjunct faculty to teach the practice of software development. Given that new teaching faculty will be recruited for the MSD program, it will have no impact on the delivery of the undergraduate or graduate education in the School of Computing.

Faculty

Describe faculty development activities that will support this program. Will existing faculty/instructors, including teaching/graduate assistants, be sufficient to instruct the program or will additional faculty be recruited? If needed, provide plans and resources to secure qualified faculty. Use Appendix C to provide detail on faculty profiles and new hires.

The MSD program will be taught with the help of additional teaching faculty specially recruited in the School of Computing for this program. The MSD program will also recruit domain experts from industry as adjunct faculty to teach the practice of software development. The School of Computing faculty will manage the MSD program.

Staff

Describe the staff development activities that will support this program. Will existing staff such as administrative, secretarial/clerical, laboratory aides, advisors, be sufficient to support the program or will additional staff need to be hired? Provide plans and resources to secure qualified staff, as needed.

The MSD program will recruit two staff members – an academic advisor, and an administrative assistant. The program will also obtain career, lab, and computing, services for its students. The finances needed for recruiting these personnel and services are a part of the overall MSD program expense budget.

Student Advisement

Describe how students in the proposed program will be advised.

Students in the MSD program will work closely with the program faculty including the director of the program. One of the MSD program faculty members will serve as the chair of each

student's MSD project supervisory committee. In consultation with the supervisory committee chair, the student will select two additional faculty members with another member from the School of Computing and a third member from the School of Computing or any other department at the University of Utah. Students will also receive career advice from program faculty, associate instructors from industry, as well as career services.

Library and Information Resources

Describe library resources required to offer the proposed program if any. List new library resources to be acquired.

Library holdings are currently in place to support the program.

Projected Enrollment and Finance

Use Appendix D to provide projected enrollment and information on related operating expenses and funding sources.

Section VI: Program Evaluation

Program Assessment

Identify program goals. Describe the system of assessment to be used to evaluate and develop the program.

Expected Learning Outcomes:

- To have a comprehensive view of both the fundamental concepts as well as the practice of software design and development
- To demonstrate mastery of software design and development, specifically to be able to write secure, reliable and robust code
- To be able to apply software skills to different application areas
- To demonstrate critical thinking skills transcending specific software languages or applications
- To be able to work as members of, and also be able to lead, teams for software design and development

Student Learning Assessment:

- The student demonstrates knowledge and technical skills in classes with a 3.0 or higher cumulative GPA.
- The student is effective in integrating this knowledge in a real world project by achieving a B or higher letter grade in the MSE project.
- The student is effective with analytical and critical thinking as measured using assignments or projects in program coursework.
- The student is effective with teamwork and leadership as measured using group projects in the program of study.
- The student is effective with written and oral communication measured using assignments, project writing, and presentations in classes.

Program Assessment

The program is not subject to a specific agency accreditation; however, in addition to the program reviews mandated by the graduate school, the steering committee will conduct an

informal review of the program at the conclusion of each of the first five academic years the degree is in place. Use of the steering committee enables internal review by current University of Utah faculty and external advice and consultation. In addition, listed here are several goals and measures the program will use to determine if program objectives are being met.

Recruiting, Admission, and Retention:

- Goals – to recruit high-caliber applicants and retain students in quantities that meet or exceed the five-year program size projections, to graduate 95% of the students admitted who meet the learning goals of MSD.
- Measures – applicant pool size and program size, # of applicants recruited per recruiting channel/event, average GPA of applicants and of students, # of applicants, and students by most recent location and degree/institution, # of students graduating from the MSD program

Placement:

- Goals – to help MSD graduates obtain career opportunities that leverage the knowledge gained in the program.
- Measures - number of positions, skills used, companies and industry as well as average salaries received.

Student Evaluation:

- Goals – to assure positive student and graduate perceptions of program design, study benefits, and quality of cohort for improvement of the MSD program.
- Measures – summaries of students mid-study, exit, and alumni interviews/surveys.

External Evaluation:

- Goals – to acquire positive perceptions of students and graduates by recruiters, guest speakers, project sponsors and coordinators for MSD students for improvement of the MSD program.
- Measures – summaries of external surveys.

Financial:

- Goals – to meet or exceed the revenue projection.
- Measures – Student credit hours, revenues from the MSD tuition.

Student Standards of Performance

List the standards, competencies, and marketable skills students will have achieved at the time of graduation. How and why were these standards and competencies chosen? Include formative and summative assessment measures to be used to determine student learning outcomes.

Outcome standards established by the steering committee will be used to assess student learning, knowledge, and skills. All students in the MSD degree program are required to take and successfully pass all the courses. Through these courses the students will acquire applied skills for a career in industry with tools and perspectives for problem solving while honing critical thinking skills that transcend specific software languages or applications. Students will obtain a cohort experience that simulates working as teams in industry. Students will be expected to manage priorities and demonstrate progress in meeting degree requirements by appropriately completing assignments and programs responsibilities. Students must maintain a 3.0 GPA throughout their program. Furthermore, grades lower than a 'B-' will not be counted toward degree credit. A grade of B or higher is required for the MSD project. Under normal

circumstances, the MSD program will be completed in an 18-month period, three semesters and one summer term.

Appendix A: Program Curriculum

List all courses, including new courses, to be offered in the proposed program by prefix, number, title, and credit hours (or credit equivalences). Indicate new courses with an X in the appropriate columns. The total number of credit hours should reflect the number of credits required to be awarded the degree.

For variable credits, please enter the minimum value in the table for credit hours. To explain variable credit in detail as well as any additional information, use the narrative box at the end of this appendix.

Course Number	NEW Course	Course Title	Credit Hours
General Education Courses (list specific courses if recommended for this program on Degree Map)			
General Education Credit Hour Sub-Total			0
Required Courses			
CS6xxx	X	Introduction to Software Development	4
CS6xxx	X	Computer Programming	4
CS6xxx	X	Data Structures and Algorithms	4
CS6xxx	X	Systems I	4
CS6xxx	X	Systems II	4
CS6xxx	X	Software Engineering	4
CS6xxx	X	Data Analytics and Visualization	4
CS6xxx	X	Database Systems and Applications	4
CS6xxx	X	Application System Design	4
CS6xxx	X	Master of Software Development Project	4
Required Course Credit Hour Sub-Total			40
Elective Courses			
Elective Credit Hour Sub-Total			0
Core Curriculum Credit Hour Sub-Total			40

Program Curriculum Narrative

Describe any variable credits. You may also include additional curriculum information.

There are no variable credits in the MSD program.

Degree Map

Degree maps pertain to undergraduate programs ONLY. Provide a degree map for proposed program. Degree Maps were approved by the State Board of Regents on July 17, 2014 as a degree completion measure. Degree maps or graduation plans are a suggested semester-by-semester class schedule that includes prefix, number, title, and semester hours. For more details see <http://higheredutah.org/pdf/agendas/201407/TAB%20A%202014-7-18.pdf> (Item #3).

Please cut-and-paste the degree map or manually enter the degree map in the table below.

Fall Yr1:

- Introduction to Software Development
- Computer Programming
- Data Structures and Algorithms

Spring Yr1:

- Systems 1
- Systems 2
- Software Engineering

Summer Yr1:

- Data Analytics and Visualization
- Database Systems and Applications

Fall Yr2:

- Application System Design
- Master of Software Development Project

Appendix C: Current and New Faculty / Staff Information

Part I. Department Faculty / Staff

Identify # of department faculty / staff (headcount) for the year preceding implementation of proposed program.

	# Tenured	# Tenure -Track	# Non -Tenure Track
Faculty: Full Time with Doctorate	24	12	8
Faculty: Part Time with Doctorate	1	0	0
Faculty: Full Time with Masters	0	0	0
Faculty: Part Time with Masters	0	0	0
Faculty: Full Time with Baccalaureate	0	0	0
Faculty: Part Time with Baccalaureate	0	0	0
Teaching / Graduate Assistants	/ / / / / / / / / / / / / / / /	/ / / / / / / / / / / / / / / /	116
Staff: Full Time			11
Staff: Part Time			4

Part II. Proposed Program Faculty Profiles

List current faculty within the institution -- with academic qualifications -- to be used in support of the proposed program(s).

	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree	Institution where Credential was Earned	Est. % of time faculty member will dedicate to proposed program.	If "Other," describe
Full Time Faculty							
	Sneha	Kasera	T	PhD	University of Massachusetts	50	
Part Time Faculty							

Part III: New Faculty / Staff Projections for Proposed Program

Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate			3	High performer academically with at least some industry +	100
Faculty: Part Time with Doctorate					
Faculty: Full Time with Masters					
Faculty: Part Time with Masters			6	2 Associate Instructors per year with several years of industry +	
Faculty: Full Time with Baccalaureate					
Faculty: Part Time with Baccalaureate					
Teaching / Graduate Assistants	/ / / / / / / / / / / / / / / /	/ / / / / / / / / / / / / / / /	26	8 TAs in the first year and 9 TAs each in years 2 and 3. The TAs +	50
Staff: Full Time					
Staff: Part Time			2	An Academic Advisor and an Administrative Assistant	50

Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

Three Year Projection: Program Participation and Department Budget						
	Year Preceding Implementation	New Program				
		Year 1	Year 2	Year 3	Year 4	Year 5
Student Data						
# of Majors in Department						
# of Majors in Proposed Program(s)		40	40	40	40	40
# of Graduates from Department	267	270	270	270	270	270
# Graduates in New Program(s)		40	80	80	100	120
Department Financial Data						
	Department Budget					
	Year Preceding Implementation (Base Budget)	Year 1	Year 2	Year 3		
		Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)		
<i>Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."</i>						
EXPENSES – nature of additional costs required for proposed program(s)						
<i>List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.</i>						
Personnel (Faculty & Staff Salary & Benefits)		\$764,400	\$965,000	\$994,000		
Operating Expenses (equipment, travel, resources)		\$180,000	\$188,500	\$190,300		
Other:						
TOTAL PROGRAM EXPENSES		\$944,400	\$1,153,500	\$1,184,300		
TOTAL EXPENSES	\$0	\$944,400	\$1,153,500	\$1,184,300		
FUNDING – source of funding to cover additional costs generated by proposed program(s)						
<i>Describe internal reallocation using Narrative 1 on the following page. Describe new sources of funding using Narrative 2.</i>						
Internal Reallocation						
Appropriation		\$728,123	\$848,943	\$895,661		
Special Legislative Appropriation						
Grants and Contracts						
Special Fees		\$115,877	\$174,457	\$153,839		
Tuition						
Differential Tuition (requires Regents approval)		\$100,400	\$130,100	\$134,800		
PROPOSED PROGRAM FUNDING		\$944,400	\$1,153,500	\$1,184,300		
TOTAL DEPARTMENT FUNDING	\$0	\$944,400	\$1,153,500	\$1,184,300		
Difference						
Funding - Expense	\$0	\$0	\$0	\$0		

Part II: Expense explanation

Expense Narrative

Describe expenses associated with the proposed program.

Year 1:

The personnel expenses include

- 12 months salary + 38% benefits for two new teaching faculty recruited specially for this program
- 50% salary + 38% benefits for the Director of the program (a faculty member from the School of Computing)
- One semester salary + 8% benefits for 8 Teaching Assistants (for the 8 courses taught in the Fall, Spring, and Summer terms of first year)
- \$25,000 + 50% benefits for 2 associate instructor from industry
- \$40,000 + 50% benefits for an administrative assistant
- \$50,000 + 50% benefits for an academic advisor (also responsible for admissions)

Operating expenses include

- \$15,000 for career services
- \$56,000 for laptops for 40 students (\$1,400 per laptop per student, students pay this as a part of the Special Fees, students get to retain their laptop after completing the program)
- \$4,000 for software for 40 students (\$100 per student, students pay this as a part of the Special Fees, students keep the software on their laptop subject to the terms and conditions of the software)
- \$20,000 for access to online resources for 40 students (\$500 per student, students pay this as a part of the Special Fees)
- \$40,000 for computing services
- \$15,000 for other lab equipment, maintenance, cloud service access fee, etc.
- \$25,000 for advertisement of the MSD program
- \$5,000 for supplies

Year 2:

Changes from the Year 1 expenses:

- 12 month salary + 38% benefits for an additional new teaching faculty
- 1 semester salary + 8% benefits for one additional Teaching Assistant (responsible for the Application System Design course for the second year students in the program)
- 4% salary increase for all personnel from Year 1 to account for inflation
- \$6,680 for access to online resources for 40 second-year students for 4 additional months (\$167 per student, students pay this as a part of the Special Fees)

Year 3:

The increase is only due to 3% salary increase for all personnel from Year 2 to account for inflation. No change in operational cost.

Part III: Describe funding sources

Revenue Narrative 1

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services.

The standard Engineering Differential Tuition assessed as part of the student credit hours associated with this program will be returned 100% (less any applicable bank charges) to help offset the costs of the program. In addition, the Senior Vice President Academic Affairs office and the Dean of the College of Engineering are willing to jointly help offset any unforeseen contingencies that might arise. It is not expected that this program will materially impact existing programs or services.

Revenue Narrative 2

Describe new funding sources and plans to acquire the funds.

We have reviewed the revenue model with the Associate VP of Budget and Planning. The revenue has been computed considering a total of 40 new students joining the program in the Fall semester every year from 2017 to 2019. Each student in the MSD program will pay an amount of \$41,000 (Cohort 1) to cover mandatory student fees, tuition and program special fees. The special fees are for recovering the cost of laptops, software, and online resources as described in the expense narrative. The program assessment for students in Cohort 2 are calculated to be \$42,000 for the four semester program and \$43,000 for students in Cohort 3. The amount paid by the students of the MSD program will be sufficient to meet the expenses of the program as well as the expenses of the University.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Weber State University – Bachelor of Science in Public Health

Issue

Weber State University (WSU) requests approval to offer a Bachelor of Science (BS) in Public Health effective in fall 2017. The institutional Board of Trustees approved the degree on September 6, 2016.

Background

The Department of Health Administrative Services (HAS) in the Dumke College of Health Professions currently offers a BS degree with an emphasis in health promotion in conjunction with the Department of Health Promotion and Human Performance (HPHP) in the Moyes College of Education. As the interests of students in the HAS health promotion emphasis have shifted, the HAS department is proposing to establish a new BS in Public Health (with the health promotion degree still available through the HPHP department). The proposed degree would focus on public health administration and epidemiology versus a health education focus in the current degree. Graduates would be prepared for entry-level positions at local and state departments of health, as well as master-level programs in public health, health administration, and biomedical informatics, with proper advising.

The WSU proposal documents a significant need for public health workers who are well trained and qualified, with local need corroborated by the Davis and Weber-Morgan county health departments. The proposed BS in Public Health is a 120-credit-hour program that has been developed in accordance with and will seek national accreditation through the Council on Education for Public Health. Five new courses will be developed, and one additional full-time and one or two additional adjunct faculty members will be added prior to implementation. Otherwise, existing courses, faculty and staff, and other resources at WSU are sufficient to offer the proposed degree.

Policy Issues

The proposed degree has been developed and reviewed in accordance with processes established by Weber State University and the Board of Regents. The Utah System of Higher Education (USHE) Chief Academic Officers and appropriate faculty at other USHE institutions reviewed and are supportive of Weber State University's request to offer a BS in Public Health. There are no additional policy issues relative to approval of this program.

Commissioner's Recommendation

The Commissioner recommends the Regents approve the request by Weber State University to offer a Bachelor of Science in Public Health.

David L. Buhler
Commissioner of Higher Education

DLB/GVB
Attachment

Utah System of Higher Education Program Description - Full Template

Section I: The Request

Weber State University requests approval to offer the following Baccalaureate degree(s): Bachelor of Science in Public Health effective Fall 2017. This program was approved by the institutional Board of Trustees on September 6, 2016.

Section II: Program Proposal

Program Description

Present a complete, formal program description.

Weber State University's Department of Health Administrative Services (HAS) has nationally-recognized and accredited programs in Health Administration and Health Information Management. The department currently offers a Bachelor of Science with an emphasis in health promotion, which is a dual degree shared with the College of Education's Department of Health Promotion and Human Performance (HPHP). The interest of the students enrolling in the HAS health promotion emphasis has been transitioning from health education to more public health administration and epidemiology. To meet this changing need, the HAS department has decided to sunset the health promotion emphasis and establish a new Bachelor of Science in Public Health. Students will not be impacted because the Health Promotion degree can still be earned in the Department of Health Promotion and Human Performance.

The new Bachelor of Science in Public Health (BSPH) will prepare graduates to take entry-level jobs in epidemiology and public health administration at local and state departments of health. Additionally, it will position them to take their education to the next level with a master's degree in Public Health, Health Administration, or Biomedical Informatics, with appropriate advising. Recent assessments of the public health workforce have identified a lack of qualified workers to fill entry-level positions at both the state and local levels.

The new BSPH program will be built upon the foundation of courses currently available in HAS, HPHP, and Microbiology. These existing courses cover concept areas such as management, communication, program planning, and public policy. The program will require the addition of five new courses to cover program-specific content like advanced epidemiology and population health, health data analytics, public health finance, and grant writing. Current faculty have the expertise, interest, and capability to cover these courses. This program, as with other programs within the HAS department, will be offered completely online and on-campus.

Keeping in line with the tradition of high-quality programs offered through the college and the department, this program will seek national accreditation. The Council on Education for Public Health (CEPH) is the accrediting body for public health programs at both the undergraduate and graduate levels. This proposal is in line with the accreditation requirements for BSPH programs. See Section VI, Student Standards of Performance, for a list of required courses and accreditation competencies.

In September 2011, the Public Health Accreditation Board (PHAB), a nonprofit organization, answered the call of the Institute of Medicine and began providing voluntary accreditation of state and local health departments. This accreditation is meant to improve performance and accountability of public health departments. The standards for accreditation state that health departments should be hiring qualified public health workers, assessing the skills and competencies of current staff, and providing them with any necessary education. Standards also state that the departments of health should be supporting and developing a pipeline for future public health workers. As stated in their enthusiastic letters of support, both the Davis and the Weber-Morgan Health Departments recognize the need for this new program.

The Dumke College of Health Professions and the Department of Health Administrative Services are well positioned to support this new program. This program is in line with the University mission, offering an academic program that will further research and provide public service and community-based learning to students. State and local health departments, and ultimately the citizens those departments serve, will benefit from the well-trained workers this program will produce.

Consistency with Institutional Mission

Explain how the program is consistent with the institution's Regents-approved mission, roles, and goals. Institutional mission and roles may be found at higheredutah.org/policies/policyr312/.

The Weber State University mission includes providing baccalaureate degrees in science, as well as providing public service and community-based learning and serving as a leader in the community. The core themes of the mission are Access, Learning, and Community. The Bachelor of Science in Public Health program will open new doors to facilitate research and provide community-based learning activities that will not only benefit students, but also improve the health of surrounding communities. This program will follow the tradition of Weber State University, improving access to education for the non-traditional student by offering a degree that can be earned online or on-campus.

Section III: Needs Assessment

Program Rationale

Describe the institutional procedures used to arrive at a decision to offer the program. Briefly indicate why such a program should be initiated. State how the institution and the USHE benefit by offering the proposed program.

The purpose of the new BSPH program is to prepare graduates to take entry-level jobs in research, epidemiology, and public health administration at local and state departments of health. Additionally, it will position them to take their education to the next level with a master's degree in Public Health, Health Administration, or Biomedical Informatics, with appropriate advising. Recent assessments of the public health workforce have identified a lack of qualified workers to fill entry-level positions at both the state and local levels. Additionally, in an effort to improve the quality of both local and state departments of health, the Public Health Accreditation Board has started offering official accreditation of departments. This accreditation requires that health departments "encourage the development of a sufficient number of qualified public health workers" and "ensure a competent workforce through assessment of staff competencies, the provision of individual training and professional development, and the provision of a support work environment." These requirements identify an opportunity to partner with an educational institution and program such as the BSPH program being proposed here. The Weber-Morgan and Davis County Departments of Health have provided letters of support substantiating this need.

Labor Market Demand

Provide local, state, and/or national labor market data that speak to the need for this program. Occupational demand, wage, and number of annual openings information may be found at sources such as Utah DWS Occupation Information Data Viewer (jobs.utah.gov/jsp/wi/utalmis/gotoOccinfo.do) and the Occupation Outlook Handbook (www.bls.gov/oco).

According to Holsinger, Lewis, and Chen (2015), the public health workforce in the United States will require a conservative 250,000 additional new workers. To meet this need, current Association of Schools and Programs of Public Health (ASPHH) accredited programs will need to triple, or more, the current graduation rate. Sellers et al. (2015) analyzed data collected in a national survey of public health workers. They found only 17% of the respondents had any formal education in public health, identifying a potential need to educate those already in the workforce. Additionally, they found there are a significant number of public health workers planning to retire or leave the public health field (Sellers et al., 2015). Leadership from both the Weber-Morgan Health Department and the Davis County Health Department have provided letters of support for this proposal substantiating the need for qualified workers at the local level. Graduates from the proposed BSPH program would also be qualified to work in other related fields, such as biomedical informatics and biomedical research. With increased adoption of electronic medical records and the introduction of big data into the health field, the need for qualified workers in biomedical informatics is also growing (Dixon, McFarlane, Dearth, Grannis, & Gibson, 2015). While biomedical informatics is not exactly public health, the course of training included in the BSPH program would position graduates to be qualified to take entry-level positions in this and other closely-related fields.

References

Dixon, B. E., McFarlane, T. D., Dearth, S., Grannis, S. J., & Gibson, P. J. (2015). Characterizing Informatics Roles and Needs of Public Health Workers: Results From the Public Health Workforce Interests and Needs Survey. *Journal of Public Health Management and Practice*, 21, S130 -S140. <http://doi.org/10.1097/PHH.0000000000000304>

Holsinger, J. W., Lewis, A. L., & Chen, Q. (2015). Undergraduate Public Health Education: Does it Meet Public Health Workforce Needs? *Frontiers in Public*

Health, 3. <http://doi.org/10.3389/fpubh.2015.00001>

Sellers, K., Leider, J. P., Harper, E., Castrucci, B. C., Bharthapudi, K., Liss-Levinson, R., ... Hunter, E. L. (2015). The Public Health Workforce Interests and Needs Survey: The First National Survey of State Health Agency Employees. *Journal of Public Health Management and Practice*, 21(Suppl 6), S13 -S27. <http://doi.org/10.1097/PHH.0000000000000331>

Current Labor Market Data

The 2012-2022 Utah Occupational Projections for Government lists the employment growth rate as follows:

- Medical and Health Services Managers (HAS, Long-Term Care, and BSPH majors) 13.1% or 47 open positions in Utah
- Epidemiologists (BSPH majors) 3.3% or 14 open positions in Utah
- Statisticians (BSPH majors) 1.0% or 8 open positions in Utah
- Medical Records and Health Information Technicians (HIM majors) -3.5% or 9 open positions in Utah

The Bureau of Labor Statistics predicts employment growth rate for 2014-2024 as follows:

- Medical and Health Services Managers (HAS, Long-Term Care, and BSPH majors) 17%
- Epidemiologists (BSPH majors) 6%
- Statisticians (BSPH majors) 34%
- Medical Records and Health Information Technicians (HIM majors) 15%

Student Demand

Provide evidence of student interest and demand that supports potential program enrollment. Use Appendix D to project five years' enrollments and graduates. Note: If the proposed program is an expansion of an existing program, present several years enrollment trends by headcount and/or by student credit hours that justify expansion.

A survey was sent to all students seeking advisement by the College of Health Professions admissions office in May 2016. This survey was sent to 150 students interested in health professions. The survey asked these students how interested they would be in pursuing a bachelor's degree in Public Health at Weber State University. One hundred thirty-six students responded to this survey (90.7%); 27.9% (n = 38) responded that they were most definitely interested, 55.9% (n = 76) responded that they were somewhat interested, and 16.1% (n = 22) responded not at all interested. The survey response indicates a strong interest in the proposed BSPH degree. Since it is unclear how this will equate to actual majors, the number of majors estimated for this proposal is conservative. The department could accommodate up to 25 new students in this program without adding additional resources. If the interest in this program is greater than estimated, the department and college are prepared to allocate additional resources to the program with internal reallocations.

In addition, many of the students enrolled in the Health Promotion emphasis in the Health Administrative Services department have expressed interest in more of the administrative and epidemiologic aspects of public health. There have also been inquiries about which Weber State University programs would best prepare students for entry-level positions in public health (specifically beyond the scope of health promotion and education) and qualify them for entry into a Master of Public Health program at another university.

Similar Programs

Are similar programs offered elsewhere in the USHE, the state, or Intermountain Region? If yes, identify the existing program(s) and cite justifications for why the Regents should approve another program of this type. How does the proposed program differ from or compliment similar program(s)?

The addition of this new program is not meant to compete with other bachelor-level public health degrees in the state. Instead, the intent is to fill a gap in current degree offerings among Utah's public institutions of higher education. Utah State University offers a bachelor's degree in public health with an emphasis in either environmental health, industrial hygiene, or public health education. Utah Valley University offers public health bachelor-level programs in community and school health education.

Neither of these schools offers a bachelor's degree in public health focused on epidemiology or the administration of public health programs not related to health education. As a result, students graduating from these programs would pursue different jobs than those targeted by this proposal.

Collaboration with and Impact on Other USHE Institutions

Indicate if the program will be delivered outside of designated service area; provide justification. Service areas are defined in higheredutah.org/policies/policyr315/. Assess the impact the new program will have on other USHE institutions. Describe any discussions with other institutions pertaining to this program. Include any collaborative efforts that may have been proposed.

This degree is different from the other undergraduate public health degrees being offered by USHE institutions. The impact to the other programs will be minimal, as this degree is intended to fill a gap in the public health programs currently being offered by USHE institutions.

External Review and Accreditation

Indicate whether external consultants or, for a career and technical education program, program advisory committee were involved in the development of the proposed program. List the members of the external consultants or advisory committee and briefly describe their activities. If the program will seek special professional accreditation, project anticipated costs and a date for accreditation review.

External review and accreditation will be sought from the Council on Education for Public Health (CEPH). CEPH is the only national accrediting body for public health programs. The program curriculum and requirements have been developed using CEPH accreditation standards. Accreditation will be sought after the first class graduates, in accordance with CEPH accreditation policies and procedures.

Section IV: Program Details

Graduation Standards and Number of Credits

Provide graduation standards. Provide justification if number of credit or clock hours exceeds credit limit for this program type described in R401-3.11, which can be found at higheredutah.org/policies/R401.

General Education requirements will take between 38-46 credits depending on student preparation. Major core course requirements will take 58 credits with an additional 6 credits from a list of specific elective courses for a total of 64 credits from the major program (14 Prerequisite credits + 58 Core credits + 6 Elective credits - 10 Support credits that count towards GE = 68 credits in the major). This exceeds the limit of 63 major credits. This is the minimum necessary to achieve the standards for CEPH accreditation. Therefore, an exception is requested. Following university standards, 120 total credits will be required for this Bachelor of Science degree.

Admission Requirements

List admission requirements specific to the proposed program.

Admission requirements for the public health program will be consistent with the current requirements for other degrees in Health Administrative Services.

Entry requirements will include:

- Enrollment at Weber State University
- Completion of prerequisite courses with a grade of C or better
- University General Education Requirements
- HLTH 1030 SS - Health Lifestyles

- HTHS 1110/1111 - Integrated Human Anatomy and Physiology I & II
- MICR 1113 - Introductory Microbiology
- GPA of 2.5 or higher
- Completed application and application fee (\$25) - biannual application deadlines

Upon acceptance, a background check and drug screen will be required, at the expense of the student, for participation in onsite internship or capstone experiences. If a background check reveals a history of convicted criminal actions, or the drug screen reveals the presence of a non-prescribed controlled substance, the student will not be able to complete the program and will not be entitled to any refunds of tuition dollars or other fees.

Curriculum and Degree Map

Use the tables in Appendix A to provide a list of courses and Appendix B to provide a program Degree Map, also referred to as a graduation plan.

Section V: Institution, Faculty, and Staff Support

Institutional Readiness

How do existing administrative structures support the proposed program? Identify new organizational structures that may be needed to deliver the program. Will the proposed program impact the delivery of undergraduate and/or lower-division education? If yes, how?

The Department of Health Administrative Services is well positioned to host this new program. The basic administration and health care systems courses needed for this degree already exist within the department, along with the expertise and capacity to deliver them. Courses from the Microbiology and Health and Human Performance programs will be used to supplement and fill some content gaps. Five new courses will be required for the new program. These courses include (a) advanced epidemiology/population health, (b) health data analytics, (c) public health finance, (d) grant writing, and (e) a public health capstone course. The interest and capacity to create these courses exists among current faculty. Interest and capacity to cover the Program Chair responsibilities also exists among current faculty. Two adjunct faculty will be sought to deliver the Public Health Finance and the Grant Writing courses. In addition, a new faculty position will be added to the HAS department to be in place for the first year of the program. Existing staff will provide administrative support. There will be a potential need for one additional instructor position within five years if enrollment grows at or above expected rates.

Faculty

Describe faculty development activities that will support this program. Will existing faculty/instructors, including teaching/graduate assistants, be sufficient to instruct the program or will additional faculty be recruited? If needed, provide plans and resources to secure qualified faculty. Use Appendix C to provide detail on faculty profiles and new hires.

Faculty requirements for CEPH accreditation include three full-time faculty (2.0 FTE), one of whom is the designated Program Chair contributing 1.0 FTE to the public health program; the other two must contribute a minimum of .5 FTE to the program. Existing faculty in the Health Administrative Services department, with the addition of one faculty line and one or two adjunct faculty, will be used to meet the remaining requirement. Current faculty have the expertise and background necessary to deliver the public health curriculum. The Program Chair will be responsible for providing student advisement. Adjunct faculty with related professional experience will be sought through public advertisement, as well as through local professional networks and associations.

Staff

Describe the staff development activities that will support this program. Will existing staff such as administrative, secretarial/clerical, laboratory aides, advisors, be sufficient to support the program or will additional staff need to be hired? Provide plans and resources to secure qualified staff, as needed.

The Health Administrative Services department currently has one full-time support staff. It is anticipated that the new program

will require only minimal staff support. The current staff can cover these duties and tasks.

Student Advisement

Describe how students in the proposed program will be advised.

The program chair will be responsible for student advisement. A degree map and student materials will be crafted to streamline the advising process. Program faculty will assist with advisement in the event enrollment exceeds the advising capacity of the program chair.

Library and Information Resources

Describe library resources required to offer the proposed program if any. List new library resources to be acquired.

Public health publications required for course and practical experience are mostly online. With the exception of the five new courses, all of the courses included in the program have already been evaluated for library services. Librarian-assisted material searches may be required by a maximum of 10 students.

Projected Enrollment and Finance

Use Appendix D to provide projected enrollment and information on related operating expenses and funding sources.

Section VI: Program Evaluation

Program Assessment

Identify program goals. Describe the system of assessment to be used to evaluate and develop the program.

The goals of this program are three-fold:

1. Produce graduates who possess the knowledge, skills, and abilities to operate successfully in entry-level epidemiology, public health administration, and research positions in the state and local departments of health.
2. Prepare graduates for continued education at the master-level in public health or a related subject.
3. Provide an academic experience for students that includes personal interaction with faculty, practical experience in the field, and the resources necessary to be successful in this program and in their future career.

Performance towards meeting these goals will be assessed using three methods. First, student performance and proficiency in the core public health competencies will be measured using the capstone course, as well as specific projects or assignments that cover those competencies within program courses. Second, graduates will be administered surveys at time of graduation and one year after graduation. This survey will assess placement and the student view of how well they were prepared for employment or the next level of school, based on which path they decided to take. Third, using employer information from the student survey, a focus group of employers will be assembled to assess their opinion of how well prepared the graduates from this program were. Additionally, thoughts on what should be improved or included in the curriculum will be solicited.

Student Standards of Performance

List the standards, competencies, and marketable skills students will have achieved at the time of graduation. How and why were these standards and competencies chosen? Include formative and summative assessment measures to be used to determine student learning outcomes.

The core competencies for the Bachelor of Science in Public Health program come from the Council on Linkages Between Academia and Public Health Practice and include these categories:

- Analytical/Assessment (covered in following courses: HAS 4620, HAS 4700, HAS 4860, HIM 3200, HIM 3210, HIM

3500, HIM 3550)

- Policy Development/Program Planning (covered in the following courses: HAS 3000, HAS 3240, HAS 4320, HAS 4400, HAS 4500, HAS 4700, HAS 4860, HIM 3200, HLTH 3000)
- Communication (covered in the following courses: HAS 3000, HAS 3020, HAS 3150, HAS 3230)
- Cultural Competency (covered in the following courses: HAS 3230, HAS 3240, HAS 4400, HIM 3200, HIM 3210, MICR 3012)
- Community Dimensions of Practice (covered in the following courses: HAS 3000, HAS 3150, HAS 3230, HAS 4320, HAS 4620, HLTH 3000, MICR 3012)
- Public Health Science (touched on in all courses)
- Financial Planning and Management (covered in the following courses: HAS 3240, HAS 3260, HAS 3700, HAS 4320)
- Leadership and Systems Thinking (covered in the following courses: HAS 3000, HAS 3260, HIM 3210, HIM 3550)
- Human Health and Disease (covered in the following courses: HTHS 1110, HTHS 1111, HTHS 2230, HIM 3200, HIM 3210)

The Council on Education for Public Health has adopted these core competencies. Both summative and formative methods will be used to evaluate student proficiency with specific skills in each of these competencies. Formative assessment activities like assignments and quizzes will be used within each course to help students master these competencies through the identification of shortcomings and weaknesses. Summative assessment activities will be used at the course and program levels to formally measure student understanding and proficiency. Summative assessment will include midterm and final exams at the course level and the applied capstone course at the program level.

Appendix A: Program Curriculum

List all courses, including new courses, to be offered in the proposed program by prefix, number, title, and credit hours (or credit equivalences). Indicate new courses with an X in the appropriate columns. The total number of credit hours should reflect the number of credits required to be awarded the degree.

For variable credits, please enter the minimum value in the table for credit hours. To explain variable credit in detail as well as any additional information, use the narrative box at the end of this appendix.

Course Number	NEW Course	Course Title	Credit Hours
General Education Courses (list specific courses if recommended for this program on Degree Map)			
General Education Credit Hour Sub-Total			46
Required Courses			
HAS 3000		The Health Care System	3
HAS 3020		Health Care Marketing	3
HAS 3150		Community Health Agencies and Services	3
HAS 3230		Health Communication	3
HAS 3240		Human Resource Development in Health Care	3
HAS 3260		Health Care Administrative and Supervisory Theory	3
HAS 4320		Health Care Economics and Policy	3
HAS 4400		Legal and Ethical Aspects of Health Administration	3
HAS 4860		Practicum / Internship	4
HAS 3700	×	Finance in Public Health	3
HAS 4500	×	Grant Writing	2
HAS 4700	×	Public Health Capstone	3
HIM 3200		Epidemiology and Biostatistics	3
HIM 3500		Biomedical Research Support	2
HIM 3210	×	Advanced Epidemiology and Population Health	3
HIM 3550	×	Health Care Data Analytics	3
MICR 3012/3502		Microbiology and Global Public Health or Environmental Health	2
HTHS 2230		Introductory Pathophysiology	3
HLTH 3000		Foundation of Health Promotion	3
ACT 2010		Survey of Accounting	3
HTHS 111		Integrated Human Anatomy and Physiology II (pre-requisite course)	4
Required Course Credit Hour Sub-Total			62
Elective Courses			
		Minimum of 6 credit hours from the following list	6
AT 1300		First Aid Responding to Emergencies (3)	
AT 2300		Emergency Response (3)	
AT 3600		Ergonomics for Health and Safety (3)	
HLTH 1110		Stress Management (3)	
HLTH 3160		Principles of Health Behavior (3)	
HLTH 3400		Substance Abuse Prevention (3)	
HLTH 3500		Human Sexuality (3)	
HTHS 110		Medical Terminology (2)	

Course Number	NEW Course	Course Title	Credit Hours
HAS 4620		International Health and Health Care (3)	
		Additional 6 credit hours of electives	6
Elective Credit Hour Sub-Total			12
Core Curriculum Credit Hour Sub-Total			120

Program Curriculum Narrative

Describe any variable credits. You may also include additional curriculum information.

Variable credits in this program would only be related to any variation in how the student meets Weber State University General Education requirements. The assumption of 49-50 credit hours in General Education is based on a maximum of a student needing to complete Math 1010 for 4 credits and CIL for all 4 credits, in addition to the other 36-38 required credits (Breadth = 24-25 credit hours and Core = 12-13). This program requires 14 credits of specific required General Education level courses as a prerequisite to program enrollment. Details of these requirements are included in the degree map. Also, there are as many as 6 credit hours of electives which can be taken in any department.

Degree Map

Degree maps pertain to undergraduate programs ONLY. Provide a degree map for proposed program. Degree Maps were approved by the State Board of Regents on July 17, 2014 as a degree completion measure. Degree maps or graduation plans are a suggested semester-by-semester class schedule that includes prefix, number, title, and semester hours. For more details see <http://higheredutah.org/pdf/agendas/201407/TAB%20A%202014-7-18.pdf> (Item #3).

Please cut-and-paste the degree map or manually enter the degree map in the table below.

Freshman (Fall)	
Engl 1010 English Composition	3
HLTH SS1030 Healthy Lifestyles (pre-req and SS)	3
HTHS 1110 Integrated Human Anatomy/Physiology I (pre-req and LS)	4
Math 1010 Intermediate Algebra	4
1 Course to fulfill Creative Arts or Humanities	3
Total Semester Credits 17	
Freshman (Spring)	
Engl 2010 English Composition	3
HAS 3000 The Healthcare System	3
HTHS 1111 Integrated Human Anatomy/Physiology II	4
MICR 1113 Introductory Microbiology (pre-req and LS)	3
Quantitative Literacy (Math 1030, Math 1040, Math 1050)	3-4
Total Semester Credits 16-17	
Sophomore (Fall)	
Actg 2010 Survey of Accounting (pre-req)	3
HAS 3150 Community Health Agencies & Services	3
1 Course to fulfill Creative Arts or Humanities - Diversity	3
Computer & Info Literacy (1-4 courses or tests)	4
HIST 1700 American Institution	3
Total Semester Credits 16	
Sophomore (Spring)	
Econ 2010 Microeconomics (pre-req and SS)	3
1 Course to fulfill Physical Science	3
1 Course to fulfill Creative Arts or Humanities	3
HIM 3200 Epidemiology & Biostatistics	3
HTHS 2230 Pathophysiology	3
Total Semester Credits 15	
Junior (Fall)	
HIM 3210 Advanced Epidemiology & Population Health	3
HIM 3020 Health Care Marketing	3
HIM 3500 Biomedical Research Support	2
HLTH 3000 Foundations in Health Promotion	3
HAS 3230 Health Communication	3
Total Semester Credits 14	
Junior (Spring)	
HAS 4400 Legal and Ethical Aspects of Health Administration	3
HIM 3550 Health Care Data Analytics	3
HAS 4320 Health Care Economics & Policy	3
HIM 3020 Health Care Marketing	3
MICR 3012 Microbiology and Global Public Health or MICR 3502 Environmental Microbiology	2
Total Semester Credits 14	

Senior (Fall)	
HAS 4700 Public Health Capstone	3
HAS 3700 Public Health Finance	3
HAS 3260 Health Care Admin. & Supervisory Theory	3
HAS 3240 Human Resource Development	3
1 Elective	1 or 2 (as needed)
Total Semester Credits 14	
Senior (Spring)	
HAS 4860 Practicum/Internship	4
HAS 4500 Grant Writing	2
1 Course to fulfill Public Health Elective	3
1 Course to fulfill Public Health Elective	3
1 Elective	1 or 2 (as needed)
Total Semester Credits 14	
Total Bachelor Credits 120	

Appendix C: Current and New Faculty / Staff Information

Part I. Department Faculty / Staff

Identify # of department faculty / staff (headcount) for the year preceding implementation of proposed program.

	# Tenured	# Tenure -Track	# Non -Tenure Track
Faculty: Full Time with Doctorate	2	1	1
Faculty: Part Time with Doctorate			
Faculty: Full Time with Masters	1		5
Faculty: Part Time with Masters			2
Faculty: Full Time with Baccalaureate			
Faculty: Part Time with Baccalaureate			1
Teaching / Graduate Assistants	////	////	
Staff: Full Time			1
Staff: Part Time			1

Part II. Proposed Program Faculty Profiles

List current faculty within the institution -- with academic qualifications -- to be used in support of the proposed program(s).

	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree	Institution where Credential was Earned	Est. % of time faculty member will dedicate to proposed program.	If "Other," describe
Full Time Faculty							
	Miland	Palmer	Other	MPH	University of Utah	100	Instructor sta
	Ken	Johnson	T	PhD	University of Utah	10	
	Macey	Buker	Other	CPA/MHA	Weber State University	35	Instructor sta
	Brian	Cottle	Other	MHA	Weber State University	25	Instructor sta
	Cory	Moss	TT	DHA	Central Michigan University	25	
	Lindsay	Garr	Other	MHA	Weber State University	25	Instructor sta
	Heather	Merkley	Other	MEd	Weber State University	10	Instructor sta
	Darcy	Carter	TT	DHSc	AT Still University	10	
Part Time Faculty							
	Brandon	Cassel	Other	MHA	Weber State University	as needed	Adjunct
	Ryan	Tripp	Other	MHA	Weber State University	as needed	Adjunct
	Kristi	Jones	Other	BS	Weber State University	as needed	Adjunct

Part III: New Faculty / Staff Projections for Proposed Program

Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate	N/A				
Faculty: Part Time with Doctorate	N/A				
Faculty: Full Time with Masters	N/A				

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Part Time with Masters	N/A				
Faculty: Full Time with Baccalaureate	N/A				
Faculty: Part Time with Baccalaureate	N/A				
Teaching / Graduate Assistants			N/A		
Staff: Full Time	N/A				
Staff: Part Time	N/A				

Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

Three Year Projection: Program Participation and Department Budget						
	Year Preceding Implementation	New Program				
		Year 1	Year 2	Year 3	Year 4	Year 5
Student Data						
# of Majors in Department	474	491	510	531	554	579
# of Majors in Proposed Program(s)	////	10	20	30	42	46
# of Graduates from Department	172	189	208	229	252	277
# Graduates in New Program(s)	////	0	0	0	10	10
Department Financial Data						
<i>Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."</i>	Department Budget					
	Year Preceding Implementation (Base Budget)	Year 1	Year 2	Year 3		
		Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)		
EXPENSES – nature of additional costs required for proposed program(s)						
<i>List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.</i>						
Personnel (Faculty & Staff Salary & Benefits)	\$572,690					
Operating Expenses (equipment, travel, resources)	\$16,510					
Other:						
TOTAL PROGRAM EXPENSES	////	\$0	\$0	\$0		
TOTAL EXPENSES	\$589,200	\$589,200	\$589,200	\$589,200		
FUNDING – source of funding to cover additional costs generated by proposed program(s)						
<i>Describe internal reallocation using Narrative 1 on the following page. Describe new sources of funding using Narrative 2.</i>						
Internal Reallocation						
Appropriation	\$494,391	\$94,809				
Special Legislative Appropriation						
Grants and Contracts	\$94,809	(\$94,809)				
Special Fees						
Tuition						
Differential Tuition (requires Regents approval)						
PROPOSED PROGRAM FUNDING	////	\$0	\$0	\$0		
TOTAL DEPARTMENT FUNDING	\$589,200	\$589,200	\$589,200	\$589,200		
Difference						
Funding - Expense	\$0	\$0	\$0	\$0		

Part II: Expense explanation

Expense Narrative

Describe expenses associated with the proposed program.

Expenses for the BSPH program are shared with all of the majors in the Health Administrative Services department. Many of the HAS and HIM courses fulfill requirements for the other majors. Adding this new program will add a few students into courses that are already being delivered using department resources. The new program will add five new courses to the department that will be used as electives in the other majors offered.

Part III: Describe funding sources

Revenue Narrative 1

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services.

This program will add students into existing course sections, but the department feels that this can be easily absorbed.

Revenue Narrative 2

Describe new funding sources and plans to acquire the funds.

Funding for a full-time faculty position (Miland Palmer) that was supported by a grant was added to the base budget in year 1 using funding allocated for new faculty positions in high demand/market areas. The grant also funded 50% of one other faculty position (Pat Shaw) as reassigned time for grant management. This grant will end September 30, 2017; as a result, this time will come back to the HAS department. This shift in resources will free up load for Miland Palmer for the new BSPH courses, as Pat and other HIM faculty will return to teaching the courses Miland covered during the grant.

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Snow College – Associate of Fine Arts in Visual Studies

Issue

Snow College requests approval to offer an Associate of Fine Arts (AFA) in Visual Studies effective in fall 2017. The institutional Board of Trustees approved the degree on January 28, 2016.

Background

The proposed AFA in Visual Studies is a specialized associate degree that would be the first of its kind in the Utah System of Higher Education (USHE). The 80-credit-hour/5-semester program (which falls within the 85-credit-hour limit for specialized associate degrees in Policy R401) would allow students to fully complete the lower-division visual arts foundation, art history, art studio, and general education courses needed for transfer into a baccalaureate program. Including all of these courses into a typical 2-year/4-semester general Associate of Arts or Associate of Science transfer degree is not feasible, and art students in many instances do not complete their general education and associate degree prior to transfer. With careful advising and planning, it would be possible for Snow AFA graduates to enter certain baccalaureate art programs and complete a 120-credit-hour degree in eight semesters (five at Snow College and three at the transfer institution). In collaboration with faculty, AFA students would design and incorporate a curricular emphasis specific to their professional goals. Furthermore, students would have the option of completing some upper-division art courses at the College under the proposed AFA, which would help them complete a baccalaureate art degree in a timely fashion. Graduates of the AFA program would be capable of pursuing skill-based jobs, internships, apprenticeships, and academic scholarships as a bridge to the Bachelor of Fine Arts or other professional degrees. An expanded associate-level program in art at Snow College, such as the proposed AFA, is also consistent with the College's important role in serving the arts in its community, a region with a thriving base of successful and renowned artists, galleries, and art organizations.

An extensive internal assessment and program prioritization process at Snow College identified the visual arts as a department in the top tier of successful programs at the institution. Accordingly, transfer students in the visual arts from Snow College have typically excelled at senior institutions, and the proposed AFA would further strengthen their preparation and standing upon transfer. The proposed degree is designed to be interdisciplinary, with plentiful opportunities to exhibit current work, gain knowledge of museum and gallery practices, explore and integrate technology into the creative process, and address aspects of portfolio development, marketing, presentation, and entrepreneurship. The College has prepared for the proposed AFA in recent years by increasing the annual operating budget, funding summer workshops,

adding a tenure-track faculty position, expanding and remodeling studio space and labs, and adding a new media lab. Due to an abundance of professional artists in Sanpete County, current full- and part-time faculty members (the vast majority with terminal Master of Fine Arts degrees) are sufficient to implement the proposed program. Finally, external reviewers were also engaged to review the current program and make recommendations that were incorporated into the AFA proposal.

Policy Issues

The proposed degree has been developed and reviewed in accordance with processes established by Snow College and the Board of Regents. The USHE Chief Academic Officers and appropriate faculty at other USHE institutions reviewed and are supportive of Snow College's request to offer an AFA in Visual Studies. While the proposed AFA exceeds the number of credits for a standard transfer associate degree, it does fall within the credit-hour limit for specialized associate degrees as defined in Policy R401. There are no additional policy issues relative to approval of this program.

Commissioner's Recommendation

The Commissioner recommends the Regents approve the request by Snow College to offer an Associate of Fine Arts in Visual Studies.

David L. Buhler
Commissioner of Higher Education

DLB/GVB
Attachment

Utah System of Higher Education Program Description - Full Template

Section I: The Request

Snow College requests approval to offer the following Associate's degree(s): Associate of Fine Arts in Visual Studies effective Fall 2017. This program was approved by the institutional Board of Trustees on January 28, 2016.

Section II: Program Proposal

Program Description

Present a complete, formal program description.

The Associate of Fine Arts in Visual Studies is a unique interdisciplinary studio arts degree. The degree provides students with fundamental competencies in artistic practice, critical thinking, and creative problem solving. These core themes are applied to concept, material process, historical context, and critical theory. The program utilizes innovative practices and technologies in the visual arts and creative industry while fostering professional networks and engaging in dialog with communities on a global level. Students, in collaboration with faculty, design a curricular emphasis specific to their professional career goals. The entrepreneurial and professional practices component of this degree prepares students for success at every level. Students completing this competitive and demanding AFA program will leave with a keenly-developed sensibility and skill set, and will be prepared to engage with an evolving creative industry.

The AFA in Visual Studies is a unique degree within the Utah System of Higher Education for the following reasons:

- Interdisciplinary curriculum
- Integrated technology
- Student-designed curricular track specific to career goals
- Entrepreneurial emphasis and professional opportunities
- Sole AFA degree offered in USHE

The AFA in Visual Studies curriculum is designed for students to complete the visual arts foundation, art history core, art studio support courses, and general education requirements in preparation for graduation and transfer. This degree proposal provides the opportunity for students to successfully articulate into upper-division coursework in baccalaureate visual art programs.

Consistency with Institutional Mission

Explain how the program is consistent with the institution's Regents-approved mission, roles, and goals. Institutional mission and roles may be found at higheredutah.org/policies/policyr312/.

Under Policy R312-4.4, the Utah State Board of Regents recognizes Snow College as a Comprehensive Community College. The Associate of Fine Arts (AFA) in Visual Studies degree embraces a holistic interdisciplinary dialog utilizing innovative and effective practices in the visual arts and creative industry. The program fosters critical thinkers, creative problem solvers, material expertise, professionalism, and engagement with visual communities on a regional and global level. This degree fulfills the mission of the program and college, and supports the core themes of the mission. In addition, it aligns with the State Strategic Priorities outlined in the Board of Regents HigherEdUtah 2020 plan.

Tradition of Excellence: Snow College Visual Arts enjoys a long history of excellence in teaching as evidenced by successful articulation to senior institutions where students routinely excel and perform at the top tier of their class. The new AFA in Visual Studies will build upon this existing foundation and introduce a structure in which students will be able to obtain their individual goals and pursue an active and competitive career.

Culture of Innovation: The AFA in Visual Studies is an innovative and unique degree that is interdisciplinary by design and embraces the academic traditions and knowledge across campus. Students design their own curricular track in tandem with their professional goals and are mentored by faculty throughout the program. Multiple exhibition spaces provide all students with opportunities to exhibit current work beyond the scope of classroom assignments, encouraging independent inquiry and knowledge of museum and gallery practices. The exploration of technology and its integration into the creative process is incorporated at every level. A professional practices curriculum addresses portfolio development, marketing strategies, presentation, and entrepreneurship as it applies to the dynamics of the art world and creative industry.

Atmosphere of Engagement: The region is a thriving base for a community of successful and renowned artists, galleries, and art organizations. In collaboration with the existing vibrant arts scene, embedded in the program is active outreach to incorporate a visual dialog among creative individuals and arts communities. Once a week during Art Talks, students, faculty, and members of the community gather to participate in lectures and workshops from nationally and internationally recognized art professionals. This series offers students an opportunity to network, gain insight into the working world of art, receive exposure to a broad spectrum of philosophies and aesthetics, and ultimately enables them to envision their own future in the arts.

The AFA in Visual Studies program promotes the active pursuit of excellence and independent inquiry of visual dialog in an interdisciplinary environment. The student is considered an artist in progress and an integral part of an evolving community of artists and ideas crossing political, social, and cultural boundaries. Graduates complete their academic study prepared to thrive intellectually and economically in the exciting and competitive creative world.

Section III: Needs Assessment

Program Rationale

Describe the institutional procedures used to arrive at a decision to offer the program. Briefly indicate why such a program should be initiated. State how the institution and the USHE benefit by offering the proposed program.

The Snow College strategic plan committee initiated a campus-wide program prioritization process, consisting of an extensive internal assessment of area effectiveness and priorities. The results were evaluated by an interdisciplinary review board, and the Visual Arts was identified as a department in the top tier of successful programs. After submitting a proposal, the Visual Arts department was then selected by the curriculum committee to move forward with plans for a new degree.

Because of the low cost and quality of the programming, many students are currently spending a third year studying at Snow College. The AFA degree provides an opportunity to increase rigor and receive validation for this additional study, and as a transfer degree it allows students to work with two diverse faculty bodies, providing greater exposure to philosophies and process. The AFA will prepare graduates with a stronger understanding of theory and practice in the visual arts and provide exposure to a comprehensive and interdisciplinary GE experience. The AFA differs from the AAS in technical art fields which exist at other USHE institutions which require only a limited GE package and are not designed to transfer to baccalaureate programs.

The AFA in Visual Studies aligns with the State Strategic Priorities outlined in the Board of Regents HigherEdUtah 2020 plan. (http://higheredutah.org/wp-content/uploads/2013/06/pff_2011_highered2020_report.pdf)

- 66% of Utahns with a postsecondary degree or certificate by the year 2020
- Increase higher education participation and completion rates
- Utah aims for 28% of the workforce to have bachelor degrees by 2020

The proposed AFA degree is designed to allow students to tailor the curriculum specifically to their professional economic goals. This focus builds career opportunities for graduates and ultimately supports economic development in communities.

In addition, the AFA Visual Studies degree supports the *2013 Legislative Priorities* outlined in the strategic action plan by

Prosperity 2020. (<http://prosperity2020.com/the-plan-goals/>)

- Integrated arts and academics
- Increased use of instructional technologies
- STEM initiatives

The Visual Arts department will have the direct ability to manage the academic progression of students through coursework and advisement. Articulation agreements with other institutions in USHE will allow students to apply directly for seamless transfer into BFA and professional programs.

Labor Market Demand

Provide local, state, and/or national labor market data that speak to the need for this program. Occupational demand, wage, and number of annual openings information may be found at sources such as Utah DWS Occupation Information Data Viewer (jobs.utah.gov/jsp/wi/utalmis/gotoOccinfo.do) and the Occupation Outlook Handbook (www.bls.gov/oco).

Students pursuing degrees in art do so for a wide variety of reasons. The options for students completing baccalaureate degrees in art are many and varied, and for this reason market demand among students for an AFA degree remains strong. The objective of Snow College Visual Arts is to successfully transfer students to baccalaureate institutions to advance their study and practice in specialized disciplines. This proposed pre-professional associate degree will enhance the ability to fulfill this transfer mission. Although this is not a terminal degree, the curriculum is strategically embedded with professional strategies throughout and students will graduate with the capability of pursuing skill-based jobs, internships, apprenticeships, and academic scholarships as a bridge to the BFA and other professional degrees.

The Office of Economic Development for Sanpete County estimates that 6% of non-farm workers in Sanpete County make all or a substantial portion of their income in the arts. The Regional Industry Development Strategic Plan for the six-county area identified the arts as one of three high-impact programs recommended for the success of the regional economy. (Regional Industry Development Strategic Plan, August 13, 2013)

"A study of the educational background of leaders in 652 engineering companies in Silicon Valley... 40% had backgrounds in science and engineering, 60% had backgrounds in the arts and humanities." (Sir Ken Robinson at the 17:56 mark talking about Liberal Arts, non-official transcript and the kind of "data" CJ Westerberg finds valuable <http://www.thedailyriff.com/articles/new-from-ken-robinson-the-mfa-master-of-fine-arts-as-the-new-mba-1106.php>)

Creative thinking is a core component of industry innovation. Companies are hiring art-trained professionals for their unique ability to problem solve and contribute as part of a creative team. Steve Tepper writes, "...IBM found, in a global study of more than 1,500 CEOs from 60 countries and 33 industries, that the most important skill for successfully navigating our increasingly complex, volatile, and uncertain world is none other than *creativity*." (<http://www.fastcompany.com/3007541/mfa-new-mba>) As Utah's Silicon Slope continues to grow, the AFA degree assists in preparing students for this economic reality. A primary goal of the AFA Visual Studies program is to train students for an active and competitive career. Graduates transfer and enter the workforce with critical problem solving and material skills.

STEM to STEAM (A = Art) articulates the shift from left brain isolated learning models to the integration of left and right brain models. (<http://steam-notstem.com/about/>) STEAM recognizes the importance of creativity and incorporates it into the learning paradigm as an integral component. Creative problem solving, interdisciplinary collaboration, and applied skills are the focus of the AFA Visual Studies degree.

Student Demand

Provide evidence of student interest and demand that supports potential program enrollment. Use Appendix D to project five years' enrollments and graduates. Note: If the proposed program is an expansion of an existing program, present several years enrollment trends by headcount and/or by student credit hours that justify expansion.

Annually, students choose to extend their studies at Snow College beyond two years prior to graduating and transferring. This extension not only strengthens their skill base, but it also allows them time to mature in their formal and conceptual abilities. Snow College Visual Arts has surveyed student interest in the AFA Visual Studies degree, both formally and informally. Favorable statistical responses were collected, and the data is documented in the chart below. The following questions were administered with results following each inquiry:

Statement #1: A 3-year Associate of Fine Arts (AFA) degree in Visual Studies is an important recognition of my achievement as a student of the visual arts at Snow College.

Results: Agree 49, Neutral to the idea 6, Disagree 0, # of responses 55

Statement #2: A 3-year Associate of Fine Arts (AFA) degree in Visual Studies increases the likelihood that I will stay at Snow College until I graduate.

Results: Agree 41, Neutral to the idea 12, Disagree 2, # of responses 55

Statement #3: A 3-year Associate of Fine Art (AFA) degree in Visual Studies will benefit me more than a 2-year general education degree (AA or AS) when transferring to a BFA program.

Results: Agree 46, Neutral to the idea 9, Disagree 0, # of responses 55

Statement #4: A 3-year Associate of Fine Arts (AFA) degree in Visual Studies will benefit me in pursuing a career in the visual arts.

Results: Agree 50, Neutral to the idea 5, Disagree 0, # of responses 55

Statement #5: If available today, I would be interested in pursuing a 3-year Associate of Fine Arts (AFA) degree in Visual Studies.

Results: Agree 41, Neutral to the idea 12, Disagree 1, # of responses 54

Similar Programs

Are similar programs offered elsewhere in the USHE, the state, or Intermountain Region? If yes, identify the existing program(s) and cite justifications for why the Regents should approve another program of this type. How does the proposed program differ from or compliment similar program(s)?

Snow College will be the first institution in Utah to offer the AFA in Visual Studies degree. There is only one other associate of fine arts art program offered in the region, Western Wyoming Community College; it is an AFA in Visual Arts 2D. The Snow College AFA is patterned after the curriculum of numerous AFA programs offered at other associate institutions of higher education throughout the country. However, this proposal offers a more robust GE experience and a more comprehensive visual arts foundation and elective offerings. These curricular enhancements are built into the program to ensure student success at the BFA level. Listed below are a sampling of programs possessing similar philosophies and content throughout the country:

Associate in Fine Arts, Riverland Community College, Albert Lea MN
Associate in Fine Arts, St. Louis Community College, St. Louis MO
Associate in Fine Arts, Visual Art, Caldwell Community College, Hudson NC
Associate of Fine Arts, Visual Arts, Raritan Valley Community College, North Branch NJ
Associate in Fine Arts, Visual Arts Option, County College of Morris, Randolph, NJ
Associate of Fine Arts, Art, North Seattle Community College, Seattle WA
Associate in Fine Arts, Shoreline Community College, Shoreline WA
Associate of Fine Arts, Spokane Falls Community College, Spokane WA

Collaboration with and Impact on Other USHE Institutions

Indicate if the program will be delivered outside of designated service area; provide justification. Service areas are defined in higheredutah.org/policies/policyr315/. Assess the impact the new program will have on other USHE institutions. Describe any discussions with other institutions pertaining to this program. Include any collaborative efforts that may have been proposed.

The proposed AFA will not be delivered outside of the designated service area. The AFA is a unique associate program and will enhance the quality and maturity of students transferring from Snow College into baccalaureate programs in and out of USHE. The Visual Arts foundation aligns closely and currently articulates with most USHE art programs. In addition to the internal support of Snow College, this degree proposal has positive endorsements from the University of Utah Department of Art & Art History and Weber State University's Department of Art And Design. The AFA has been discussed multiple years with all USHE visual arts departments during statewide majors articulation meetings sponsored by the Utah State Board of Regents.

External Review and Accreditation

Indicate whether external consultants or, for a career and technical education program, program advisory committee were involved in the development of the proposed program. List the members of the external consultants or advisory committee and briefly describe their activities. If the program will seek special professional accreditation, project anticipated costs and a date for accreditation review.

Jason Lanegan, Five-Year Program Review, 2014

Curtis Steele, National Association of Schools of Art and Design (NASAD) Reviewer, Department Chairman, Arkansas State University, 2010

The consultants visited Snow College campus to perform on-site reviews. They toured studio facilities, interviewed students and faculty, reviewed curriculum, and provided a review of the current program, as well as identified needs for future development. The recommendations of these reviews were incorporated into the development of the proposed AFA.

Section IV: Program Details

Graduation Standards and Number of Credits

Provide graduation standards. Provide justification if number of credit or clock hours exceeds credit limit for this program type described in R401-3.11, which can be found at higheredutah.org/policies/R401.

<u>Course Category</u>	<u>Credit Hours</u>
Visual Art Foundation/Seminars	26
Art History Core	6
Art Studio Support Courses	21
General Education	27 (FA GE satisfied w/completion of VA Foundation)
	80 total credits*

*Total credit hours remain within prescribed parameters established by the R401 Policy section 3.12.4.1 Specialized Associate's Degrees

Admission Requirements

List admission requirements specific to the proposed program.

Any matriculated Snow College student is eligible to apply for the proposed AFA program following the successful completion of the Visual Arts foundation (Appendix A). Acceptance into this competitive program is determined by interview and portfolio review. Declaration of the major is required for admission and accomplished through the process defined by the registrar's office. Successful applicants will demonstrate competence, potential, and ability to meet the demands of the rigorous

requirements of the degree.

Curriculum and Degree Map

Use the tables in Appendix A to provide a list of courses and Appendix B to provide a program Degree Map, also referred to as a graduation plan.

Section V: Institution, Faculty, and Staff Support

Institutional Readiness

How do existing administrative structures support the proposed program? Identify new organizational structures that may be needed to deliver the program. Will the proposed program impact the delivery of undergraduate and/or lower-division education? If yes, how?

The Snow College administration is in full support of the AFA Visual Studies degree. In the last four years, they have increased the annual department operating budget; funded an ongoing budget for summer workshops; added one full-time, tenure track-faculty position; expanded and remodeled existing studio space and facilities for the sculpture, photography, 2D, and printmaking labs; and have supported the addition of a new media lab. These improvements are a direct result of the five-year program and NASAD reviews referenced above. In addition, the administration and Board of Trustees now recognize the MFA as a terminal degree, allowing the department to better retain and recruit qualified and competitive faculty, and allowing faculty to progress toward full professorship in a fair and timely manner. There are no new organizational structures needed to deliver this degree. The delivery of undergraduate and lower-division education will not be impacted.

Faculty

Describe faculty development activities that will support this program. Will existing faculty/instructors, including teaching/graduate assistants, be sufficient to instruct the program or will additional faculty be recruited? If needed, provide plans and resources to secure qualified faculty. Use Appendix C to provide detail on faculty profiles and new hires.

Snow College Visual Arts currently employs five full-time faculty each holding the terminal MFA degree. Faculty emphasis is placed on teaching, scholarly, professional, and creative achievement. Each faculty member is a working artist, regularly participating in national and international exhibitions, lectures and workshops, conferences, film festivals, and professional commissions. Snow College has a Faculty Development Committee which offers support and funding for scholarly activities. The proposed AFA degree will not require additional faculty to be implemented. As the program grows, additional faculty may be needed.

Sanpete County is home to more internationally-recognized professional artists per capita than any other county in the state, thereby offering Snow College Visual Arts an excellent pool of highly-qualified and dedicated adjunct faculty, who are hired annually to meet the need for specialized course offerings and to supplement the teaching load in the foundation and general education areas.

Staff

Describe the staff development activities that will support this program. Will existing staff such as administrative, secretarial/clerical, laboratory aides, advisors, be sufficient to support the program or will additional staff need to be hired? Provide plans and resources to secure qualified staff, as needed.

The Snow College Division of Fine Arts, Communication, and New Media includes the departments of Visual Arts, Dance, Music, Theater, and Communication. The division is supported by an administrative assistant who reports to the Dean. In addition, Snow College Visual Arts also solicits the support of three part-time student assistants in a variety of capacities, including gallery assistance and studio technicians.

To operate at an optimal level, a part-time administrative assistant will be needed, as well as additional part-time assistants to monitor the newly-added media lab and other studio spaces. The five-year Strategic Planning Task Force identified the need

for additional hires if new degrees were pursued.

Student Advisement

Describe how students in the proposed program will be advised.

Advisement of AFA students is the responsibility of the full-time art faculty in collaboration with professional campus advisors in the College Student Success Center. A Visual Arts major meeting will be held every semester to ensure all students have accurate and timely information pertaining to the AFA degree. Each student is assigned to a faculty advisor and mentor. Following the foundation year, students consult individually with faculty advisors to custom tailor a curricular path suitable for their academic objectives and career goals.

Library and Information Resources

Describe library resources required to offer the proposed program if any. List new library resources to be acquired.

Snow College opened the new state-of-the-art Karen H. Huntsman Library in 2010. This fully-staffed facility provides books, periodicals, DVDs, and online database access for research anywhere in the world. Snow College Visual Arts utilizes its full collection development budget every year. Faculty maintain a dedication to annual collection development in specific disciplines. Currently there are 2,349 printed books, 320 oversized books, 171 DVDs, and 17 journal subscriptions. In addition, students have access to many online research databases. Typically, 7% of the library acquisition budget is spent on Visual Arts holdings. Snow College library holdings in art provide a solid foundation for the resources necessary to support the proposed degree.

Projected Enrollment and Finance

Use Appendix D to provide projected enrollment and information on related operating expenses and funding sources.

Section VI: Program Evaluation

Program Assessment

Identify program goals. Describe the system of assessment to be used to evaluate and develop the program.

The goals of the program are to provide students with exemplary fundamental understanding in artistic practice, critical thinking, and creative problem solving. These core goals are applied to concept, material process, historical context, and critical theory.

The program is assessed and developed by the following means:

1. All students entering into the program participate in a portfolio review after completing the foundation courses which establishes a baseline for evaluation of student and program performance.
2. Portfolios and signature assignments are created and assessed in every studio course to ensure program and course objectives are being met.
3. The capstone seminars include a final portfolio review, written self-assessment, and an oral/visual presentation of cumulative work.
4. Students completing the AFA degree are required to stage a solo AFA thesis exhibition and successfully complete an oral defense of their work before a full-faculty panel.
5. Upon completion of the program, students generate a department review evaluating the strengths and weaknesses of the program.

6. Faculty review assessment data and create a strategic plan for future.

Student Standards of Performance

List the standards, competencies, and marketable skills students will have achieved at the time of graduation. How and why were these standards and competencies chosen? Include formative and summative assessment measures to be used to determine student learning outcomes.

Students are expected to have an exemplary fundamental understanding of concept, material process, historical context, and critical theory as it applies to the visual arts; and demonstrate competency in artistic practice, critical thinking, and creative problem solving. Students will be advised on GE courses according to specific career goals and interests, and must maintain a B- or above in all studio art classes in order to be awarded credit toward the AFA. In addition to coursework, students are required to submit a portfolio upon entering the program and completing the program, defend a visual/oral presentation of cumulative work, and stage a final AFA thesis exhibition. The standards and competencies reflect the assessment process in other programs similar to the proposed AFA and also meet the standards of professional practices used in the creative industry.

Appendix A: Program Curriculum

List all courses, including new courses, to be offered in the proposed program by prefix, number, title, and credit hours (or credit equivalences). Indicate new courses with an X in the appropriate columns. The total number of credit hours should reflect the number of credits required to be awarded the degree.

For variable credits, please enter the minimum value in the table for credit hours. To explain variable credit in detail as well as any additional information, use the narrative box at the end of this appendix.

Course Number	NEW Course	Course Title	Credit Hours
General Education Courses (list specific courses if recommended for this program on Degree Map)			
General Education Credit Hour Sub-Total			27
Required Courses			
ART 1100		Visual Culture & Meaning (satisfies FA GE)	3
ART 1110		Drawing I	3
ART 1120		2D Surface	3
ART 1130		3D Space	3
ART 1140		4D Time	3
ART 1200		Art Talks (1 credit per semester/minimum of 4 credits)	4
ART 1500		Photo I	3
ART 2200		Travel Seminar (1 travel experience required)	1
ART 2000		AFA Capstone Seminar: Professional Practices	3
ARTH 2710		Art History Survey I	3
ARTH 2720		Art History Survey II	3
Required Course Credit Hour Sub-Total			32
Elective Courses			
Art electives (21 credits) selected from courses listed below			21
ART 1600		Small Metals & Jewelry	
ART 2100	×	Perspective Drawing+	
ART 2110		Experimental Drawing	
ART 2120		Visualized Drawing (Creative Visualization)+	
ART 2230		Relief Printmaking	
ART 2240		Intaglio Printmaking	
ART 2300		Painting I	
ART 2310	×	Painting II	
ART 2400	×	Visual Communications+	
ART 2410	×	Graphic Design Fundamentals+	
ART 2420	×	Digital Painting and Illustration+	
ART 2430		Experimental Video+	
ART 2440		Experimental Animation	
ART 2500		Silver and Alternative Photography+	
ART 2510		Photography: Portraits & Selfies	
ART 2520		Photography: Landscape & Place	
ART 2600		Sculpture I	

Course Number	NEW Course	Course Title	Credit Hours
ART 2630		Mixed Media: Collage+ Assemblage+	
ART 2650		Introduction to Ceramics	
ART 2950		Experiments in Visual Thinking+	
ART 3100		Figure Drawing (currently ART 2900)*	
ART 3500	×	Photography: Studio Lighting*+	
ART 3600		Figure Sculpture (currently ART 2680)*+	
ARTH 3700	×	Modern/Contemporary Art History*+	
ART X	×	Other offerings will be added as need arises+	
Elective Credit Hour Sub-Total			21
Core Curriculum Credit Hour Sub-Total			80

Program Curriculum Narrative

Describe any variable credits. You may also include additional curriculum information.

The AFA curriculum is designed to ensure successful transfer to senior institutions with BFA programs. The BFA degree requires a minimum of 120 semester hours at every USHE institution. The BFA degree does not require a foreign language or an area of minor study. Depending upon student preparedness (e.g., Advanced Placement credit, Concurrent Enrollment credit, and summer coursework), a BFA degree may take five years to complete because of rigorous studio classes requiring six contact hours per week, in addition to out-of-class research, writing, and creative work.

*The AFA program includes select courses to be taught at a 3000 level: Figure Drawing, Photography: Studio Lighting, Figure Sculpture, and an offering in Art History. Currently, ART 2900 Figure Drawing articulates seamlessly to USHE institutions, fulfilling this upper-division BFA requirement, although it does not transfer as upper-division credit. Offering these limited courses as part of the AFA curriculum will provide students a more integrated transfer experience. Transferring with a limited number of upper-division credit allows students to be better prepared both in the major and in preparation, if the need arises, to complete lower-division coursework at the senior institution. As the AFA curriculum is designed, the majority of students will only complete one or two of the offered upper-division courses at Snow College. Most BFA programs require 40 hours of upper division credit and 40 hours in residency (80 hour AFA + 40 hours = 120 hour BFA).

+Many of the above listed three-credit elective studio courses will be, and are currently, offered on a TBA rotational status. Although these courses are not taught on an annual basis, this structure allows students access to them at some point during their curricular pathway.

Degree Map

Degree maps pertain to undergraduate programs ONLY. Provide a degree map for proposed program. Degree Maps were approved by the State Board of Regents on July 17, 2014 as a degree completion measure. Degree maps or graduation plans are a suggested semester-by-semester class schedule that includes prefix, number, title, and semester hours. For more details see <http://higheredutah.org/pdf/agendas/201407/TAB%20A%202014-7-18.pdf> (Item #3).

Please cut-and-paste the degree map or manually enter the degree map in the table below.

First Year Fall	Cr. Hr.	First Year Spring	Cr. Hr.
ART 1100 Visual Culture & Meaning (FA GE)	3	ART 1500 Photo I	3
ART 1110 Drawing I	3	ART 1130 3D Space	3
ART 1120 2D Surface	3	ART 1140 4D Time	3
ART 1200 Art Talks	1	ART 1200 Art Talks	1
GNST General Education Foundation	3	ENGL 2010 Intermediate Writing (E2 GE)	3
ENLG 1010 Introduction to Writing (E1 GE)	3	HIST 1700 American Civilizations (AI GE)	3
Total	16	Total	16
Second Year Fall	Cr. Hr.	Second Year Spring	Cr. Hr.
Art Studio Elective	3	Art Studio Elective	3
Art Studio Elective	3	Art Studio Elective	3
ARTH 2710 Art History Survey I	3	Art Studio Elective	3
MATH 1030 Quantitative Literacy (MA GE)	3	ART 1200 Art Talks	1
PHYS 1010/1015 Elem Physics/lab (PS GE)	3	ARTH 2720 Art History Survey II	3
ART 2750 Travel Seminar	1	PSY 1010 General Psychology (SS GE)	3
Total	16	Total	16
Third Year Fall	Cr. Hr.	Third Year Spring	Cr. Hr.
AFA Capstone Seminar: Professional Practices	3		
Art Studio Elective	3		
Art Studio Elective	3		
ART 1200 Art Talks	1		
ENGL 2200 Intro. to Literature (HU GE)	3		
BIOL 2150 Hum Anatomy for Artists/lab (LS GE)	3		
Total	16	Total	
Fourth Year Fall	Cr. Hr.	Fourth Year Spring	Cr. Hr.
Total		Total	

Appendix C: Current and New Faculty / Staff Information

Part I. Department Faculty / Staff

Identify # of department faculty / staff (headcount) for the year preceding implementation of proposed program.

	# Tenured	# Tenure -Track	# Non -Tenure Track
Faculty: Full Time with Doctorate			
Faculty: Part Time with Doctorate	1		
Faculty: Full Time with Masters	4	1	
Faculty: Part Time with Masters	1		3
Faculty: Full Time with Baccalaureate			
Faculty: Part Time with Baccalaureate			3
Teaching / Graduate Assistants	////	////	
Staff: Full Time			
Staff: Part Time			1

Part II. Proposed Program Faculty Profiles

List current faculty within the institution -- with academic qualifications -- to be used in support of the proposed program(s).

	First Name	Last Name	Tenure (T) / Tenure Track (TT) / Other	Degree	Institution where Credential was Earned	Est. % of time faculty member will dedicate to proposed program.	If "Other," describe
Full Time Faculty							
	Scott	Allred	T	MFA	Utah State University	100	
	Evan	Curtis	TT	MFA	Savanna College of Art & Design	100	
	Amy	Jorgensen	T	MFA	University of California, San Diego	100	
	Adam	Larsen	T	MFA	Wichita State University	100	
	Brad	Taggart	T	MFA	Brigham Young University	100	
Part Time Faculty							
	Kelly	Brooks		BFA	Brigham Young University		
	Robert	DeGroff		MFA	University of Houston		
	Katie	Justesen		BFA	Utah State University		
	Paul	Gardner		PhD	Northern Arizona University		
	Haynes	Goodsell		MFA	National University of Ireland		
	Kim	Gordon		BFA	Utah State University		
	Carl	Purcell		MFA	Utah State University		
	Ron	Richmond		MFA	Brigham Young University		
	Angela	Wescott		MA	Brigham Young University		

Part III: New Faculty / Staff Projections for Proposed Program

Indicate the number of faculty / staff to be hired in the first three years of the program, if applicable. Include additional cost for these faculty / staff members in Appendix D.

	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
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	# Tenured	# Tenure -Track	# Non -Tenure Track	Academic or Industry Credentials Needed	Est. % of time to be dedicated to proposed program.
Faculty: Full Time with Doctorate					
Faculty: Part Time with Doctorate					
Faculty: Full Time with Masters					
Faculty: Part Time with Masters					
Faculty: Full Time with Baccalaureate					
Faculty: Part Time with Baccalaureate					
Teaching / Graduate Assistants					
Staff: Full Time					
Staff: Part Time			1		

Appendix D: Projected Program Participation and Finance

Part I.

Project the number of students who will be attracted to the proposed program as well as increased expenses, if any. Include new faculty & staff as described in Appendix C.

Three Year Projection: Program Participation and Department Budget						
	Year Preceding Implementation	New Program				
		Year 1	Year 2	Year 3	Year 4	Year 5
Student Data						
# of Majors in Department	71	136	140	143	158	161
# of Majors in Proposed Program(s)	////	136	140	143	158	161
# of Graduates from Department	18	34	35	36	43	43
# Graduates in New Program(s)	////	34	35	36	43	43
Department Financial Data						
	Department Budget					
	Year Preceding Implementation (Base Budget)	Year 1	Year 2	Year 3		
		Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)	Addition to Base Budget for New Program(s)		
<i>Project additional expenses associated with offering new program(s). Account for New Faculty as stated in Appendix C, "Faculty Projections."</i>						
EXPENSES – nature of additional costs required for proposed program(s)						
<i>List salary benefits for additional faculty/staff each year the positions will be filled. For example, if hiring faculty in year 2, include expense in years 2 and 3. List one-time operating expenses only in the year expended.</i>						
Personnel (Faculty & Staff Salary & Benefits)	\$371,360	\$8,477	\$10,093	\$10,093		
Operating Expenses (equipment, travel, resources)	\$16,729	\$738	\$460	\$540		
Other:						
TOTAL PROGRAM EXPENSES	////	\$9,215	\$10,553	\$10,633		
TOTAL EXPENSES	\$388,089	\$397,304	\$398,642	\$398,722		
FUNDING – source of funding to cover additional costs generated by proposed program(s)						
<i>Describe internal reallocation using Narrative 1 on the following page. Describe new sources of funding using Narrative 2.</i>						
Internal Reallocation						
Appropriation	\$378,089	(\$785)	\$553	\$633		
Special Legislative Appropriation	\$0	\$0	\$0	\$0		
Grants and Contracts	\$0	\$0	\$0	\$0		
Special Fees	\$10,000	\$10,000	\$10,000	\$10,000		
Tuition						
Differential Tuition (requires Regents approval)						
PROPOSED PROGRAM FUNDING	////	\$9,215	\$10,553	\$10,633		
TOTAL DEPARTMENT FUNDING	\$388,089	\$397,304	\$398,642	\$398,722		
Difference						
Funding - Expense	\$0	\$0	\$0	\$0		

Part II: Expense explanation

Expense Narrative

Describe expenses associated with the proposed program.

The AFA has full institutional and administrative support. The AFA will require a part-time administrative assistant, a part-time technical position to facilitate and monitor art studios and equipment, and additional part-time student workers to assist in the new computer lab. A modest special fee will be charged to students declared as art majors to offset the cost of the part-time staffing positions. These staffing positions will directly impact the students, allowing them assistance and access to studios, equipment, and advising. As enrollment into the program increases, the administration will support the hiring of additional faculty to support the demands of the program.

Part III: Describe funding sources

Revenue Narrative 1

Describe what internal reallocations, if applicable, are available and any impact to existing programs or services.

The current infrastructure is prepared to support the projected growth of this program. No existing programs or services will be impacted.

Revenue Narrative 2

Describe new funding sources and plans to acquire the funds.

Given the fact that there is a difference of \$10,000, Snow College is considering charging a modest special fee to students declared as art majors and is currently researching statistically what that number should be. (The ESL and international students are currently charged such a fee at Snow College.) The special fee will offset the cost of hiring additional staff and will directly impact the students, allowing them assistance and access to studios, equipment, and advising.

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Adoption of Regent Policy R262, Student Safety

Issue

Student safety has become an issue of primary concern for institutions of higher education throughout the country, in particular regarding sex discrimination, sexual violence and harassment under Title IX. Although all Utah System of Higher Education (USHE) institutions have in place several policies and practices that address student safety, every student, regardless of the institution they attend, should have a uniformly safe environment in which to learn, study and excel. The Board of Regents may adopt policies and practices to ensure institutions consistently comply with state and federal laws; train and educate the faculty, staff and students about the laws, policies, prevention strategies and resources addressing sexual misconduct and harassment; assess the climate of each campus and the system as a whole; and foster collaboration. Policy R262 establishes a system-wide policy to better ensure a safe learning atmosphere for students throughout Utah.

Background

Institutions of higher education have always made student safety a priority. Recent research, however, has uncovered an increasing trend of sexual assault, harassment and discrimination on and off campuses across the country. In response, the U.S. Department of Education issued guidance to institutions stating that under Title IX, all schools were obligated to address instances of sexual misconduct and discrimination by investigating allegations, taking disciplinary action when warranted, and instituting practices, training and prevention strategies to reduce or eliminate sexual misconduct or discrimination and to, thereby, provide a safe educational environment for students.

Along with issuing guidance the Department of Education, through its Office of Civil Rights, has aggressively investigated schools for failing to implement adequate policies or practices and for mishandling instances of sexual misconduct or discrimination. Schools throughout the country have—with mixed levels of success—attempted to identify and adopt best practices that foster safer environments for students, ensure appropriate due process, and comply with federal and state law.

In Utah, in addition to adhering to the Department's guidance, USHE institutions have endeavored to create safe campuses through institutional policies, training and prevention strategies. The Regents have not yet addressed student safety and Title IX on a system-wide level, which presents an opportunity for the

Regents to:

- help each institution ensure they are in full compliance with the law
- foster collaboration among the institutions for sharing best practices and model policies
- provide training opportunities that will create consistent practices within all institutions
- conduct campus climate surveys that will assess each institution's success at creating a safe environment and also assess the system as a whole, and
- encourage better cooperation with local law enforcement.

The Commissioner's staff has worked closely with each institution's attorneys, Title IX officers, deans of students, and student services vice presidents to craft this policy that addresses system-wide improvements while allowing for institutions to adapt to the unique needs of their campuses.

Commissioner's Recommendation

The Commissioner recommends the Regents approve the adoption of Regent Policy R262, *Student Safety*, effective immediately.

David L. Buhler
Commissioner of Higher Education

DLB/EJH/GTL
Attachments

R262-1. Purpose: Every student should have a safe environment in which to learn, study and excel. If a student is confronted with violence, harassment, or discrimination, he or she should be treated appropriately in accordance with the law. To that end the Board of Regents and its institutions shall collaborate to comply with all state and federal laws pertaining to sexual misconduct, discrimination and harassment; to train and educate the faculty, staff and students about the laws, policies, prevention strategies and resources addressing sexual misconduct and harassment; and to assess the climate of each campus and the system as a whole.

R262-2. References

- 2.1. Utah Code §53B-1-103 (Powers and Authority of the Board of Regents)
- 2.2. Utah Code §53B-2-106 (Duties and Responsibilities of the President)

R262-3. Responsibilities of the Institutions

- 3.1 Institutions shall establish policies and procedures that comply with state and federal laws pertaining to sexual misconduct, discrimination and harassment, and when practicable, cooperatively establish common, system-wide definitions of terms.
- 3.2 Institutions shall jointly develop and maintain a method to communicate with other institutions regarding students who have been disciplined for serious violations of institutional policies regarding sexual misconduct, sex discrimination and harassment, in accordance with the Family Educational Rights and Privacy Act.
- 3.3 Institutions shall conduct a climate survey of students every two years. Although institutions may tailor the climate survey questions to address individual areas of concern, all institutions shall collaborate with the Commissioner's office to develop common questions for all campuses that may be used to assess the climate of the entire system and among the institutions.
- 3.4 Institutions shall develop and conduct training for faculty, staff, and students about the laws, policies, prevention strategies and resources regarding sexual misconduct, harassment and discrimination.
- 3.5 Institutions shall coordinate with each other and the Board of Regents to comply with sex discrimination and harassment laws by supporting activities of the Board of Regents described in R262-4.

R262-4. Responsibilities of the Board of Regents

- 4.1. The Board of Regents shall provide opportunities for the institutions' Title IX officers to meet with each other and the Commissioner's staff—at least annually—to coordinate efforts, review changes to the law, identify best practices, review the institutions' policies and practices, and provide opportunities for consultation.
- 4.2 The Board of Regents shall provide training opportunities for Title IX officers and other individuals at the institutions who investigate alleged violations of the institutions' sexual misconduct, discrimination and harassment policies. The training shall cover areas required by law and other best practices.

4.3 The Board of Regents shall provide annual training opportunities for individuals who conduct disciplinary proceedings, including hearing committees, that address violations of the institutions' Title IX policies. The training will cover areas required by law and other best practices.

4.4 The Board of Regents shall assist institutions to enter into memorandums of understanding with local law enforcement agencies—as allowed by applicable law—to share information, coordinate investigations, and otherwise collaborate to protect students' safety.

4.5 The Board of Regents shall assist the institutions to identify strategies for preventing sexual harassment, sexual violence, domestic violence, dating violence, and stalking, including outreach and educational activities for students, staff and faculty.

4.6 The Board of Regents shall provide the institutions with other resources and opportunities to help institutions comply with sexual misconduct, discrimination and harassment laws.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Institutional Completion Update: University of Utah

Background

In July 2013, the Board of Regents unanimously passed a resolution to "Implement Strategies to Increase Completion Rates in Support of the 66% Goal." Briefly, the five specific recommendations in the resolution are that each institution:

1. Establish 15 credits hours per semester as the normal full-time course load for students.
2. Set plateau tuition levels with a focus on 12 to 15 credit hours to help students maximize their tuition dollars and their time.
3. Create semester-by-semester degree program maps with specific, recommended courses each semester and make them available to current and potential students.
4. Encourage students to enroll in an appropriate mathematics course in their first year of college.
5. Explore the feasibility of implementing reverse transfer/stackable credentials.

In 2015, the Board of Regents expanded on these initiatives in a new strategic plan titled, "Utah: A State of Opportunity." The strategic plan focused on three key areas: Affordable Participation, Timely Completion, and Innovative Discovery.

The Presidents and their administrations and faculty have taken seriously the Board's charge in the completion agenda and the new strategic plan and have been designing strategies to reach the Board's objectives. In order to support and bring to scale those institutional efforts, in FY 2016 the Utah System of Higher Education provided each institution with an Affordable Participation and Timely Completion Grant.

Issue

The Academic and Student Affairs Committee of the State Board of Regents has asked the institutions to report in more depth on the practices and policies they have implemented that are having the most impact on college participation and completion.

Representatives from the host institution, the University of Utah, will report on their initiatives to increase completion rates at the January 2017 Board of Regents meeting. They have been asked to highlight two

areas:

- one of the five strategies outlined in the 2013 completion resolution for which they have gained momentum, and
- one institution-led area for which they are demonstrating impact in retention or completion.

Next Steps

Over the course of the year, all remaining institutions will have a chance to report on their successful strategies to the Committee.

Commissioner's Recommendation

This is an information item only; no formal action by the Board is required. However, the Board is encouraged to congratulate the institutions on the progress they are making toward meeting their institutional completion goals.

David L. Buhler
Commissioner of Higher Education

DLB/JH

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Statewide Completion Report

Background

In 2013, the Board of Regents unanimously passed a resolution to “implement strategies to increase college completion rates.” The resolution supports the Board’s commitment to cost-effective higher education, resulting in meaningful credentials, to help students create a successful life and find gainful employment. The Board made five specific recommendations to institutional presidents, known as the Completion Initiatives and called on college and university presidents to report their progress to the Board each year. The initiatives were:

1. No later than the 2014-2015 school year, establish 15 credit hours per semester as the normal full-time course load for students to enable them to complete an associate degree in two years and a bachelor’s degree in four years.
2. Set plateau tuition levels with a focus on 12-15 credit hours to help students maximize tuition money and to encourage them to complete more credits per semester.
3. Create degree maps which specify courses for students to take each semester to stay on track to finish their degrees on time and to enable institutions to coordinate appropriate course scheduling.
4. Address math completion rates by
 - a. encouraging students to enroll in the appropriate mathematics course for their major in their first year of college (if they have not already completed general education math requirements in high school);
 - b. adopting an institutional strategy to transition underprepared students from developmental math to credit-bearing math courses within three semesters;
 - c. marketing math as a preferred concurrent enrollment option for high school seniors.
5. Explore the feasibility of implementing reverse transfer by transferring credits from a four-year university back to a transfer student’s previous two-year college. Create stackable credentials between career and technical education programs, associate degree tracks, and bachelor’s degrees to allow students to move more seamlessly through career preparation pathways.

In 2016, the Board of Regents approved a new strategic plan called “Utah: A State of Opportunity.” That plan outlined specific targets for Affordable Participation, Timely Completion, and Innovative Discovery for the institutions within the Utah System of Higher Education (USHE).

In support of the targets in the new 2016 strategic plan, the Commissioner is proposing more detailed strategies within the framework of the earlier 2013 Regents’ Completion Initiatives. Those details are outlined below. The Commissioner is also recommending that the annual requirement to report progress on the Completion Initiatives be included in the statewide Strategic Plan Report provided to the Committee of the Whole.

Proposed Updates:

1. Encourage On-time Completion

Current status: All of the institutions have implemented a “Fifteen to Finish” Campaign to encourage full-time enrollment.

Next Steps: Institutions will also communicate that students can graduate on time if they take “Thirty [Credits] in Three [Semesters].” The Thirty in Three Campaign, which many institutions have already embraced, will help part-time students stay on track to complete an associate degree in two years or a bachelor’s degree in four years.

2. Plateau Tuition

Current status: Plateau tuition has been implemented at all USHE institutions but one.

3. Degree Maps

Current status: Degree maps have been created for 98% of the majors at all USHE institutions.

Next Steps:

- a. The Critical Course Completion Project aims to ensure transferability of major pathways between institutions, to create degree maps for part-time students in order to help them stay on track for graduation, and to create structured scheduling to ensure students have access to the courses they need when they need them.
- b. Institutions have begun exploring Guided Pathway Systems to assist students with registration, eliminate graduation delays through more effective course scheduling, and utilize predictive analytics to support students at critical points in their degree progress.

4. Appropriate First Year Math

Current status: All institutions have been encouraging students to enroll in an appropriate first year math course and have been reporting on their progress.

Next steps:

- a. Continuation of the Math Pathways Redesign Project, which has been instituted for concurrent enrollment students. The Math Pathways Redesign encourages students to enroll in the math class best suited to their broad career pathway—Math 1030 (Quantitative Reasoning), Math/Stats 1040 or 1045 (Statistics), or Math 1050 (College Algebra/Pre-calculus).
- b. During the next phase of the redesign, departments will be re-examining the Quantitative Literacy requirement (1030, 1040/1045, or 1050) best suited for their programs and majors and will be coordinating those recommendations with campus advising programs.

- c. System-wide conversations will coordinate the creation of meta-majors (broad career pathways) and appropriate math recommendations within those meta-majors.
- d. Institutions will design stronger developmental math pathways, including co-requisite education and supplemental instruction.
- e. Legislative funding (SB196 2015) will be used to train more instructors for concurrent enrollment Math 1030 and Math 1040 courses, to encourage students to complete their Quantitative Literacy requirements while still in high school when possible.

5. Stackable Credentials/Reverse transfer

Current status: All institutions have some form of stackable credentials and transfer agreements with other institutions.

Next steps: Coordinate these efforts system-wide.

Commissioner's Recommendation

The Commissioner recommends that future statewide progress on these initiatives be reported to the full Board as part of the annual strategic plan report rather than in committee. The provost of each host institution will still give an institutional completion report to the Academic and Student Affairs committee.

David L. Buhler
Commissioner of Higher Education

DLB/JH

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Outreach & Access Updates: Expect the Great Conference, USHE Counselor Conference, and High School Feedback Reports

Expect the Great Conference November 2016

The Expect the Great Conference is a free college and career awareness event for African, African-American, and black students and their families. The conference also includes an overnight retreat for Black Student Association Officers from across the state and a career and college fair. Aimed at increasing college participation, retention, and graduation, it was initiated six years ago by Board of Regent Vice-Chair France A. Davis.

The 2016 conference was hosted by the University of Utah on November 4th and 5th with over 400 people in attendance. Breakout sessions focused on high school students, non-traditional students, families, and community members. The theme was "Build, Invest, Connect."

Presidents of the Utah System of Higher Education (USHE) institutions and Westminster College each provided \$2,000 of financial support for the conference and assigned staff members who worked collaboratively as a planning team, with support from the USHE Office of Outreach and Access. This year's committee chairs were Nedra Hotchkins and Patrick Jones. The committee will meet again in the spring to begin planning the 2017 conference, which will be hosted by Westminster College.

USHE Conference for School Administrators and Counselors September 2016

This year marked the 8th annual USHE Conference for School Administrators and Counselors, which was held in September at the Salt Palace Exposition Center. The theme was "College Knowledge: Start Now" with special keynote speaker Dr. David Conley, author of the bestselling book *College Knowledge* and Director of the Center for Educational Policy Research at the University of Oregon.

The conference is a free training event for high school, junior high, and elementary school counselors and administrators who can earn professional development credits for attending. It is designed to provide tools to help create a college-going culture in their schools, support college preparation, and increase students' access to higher education. Participants could choose from 28 sessions with multiple topics including: training on changes to federal financial aid, Title VII programs for American Indian students, the new concurrent enrollment math pathways, changes to the Utah Scholars Program and the Regents' Scholarship application, and tools for parental engagement.

Over 650 people attended the conference from all over the state of Utah, The conference has grown and expanded over the last several years to the point where it is difficult to find venues large enough to host it. As a consequence, we will be capping enrollment in 2017 to 650 participants.

High School Feedback Reports

The Office of the Commissioner has a strong partnership between its Outreach and Access efforts and the Utah State Board of Education. High School Feedback Reports were developed in support of that partnership to provide principals and superintendents with information on their students after they graduate from high school. The reports rely on information from the Utah Data Alliance to track whether students from the high school graduating class of 2014-2016 enrolled in college the following year, which institutions they attended, how well they performed in critical gateway courses like Math and English, how many students took remedial courses their first year in college, and continued from fall to spring semester. The report also consolidates other information on students' levels of college preparedness into one report, including ACT benchmark scores, number of Regents' and New Century Scholarship recipients, fall semester college GPAs, and Pell Grant eligibility.

The reports have been provided to all public school superintendents and principals. The Chief Academic Officers from USHE institutions received copies of the reports for districts within their service regions, to help them track progress toward the Regents' goal of having 75% of high school seniors enroll in college within 5 years of graduation. The public may access the district-level reports online at <https://higheredutah.org/reports/high-school-feedback-reports/>. They provide a more detailed view of high school graduates' levels of college preparation which is otherwise unavailable through a single measure like a standardized test score.

Commissioner's Recommendation

This is an information item only, no formal action by the Board is required.

David L. Buhler
Commissioner of Higher Education

DLB/JH

January 11, 2016

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: USHE Annual Career and Technical Education Report

Issue

Each year the Office of the Commissioner of Higher Education prepares a report on Career and Technical Education. Career and Technical Education (CTE) can be defined as organized educational programs offering sequences of courses directly related to preparing individuals for paid or unpaid employment in current or emerging occupations requiring other than a baccalaureate or advanced degree. The CTE report for FY2016 is attached to this memo.

Background

Highlights of the 2016 report include:

- Institutions in the Utah System of Higher Education (USHE) provided the equivalent of approximately 10.9 million membership hours in CTE instruction.
- USHE institutions awarded 5,046 CTE certificates and two-year degrees and enrolled nearly 59,000 CTE participants.
- CTE graduates are expected to produce over \$300 million of added income to the state over someone with a high school diploma.
- Nearly 17,000 high school students took CTE courses in high school through concurrent enrollment.
- Among state-funded institutions, USHE institutions provided over 70% of the post-secondary CTE instruction in the state.
- Over the last few years USHE institutions have developed over 100 new CTE certificate programs, most of which stack to longer programs that provide opportunities for students to earn college-level credentials and also to advance to higher levels of preparation as time and circumstances permit.

- Based on information extracted from Utah's Department of Workforce Services, the job placement rate of USHE's CTE graduates was 79%, not counting those in the military, self-employed, and those employed out-of-state.
- Total cost of instruction per CTE membership hour equivalent was \$10.63.

Policy Issues

There are no policy issues associated with the information.

Commissioner's Recommendation

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

David L. Buhler
Commissioner of Higher Education

DLB/BKC
Attachment

Career and Technical Education (CTE) is a key ingredient to meet the needs of Utah's economy. Utah System of Higher Education (USHE) institutions offer CTE programs in all regions of the state, working closely with local business and industry leaders to develop and deliver programs specifically tailored to local workforce development needs.

10,856,955

Membership hours taken in CTE courses in 2015-16 by students at USHE institutions.

During the 2015-2016 academic year, CTE comprised 22% of the total undergraduate courses offered at USHE institutions, and it accounted for 17% of undergraduate degrees and certificates awarded.

This report includes data on a diverse and broad array of Career and Technical Education (CTE) credit and non-credit offerings provided by USHE institutions that prepare people for employment in current or emerging occupations that require credentials other than a baccalaureate or advanced degree. It also provides data on statewide programs, Short Term Intensive Training (STIT) and Custom Fit, where industry-specific courses are provided by USHE institutions on contract for individual companies.

5,046

CTE credentials awarded by USHE institutions in 2015-16.

Partnering with industry, streamlining credit, and getting students to the workforce quickly

Each of Utah's eight regional CTE councils meet regularly to identify potential certificate programs that could be developed or strengthened within each region. Regional CTE leaders also consult closely with leaders in industry and workforce development to identify certificate programs to be developed and/or strengthened, focusing on the following:

- Determine availability of current CTE offerings in the region
- Develop regional coordination among three CTE stakeholder providers: Utah System of Higher Education, the Utah State Board of Education, and the Utah College of Applied Technology
- Identify certificates and other programs that could be offered in high-demand, high wage occupations and that are important to the region
- Identify how certificates and other credentials can complementarily stack to additional certificates, associate's degrees, or other programs

100+

New CTE certificate programs developed by USHE institutions as a result of direct collaboration with

- Identify ways these programs, or portions thereof, might be provided for delivery in high schools through concurrent enrollment

This partnership approach focuses on short-term certificates (16-29 credits) as a first step for students seeking a college credential or as a short-term option for older adults retooling for a career change or career advancement. It is expected that students will be more likely to complete a meaningful board-approved credential by the time of high school graduation or shortly thereafter. High school and college students who complete certificates offered through this initiative will:

- Have an earned post-secondary certificate in a relevant field.
- Be prepared for an entry-level position in a career that is in demand and pays high wages.
- Be on an efficient pathway to a one-year certificate or greater attainment.

CTE Credentials

The Utah System of Higher Education institutions offer three primary types of CTE credentials:

- **Associate of Applied Science Degrees**—Designed to lead students directly to employment requiring two years of preparation. The Associate of Applied Science (AAS) degree includes a core set of general education preparing students with a solid basis in composition, computation, and human relations. In some cases AAS programs can serve a dual purpose to prepare students for the workforce while serving as a pathway to a bachelor's degree.
- **Certificates of Completion**—Awarded for completion of programs that are typically one-year in length and that prepare students for employment. Certificates of Completion also have a general education component.
- **Certificates of Proficiency**—Short-term programs less than one year in length that prepare students for specific employment skills.

Tuition and Fees

CTE programs are offered at seven of the eight USHE institutions (University of Utah's mission does not include CTE; Salt Lake Community College fills this role in the service region shared by these two institutions). 2015-16 full-time tuition and fees for the seven institutions that carry a CTE role assignment ranged from \$1,742 to \$3,331 per semester.

Tuition and fees at Utah's public institutions of higher education are among the lowest in the nation. It typically takes full-time students one to four semesters to complete a CTE credential, depending on whether a student is working on a certificate or an AAS degree. Many of the CTE programs seamlessly stack to four-year degree programs.

Earnings and Job Placement for USHE CTE Graduates

The median fifth-year wages for certificates of at least one year and associate degrees are \$32,968 and \$42,453, respectively. More detailed wage information is available online: <http://higheredutah.org/data/utah-wage-information>. Wage data for certificates less than one year were also calculated but are not available on the online reporting tool. Although results showed wage gains over lower educational attainment levels, the data in this category are impacted by a variety of factors including the type of program, individual student intent, immediate short-term industry demand, etc.

\$42,453

Median 5th-year wages for individuals with a USHE associate degree.

The table below shows placement rates for CTE graduates from a USHE institution for 2014-15 according to their field of study – according to the National Center for Education Statistics’ Classification of Instructional Program (CIP) codes.

79%

The overall job placement rate for 2015-16 USHE CTE graduates.

USHE CTE Job Placement Rate by Area of Study

Classification of Instructional Program (CIP) Group	Placement Rate
AGRICULTURE, AGRICULTURE OPERATIONS, AND RELATED SCIENCES	64.2%
BUSINESS, MANAGEMENT, MARKETING, AND RELATED SUPPORT SERVICES	78.4%
COMMUNICATION, JOURNALISM, AND RELATED PROGRAMS	71.7%
COMMUNICATIONS TECHNOLOGIES/TECHNICIANS AND SUPPORT SERVICES	53.6%
COMPUTER AND INFORMATION SCIENCES AND SUPPORT SERVICES	78.9%
CONSTRUCTION TRADES	88.2%
EDUCATION	68.4%
ENGINEERING	76.3%
ENGINEERING TECHNOLOGIES AND ENGINEERING-RELATED FIELDS	80.3%
FAMILY AND CONSUMER SCIENCES/HUMAN SCIENCES	71.4%
FOREIGN LANGUAGES, LITERATURES, AND LINGUISTICS	87.5%
HEALTH PROFESSIONS AND RELATED PROGRAMS	84.2%
HOMELAND SECURITY, LAW ENFORCEMENT, FIREFIGHTING AND RELATED PROTECTIVE SERVICES	81.2%
LEGAL PROFESSIONS AND STUDIES	78.6%
MECHANIC AND REPAIR TECHNOLOGIES/TECHNICIANS	74.5%
PARKS, RECREATION, LEISURE, AND FITNESS STUDIES	70.6%
PERSONAL AND CULINARY SERVICES	72.0%
PRECISION PRODUCTION	71.8%
SCIENCE TECHNOLOGIES/TECHNICIANS	71.4%
SOCIAL SCIENCES	68.8%
TRANSPORTATION AND MATERIALS MOVING	32.6%
VISUAL AND PERFORMING ARTS	75.2%
OVERALL PLACEMENT RATE	79.1%

Information is derived from state workforce data and may not include employment of all USHE graduates. For example, state workforce data does not include out-of-state employment, self-employed individuals, federal and military employees, and non-employed students who continued their education.

The ROI for USHE CTE Graduates

\$300

Million

In added income by 2015-16 USHE CTE graduates, generating over \$42 million in added state taxes.

The table below provides an estimate of the wage impact of 2015-16 CTE graduates from USHE institutions. According to the wage and workforce information from the US Census, the 5,046 new CTE graduates will produce over \$300 million of added income to the state over someone with a high school diploma. Using taxpayer rate estimates of the Utah Taxpayers Association, these graduates will generate an added \$42 million in state taxes and fees.

	New Credentials Awarded	Est. Work Force Participation Rate	Credentials in Workforce	Amount Earned over High School Level Median Earnings	Total Added Annual Income to Utah's Economy	Est. Additional Tax Contribution to the State (14.14%)
Certificates	1,570	77.1%	1,211	\$2,144	\$2,596,384	\$367,129
Associate Degrees	3,476	77.1%	2,680	\$2,144	\$5,745,920	\$812,473
Total	5,046		3,891		\$8,342,304	\$1,179,602
30 years of Employment					\$250,269,120	\$35,388,054
Economic Multiplier (1.2)					\$50,053,824	\$7,077,611
Value Added to Utah's Economy and Tax Base (30 yr Estimate)					\$300,322,944	\$42,465,664

CTE in Concurrent Enrollment (high school students)

29,758 high school students enrolled in a college concurrent enrollment course during the 2015-16 academic year. In total, these students earned 204,423 college credits – saving students over \$34 million in total tuition.

53%

Proportion of CTE college-level membership hours earned by high school students via USHE institutions.

56% of all concurrent enrollment students (16,695) enrolled in at least one CTE course. Secondary students earned 70,584 CTE credit hours, or 34.5% of the total concurrent enrollment credit hours earned. This represents the equivalent of 2,117,520 membership hours (70,584 X 30) accounting for nearly 60% of postsecondary CTE enrollment in Utah's high schools and 53% of total postsecondary membership hours earned by high school students (the Utah College of Applied Technology served 11,195 high school students with 1,895,904 membership hours as reported in UCAT's 2016 annual report). The total contribution of Utah's postsecondary institutions to high school students is significant and provided college-level career preparation opportunities to nearly 30,000 high school students during the 2015-16 school year while giving these students credit toward postsecondary credentials.

The accompanying tables show unduplicated headcount in CTE concurrent enrollment courses.

Total Concurrent Enrollment, Fiscal Year 2015-16

	Total	CTE
Total Students (Unduplicated Headcount)	29,758	16,695 (56.1%)
Earned Credit Hours	204,423	70,584 (34.5%)

Headcount in CTE Concurrent Enrollment by Institution, Fiscal Year 2015-16

Institution	CTE Concurrent Enrollment (Unduplicated Headcount by USHE institution)
Utah State University	982
Southern Utah University	234
Snow College	499
Dixie State University	401
Weber State University	6,873
Utah Valley University	3,945
Salt Lake Community College	3,761
Total	16,695

Enrollment headcounts may total more than system-wide total because students can take courses from more than one institution.

Federal Funding

Institutions within USHE qualify for and participate in federal grant funding through the Carl D. Perkins Career and Technical Education Act of 2006. Funding is provided to the Utah State Office of Education and formulaically distributed to local school districts, the Utah College of Applied Technology, and USHE institutions that provide eligible CTE programs. This funding is used by USHE institutions to enhance and improve CTE programs and services in ways that are not otherwise provided by state resources.

Perkins funding to institutions is allocated based on the number of students taking CTE courses from the following populations:

- Federal PELL grant recipients
- Students who receive assistance from the Bureau of Indian Affairs
- Students who receive assistance from the Utah Department of Workforce Services

In 2015-16, \$3,507,129 was awarded to USHE institutions through the Perkins Act. Since the program's origination, all USHE institutions receiving Perkins grants have maintained eligibility for continued Perkins funding as it is made available through federal processes. USHE institutions report performance in the following areas related to this program:

- Technical skill attainment
- Completers
- Retention
- Employment
- Non-traditional student participation
- Non-traditional student completion

CTE Cost of Services

Data from Tab I, Table 7 of the FY15 USHE Cost Study show appropriated direct costs per full-time equivalent (FTE) student (30 credit hours/year) for CTE to be \$4,954 (\$5.50 per membership hour). Factoring in indirect costs, the full cost of instruction is \$9,565 per student FTE (\$10.63 per membership hour).

the
\$10.63
Total cost per CTE membership CTE
hour.

Information provided from the Utah State Office of the Legislative Fiscal Analyst and the UCAT 2015 annual report shows UCAT's FY15 direct cost of instruction to be \$6.78 per membership hour (\$39,357,334 direct costs divided by 5,808,226 membership hours) while its full cost of instruction per membership hour was \$15.19 (\$88,196,148 full costs divided by 5,808,226 membership hours). Both USHE and UCAT provide valuable services at comparable and competitive costs to Utah taxpayers.

Program Duplication

A recent analysis of USHE and UCAT programs indicates there is little, if any, duplication of programs. Using data available from the Integrated Postsecondary Education Data System (IPEDS) for the academic years 2012-13, 2013-14, and 2014-15, only fifteen out of 307 areas of study (based on CIP codes) identified at the same level were within the same service region. Some programs within these fifteen areas of study are part of broader degree programs at USHE institutions and are offered for students who may have longer-term educational objectives than preparation for immediate employment as is most typical in CTE programs.

Enrollments and Completions

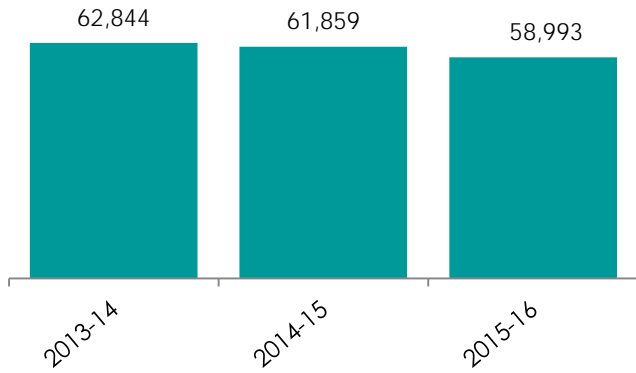
The enrollment and completion information presented below uses the standard CTE definitions used by the federal Carl D. Perkins program (generally accepted measurement nationwide). This information uses both credit hours and membership hours in order to create a common comparison of CTE among Utah's public postsecondary institutions.

As the economy in Utah has improved since the recession years, USHE institutions have seen a reduction in the total number of students taking CTE courses, although the difference between FY2015 and FY2016 was fairly minor (61,859 in 2014-15 compared to 58,993 in 2015-16). This trend is typical during economic recoveries and was expected. While total headcount has retreated some, USHE institutions also experienced a decrease in CTE student FTE (12,951 in 2014-15 compared to 12,063 in 2015-16).

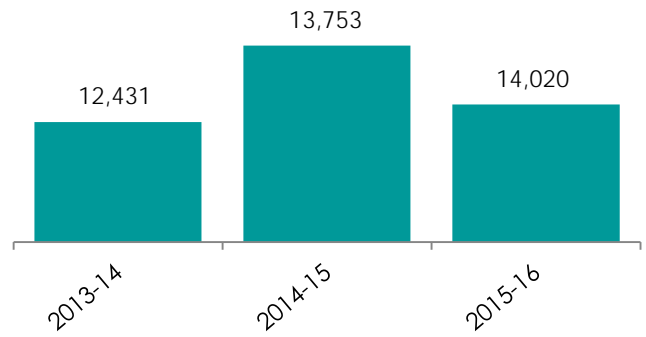
FTE is a measure, based on the total number of hours taught, of how many students could have been served if all students were full-time. One FTE is equal to 30 credit hours (for credit-based instruction) or 900 membership hours (for non-credit) in a given year. For membership and credit hour equivalents, one credit hour equals 30 membership hours.

USHE CTE Enrollment (2015-16)

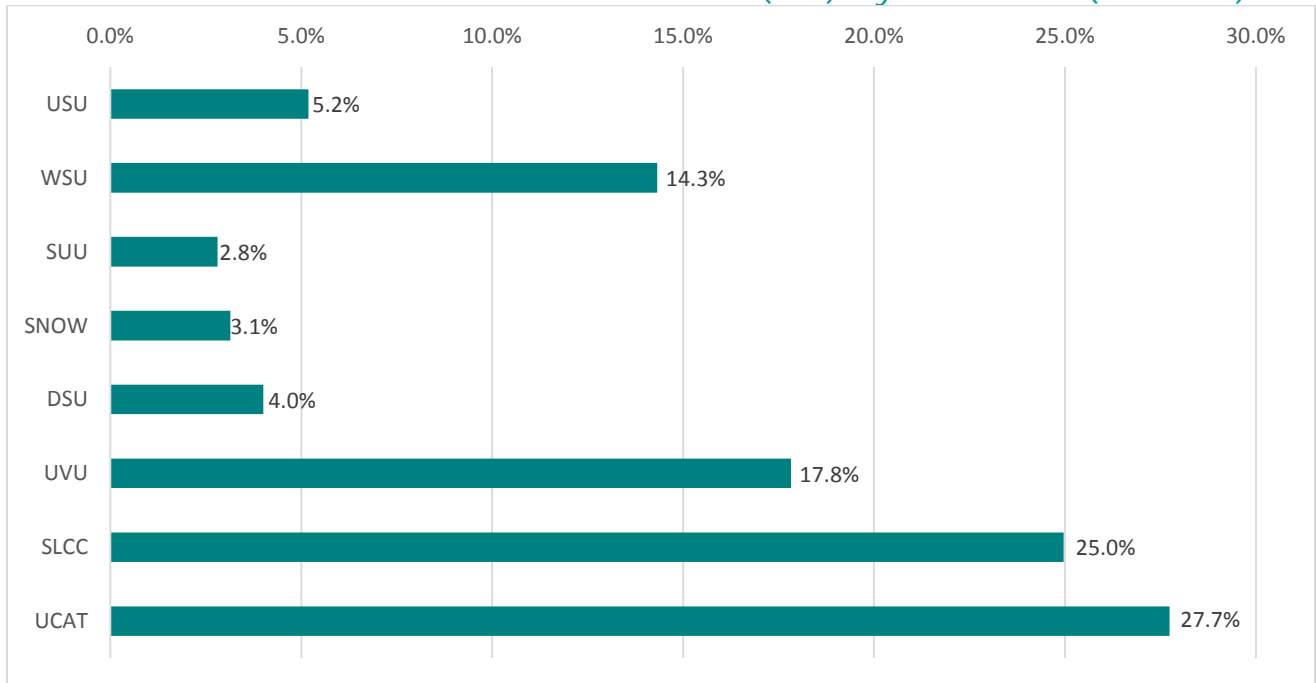
Headcount



Full-Time Equivalent (FTE)



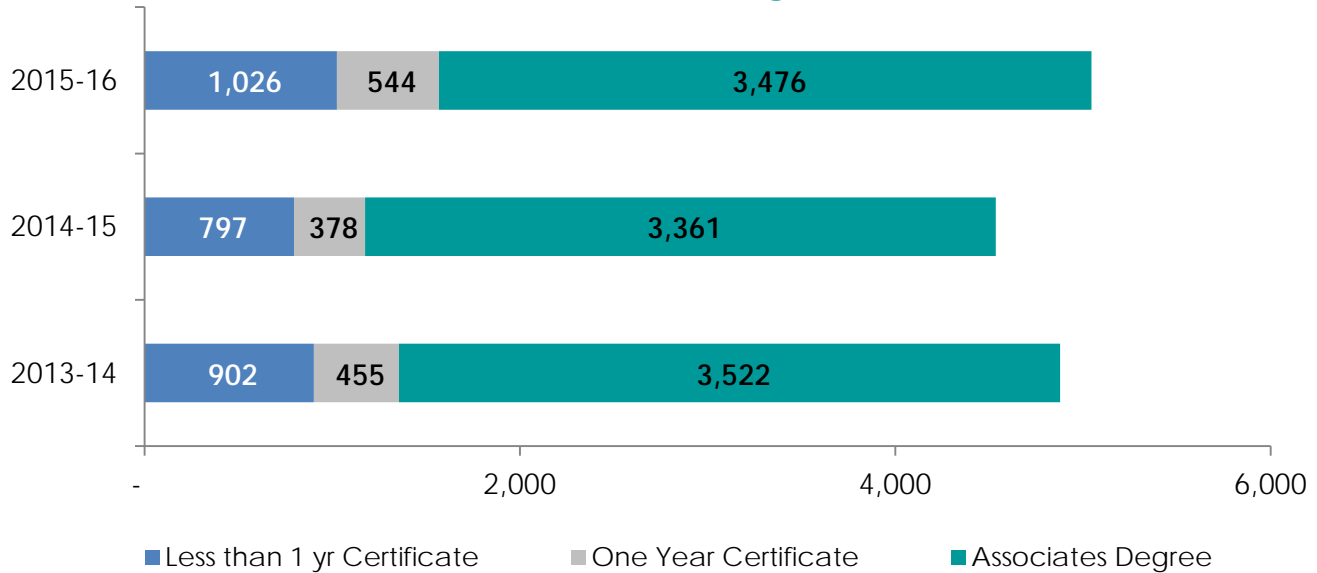
Career and Technical Education (FTE) by Institution (2015-16)



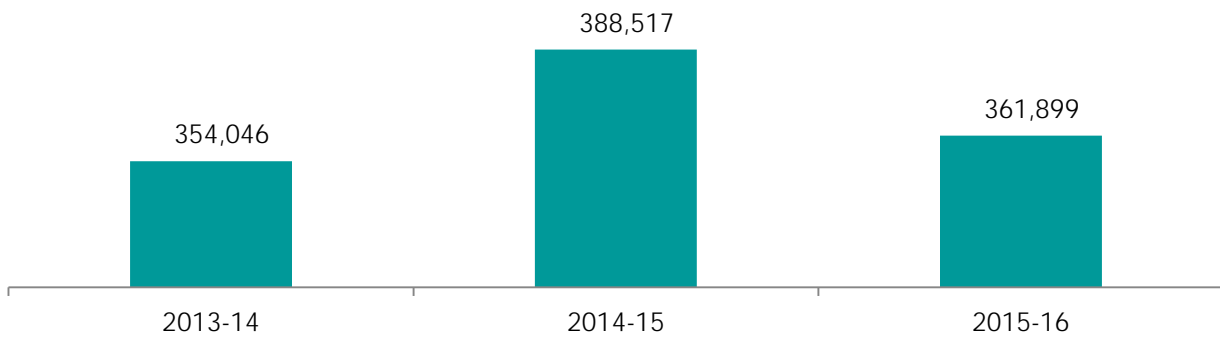
Total USHE CTE Membership Hours and FTE Equivalent by Year

	2013-14	2014-15	2015-16
Non-Credit Membership Hours	362,013	411,324	260,272
Short-Term Intensive Training/Custom Fit Hours	57,714	51,468	59,453
+ Equivalent Credit Hours (1 credit=30 hrs.)	10,201,650	11,192,730	10,537,230
Total Membership Hours	10,621,377	11,655,522	10,856,955
Full-time Equivalent-FTE (Total Membership Hours/900)	11,802	12,951	12,063

Total Certificates and Degrees Awarded



2015-16 USHE CTE Credit Hour Equivalent



Top 5 Areas of Study, based on 2015-16 certificates/degrees awarded

Program Categories	Less than 1 yr Certificates	1-2 yr Certificates	Associates & 2+ yr Certificates	Total	Percentage Share
HEALTH PROFESSIONS AND RELATED PROGRAMS	354	171	1405	1930	38%
COMPUTER AND INFORMATION SCIENCES AND SUPPORT SERVICES	419	29	328	776	15%
BUSINESS, MANAGEMENT, MARKETING, AND RELATED SUPPORT SERVICES	30	25	446	501	10%
ENGINEERING TECHNOLOGIES AND ENGINEERING-RELATED FIELDS	116	14	176	306	6%
HOMELAND SECURITY, LAW ENFORCEMENT, FIREFIGHTING, RELATED PROTECTIVE SERVICES	57	11	217	285	6%

Source: IPEDS Completions Survey

Utah CTE Output Summary

		USHE	UCAT*	Total	USHE % Total
Adults	Membership Hours	10,856,955	4,167,788	15,024,743	72.3%
	Student FTE	12,063	4,631	16,694	72.3%
	Student Headcount	58,993	27,790	86,783	67.9%
High School	Membership Hours	2,117,520	1,895,904	4,013,424	52.8%
	Student FTE	2,353	2,107	4,460	52.8%
	Student Headcount	16,695	11,195	27,890	59.9%
Credentials Awarded	Certificates under 600 hours	0	5,293	5,293	0%
	Certificates of 600-900 hours	1,026	1,120	2,146	47.8%
	1+ Year Certificates	544	1,737	2,281	23.9%
	Associate Degrees	3,476	0	3,476	100.0%
Average Cost Per Membership Hour		\$10.63	\$15.19		

*Sources: Utah College of Applied Technology 2016 Annual Report and IPEDS. USHE cost data is based on the FY15 USHE cost study, the most recent data available at time of report. UCAT cost data obtained from the Utah State Office of the Legislative Fiscal Analyst and the UCAT 2015 annual report.

Definitions and Formulas

CTE (Career and Technical Education [Vocational])—CTE programs involve training for what are generally considered technical, high skill jobs such as automotive maintenance, welding, construction, and entry-level healthcare positions.

Credit Hours—A unit used to measure the amount of schoolwork a student has enrolled in or completed as defined by regional accrediting bodies and the U.S. Department of Education.

Membership Hours—Also called 'Clock Hours', assumed to be the number of hours attended at an institution in a CTE or vocational program.

FTE (Full Time Equivalent)—The total number of hours taught at an institution divided by the number of hours considered to be full-time for a student. An FTE student is one undergraduate student enrolled for 15 credit hours per semester. A part-time student may account for only .5 FTE while a student with a heavy course load may account for 1.25 FTE during a given academic year.

- 30 credit Hours = 1 FTE for credit programs
- 900 membership Hours = 1 FTE for non-credit programs

Unduplicated Headcount—The total number of individual students enrolled at an institution, regardless

of instruction time. Unduplicated Headcount is only counted once, even though the student may fall into several enrollment categories.

Secondary/Postsecondary—Secondary Education refers to high school (grades 9-12) education. Postsecondary education is any coursework beyond high school.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Engineering and Computer Technology Initiative Annual Report from the Technology Initiative Advisory Board

Issue

The 2001 Legislature approved SB61: Enhancements to the State Systems of Public and Higher Education. This legislation established the Engineering and Computer Technology Initiative within the Utah System of Higher Education (USHE), with the goal to increase the number of students graduating from engineering, computer science, and related technology programs. The legislation created the Technology Initiative Advisory Board (TIAB), appointed by the Governor, which makes an annual report to the Board of Regents. The attached document provides this year's report from the TIAB.

Background

Key highlights noted in the report include:

- During the last 15 years, the Engineering and Computer Technology Initiative has been successful in increasing the number of graduates in targeted areas.
- During FY16, 1,626 engineering degrees were awarded compared to 862 in 2000, and in computer science 1,312 degrees were awarded compared to 513 in 2000.
- Since the initiative began, a total of 32,402 engineering and computer science degrees have been awarded.
- The TIAB requested that FY14 be used as the base year for comparison since that was the last year data was used to justify new legislative appropriations.
- Total engineering and computer science degrees awarded in FY16 was 2,938 compared to 2,279 in FY14, representing an increase of over 29 percent over the base year.

Policy Issues

There are no policy issues associated with this report.

Commissioner's Recommendation

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

David L. Buhler
Commissioner of Higher Education

DLB/BKC
Attachment

Introduction

The 2001 Legislature approved SB61 *Enhancements to the State Systems of Public and Higher Education*, sponsored by Senator Lyle Hillyard. This legislation established the Engineering and Computer Science Initiative within the Utah System of Higher Education (USHE) with the intent to increase the number of students graduating from engineering, computer science, and related technology programs.

Specifically, key provisions of SB61 have been addressed and include:

1. Established a goal to triple the number of graduates from USHE institutions in engineering, computer science, and related technology.
2. Directed the Regents to establish rules providing the criteria for those fields of study that qualify as "related technology."
3. Provided supplemental funds for equipment purchases to improve the quality of instructional programs in engineering, computer science, and related technologies.
4. Established a student scholarship to encourage enrollment in programs included in the initiative.
5. Assisted USHE institutions to hire and retain qualified faculty to teach in initiative programs.
6. Increased program capacity by funding new and renovated capital facilities, and funding for new engineering and computer science programs.
7. Created the Technology Initiative Advisory Board (TIAB) to make recommendations to the Regents in its administration of the initiative. The advisory board includes individuals appointed by the Governor from business and industry who have expertise in the areas of engineering, computer science, and related technologies.
8. Funding matches for on-going appropriations have been maintained by the institutions.

To date, \$15 million of on-going funding plus \$10.45M of one-time funding have been appropriated to support the initiative.

Appropriated Funds

The following table gives a summary of the funding between FY2002 and FY2016.

Engineering and Computer Science Initiative Funding History 2002-2016			
Year	Funds Appropriated		
	Ongoing	One time	Scholarship ¹
2001-02	1,000,000	2,500,000	500,000
2002-03	2,000,000	1,000,000	0
2003-04	500,000	0	50,000
2004-05	500,000	500,000	0
2005-06	1,500,000	500,000	0
2006-07	500,000	700,000	0
2007-08	3,000,000	2,000,000	0
2008-09	0	250,000	0
2009-10	0	2,000,000	0
2010-11	0	0	0
2011-12	0	0	0
2012-13	2,500,000	0	0
2013-14	0	0	0
2014-15	0	0	0
2015-16	3,500,000	1,000,000	0
2016-17	0	0	0
Total	15,000,000	10,450,000	550,000

Transfer of Credit between USHE Institutions

One measure of the initiative's success is the transfer of students from one institution to another as students complete degree requirements. Based on a study conducted of FY2013 computer science and engineering degrees awarded, approximately 36% were awarded to students who transferred credit from other USHE institutions. Each USHE institution contributed to this transfer impact. This data suggest that each USHE institution contributes to degree completion by enabling students to earn credits that are part of their overall educational pathway. This is evidence that transfer policies within the USHE impact students positively and serve to meet key state objectives in enabling students to complete their educational goals.

Degree Completion Results

Although the initiative has been underway since 2001, base year comparisons measure current graduation counts against FY2014, the last year that data was used to justify new legislative appropriations. The latest funding increase went into effect for FY2016. The chart below compares data from FY2014, FY2015, and FY2016. The TIAB will use this data to consider future funding requests.

¹ In 2001, SB61 established a loan forgiveness fund to assist students in obtaining degrees in engineering and computer science. In 2009, SB105 changed the loan forgiveness program to a scholarship program for the purpose of recruiting, retaining, and training engineering and computer science and related technology students. At that time scholarship funding was \$39,200 annually. In FY13 an additional \$300,000 of on-going scholarship funding was allocated to institutions by the Board of Regents from the FY13 \$2,500,000 appropriation. This \$300,000 of scholarship funding did not roll into the previously legislated scholarship funding program but went directly to institutions.

Comparison of Degree Completions for the Engineering and Computer Science Initiative											
	FY2014 (Base Year)			FY2015			FY2016			Change from FY2014 to FY2016	
	CS	Eng	Total	CS	Eng	Total	CS	Eng	Total	Change	Percent Change
Total	958	1,321	2,279	1181	1554	2735	1312	1626	2938	659	29

Over the life of the initiative, there has been a significant impact on degrees awarded in engineering and computer science. The 1,626 engineering degrees awarded in FY2016 compares to 862 awarded in FY2000 (89% increase), and the 1312 computer science degrees awarded in FY2016 compare to 513 awarded in FY2000 (156% increase). Over time there has been a consistent increase in total number of degrees awarded in the targeted areas. Since the initiative began, a total of 32,402 computer science and engineering degrees have been awarded. The initiative has resulted in a positive cumulative impact for the state. It is believed that this targeted investment of state dollars has made a significant difference for Utah.

Based on assessment by the TIAB, the Engineering and Computer Science Initiative has been one of the most successful legislative efforts of the past decade. With participation including industry, higher education, and the state, the initiative has proven to be a model program with strong accountability and demonstrable results.

Matching Funds

Utah Code 53B-6-105.9 requires institutions to match on-going funds appropriated to the initiative that are used for faculty positions. Beginning with funding appropriated for FY2013, institutions have provided an annual report that demonstrates compliance with the matching requirement. Based on information from this annual report, the on-going appropriations awarded in FY2013 and FY2016 were matched by the USHE institutions. The following table shows these matching funds.

Matching Funds Report		
Institution	FY2013 On-going Appropriations Matched by Institutions	FY 2016 On-going Appropriations Matched by Institutions
University of Utah	600,000	1,217,809
Utah State University	270,000	515,000
Weber State University	88,000	440,000
Snow College	Did not receive funding in FY2013	113,000
Dixie State University	Did not receive funding in FY2013	175,000
Utah Valley University	370,000	375,000
Salt Lake Community College	72,000	57,000

Note: Southern Utah University (SUU) received \$25,000 in FY2016 but did not use that funding for faculty positions, thus SUU is not included in this report.

Technology Initiative Advisory Committee Members

- John Sutherland (Chair) Brigham Young University
- Susan Johnson (Co-Chair) Futura Industries
- Reed Brown Mathnasium
- Roland Christensen Applied Composite Technology
- Ed Ekstrom Yorke Capital
- Chuck Taylor SyberJet Aircraft
- J. Howard VanBoerum VanBoerum & Frank
- Vance Checketts EMC
- Mark Ripke Boeing

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Fiscal Health Dashboard Presentation & Discussion

Issue

The Commissioner's Office has developed an online fiscal health dashboard for each USHE institution as requested by the Board. The dashboard will be presented during the Finance and Facilities Committee meeting for review and feedback.

Background

At the July Board meeting, the Board requested that the Office of the Commissioner develop a fiscal health dashboard to give the Board greater insight to the key factors that help determine the financial health and wellbeing of a college or university in the Utah System of Higher Education. A progress report was provided at the November meeting.

Currently the Commissioner's Office collects a significant amount of data from institutions including enrollment, completion, tuition, budget and financial, student financial aid, staffing counts and salary comparisons, and space inventories. This information is published annually in the USHE Data Book and posted on the USHE website www.higheredutah.org.

In addition to Data Book, the Commissioner's Office has developed nine different dashboard reports that review enrollments, completion, workforce data, high school performance, and USHE peer comparisons. However, USHE currently does not have a dashboard for fiscal health measures.

To meet this need, the Commissioner directed staff to develop an online fiscal health dashboard for each institution that is easy to access, provides a snapshot of how the institution is performing on the identified metric as compared to an established benchmark/target, and outlines the performance trend overtime.

The first phase of the dashboard project focuses on key metrics for the following areas:

- Enrollment Trends
- Revenue
- Expenditures
- Financial Ratios

Additional information regarding tuition and fees, student debt, faculty/staff levels and salaries, and facilities will added in future phases of the project.

Commissioner's Recommendation

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

David L. Buhler
Commissioner of Higher Education

DLB/KLH

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Discussion of Tuition & Fees

Issue

The Board of Regents holds statutory responsibility for setting tuition rates for the colleges and universities in the Utah System of Higher Education. In preparation for the 2017-18 tuition & fee setting process, this presentation and discussion will review applicable statute, policies, types of tuition and general fees, how these sources of funds impact campus services, and the process of how they are determined.

Background

When determining tuition rate adjustments, Regents are asked to consider a number of factors including: state funding levels (continued legislative support for Regent budget priorities will be critical to keeping Utah's tuition among the lowest in the nation), institutional need, the Consumer Price Index (CPI), the Higher Education Price Index (HEPI), regional tuition rate increases, and comparisons of tuition and fee levels at western higher education institutions.

As the Board reviews this issue, Regents may wish to consider the following questions in advance of the March Board meeting when FY18 tuition rates will be finalized.

1. **2018 Legislative Appropriation**

The Board of Regents 2025 Strategic Plan identifies that the USHE system will need an annual 5 percent increase (all funds) in its operating budget in order to achieve the objectives outlined in the plan. This increase includes compensation increases, but not Regent Scholarships. The FY18 USHE Operating Budget Request called for a 7.5 percent increase in state tax funds and a 2 percent first-tier tuition increase to cover the required compensation match to meet the 5 percent overall increase needed. If the legislature is not able to fund the full request, what might the impact on tuition rates be for FY18 to ensure that the USHE system continues to support growing student demand?

2. **Impact on the Board of Regents 2025 Strategic Plan**

The Board of Regents 2025 Strategic Plan emphasizes Affordable Participation and Timely Completion while recognizing that tuition is a necessary financing tool to address the anticipated growth of students and the need to develop the appropriate academic, technological, and physical

infrastructure needs over the next 10 years. What impact might tuition increases have on students as they access or complete their programs?

3. **Benchmarks to Consider when Reviewing Tuition Proposals**

The Board will want to understand several key metrics before taking final action on tuition proposals including: how USHE institutions tuition and fees compare regionally and nationally; what the consumer price index and higher education price index has been over the last several years; what tuition rate increases have been over the last several years; and how tuition revenues are or would be used at the institutional level.

4. **Student Financial Aid**

The Board may want to consider and discuss what financial aid opportunities exist at the institutional level to ensure that students with the most need are not outpriced by tuition increases while balancing the needs of institutions to increase capacity and quality improvement as outlined in the Strategic Plan? The Board may want to consider the impact of tuition discounting, waivers, scholarships, completion programs such as Dream Weber and SLCC Promise and whether a portion of the proposed tuition increases be set-aside to support institutional financial aid programs?

In addition to the questions posed above, definitions for key terms and policy references regarding tuition are included for the Boards reference.

Definitions

Tuition Revenue - Tuition is collected with other revenue sources such as state tax appropriations, federal appropriations, grants, scholarships, and financial aid in covering the costs of operating an institution. As it relates to tuition specifically, about half (49%) goes to direct instructional costs (salaries and benefits), 14% to institutional support for administration, business operations, IT, development, and 12% to operations and maintenance of facilities, management, and public safety. The remaining 25% supports other activities such as academic support, student services, libraries, public service, research, and athletics.

First Tier Tuition - First tier tuition rate increases are set by the Board of Regents, are uniform for all institutions, implemented at the same time, and are based on evaluations of inflation data (CPI, HEPI), regional and peer comparisons (WICHE, Rocky Mountain States), and justified by specific needs [R510-3.1.]. These increases cover the legislatively mandated portion of compensation (25%), statewide needs, student financial aid, student support, student enrollment, reductions in state tax funding, and other institutional needs. The actual funding amount institutions receive depends on their level of tuition dependency, tuition discounting, and waivers.

Second Tier Tuition - Each institutional President, with the approval of the institutional Board of Trustees, is also provided the flexibility to propose a second tier of tuition rate increase to meet specific institutional needs. These rate increases may apply to all programs equally or they may be different for specific programs. [R510-3.2] The Board of Regents must ultimately approve the recommendations emanating from institutional Boards of Trustees. Second tier tuition was first available to institutions as a funding source during the 2001-02 fiscal year. Rates may vary by institution as individual priorities and funding needs differ. Historically, uses have been for compensation, libraries, information technology, student services, and student enrollment.

Resident Tuition - Individuals who can prove by substantial evidence, that prior to the first day of classes for the term the students seeks to attend as a resident student, he or she has established domicile in Utah and satisfies relevant waiting periods; or meets one or more of the other criteria defining a “resident student” as set forth in policy R512-3.3.

Non-resident Tuition - Individuals not able to meet the requirements for residency status will ordinarily be deemed a non-resident student for tuition payment purposes. Generally, non-residents will pay at least 3 times resident tuition.

Graduate Tuition - Education beyond a bachelor’s degree involves more directed study from specialized faculty, research equipment, libraries, specialized laboratories, and clinical facilities not normally found in the undergraduate programs. Students who have been formally admitted to a graduate program at the institution will pay tuition set at no less than one hundred ten percent (110%) of tuition for undergraduate students. This applies for both resident and non-resident students, and may include programmatic differential tuition. [R510-3.6]

Differential Tuition - Different tuition schedules for undergraduate and graduate programs may be authorized by the Board on a case by case basis. Increased revenues from student differential tuition rates are used by the institution to benefit the impacted program and to support related campus services. Institutions requesting differential tuition schedules should consult with students in the program, and consider how increases will affect market demand, access and retention, graduates earning capacity, and how they compare with similar institutions. [R510-4.2]

Tuition Discounting - Financial aid and scholarships offered by the institution to students that reduce the amount students pay for tuition in effect offsets “full sticker price” and is considered tuition discounting. The net tuition after discounting and waivers is considerably less than published rates.

Tuition Waivers - Full or reduced tuition waivers for students continue to impact published tuition rates. Waivers are either mandated or given institutional discretion by statute. There are over a dozen specific waivers for military and their dependents, senior citizens, faculty & staff, police & firefighter survivors, public school teachers, merit non-residents, border, alumni, athletics, or inter-state reciprocal agreements. The largest waiver category allowed is for meritorious resident students; institutions may waive up to 10% of the total amount of tuition collections under this category. [R513]

Linear and Plateau Tuition - Institutions may use either a linear tuition model, in which the incremental tuition charge per student credit hour generally is the same without regard to the number of hours for which a student is enrolled, or a plateau model, in which student charges within a credit hour range remain constant. Plateau or constant tuition can range between 10 and 20 hours, with institutions deciding the appropriate range. Most institutions consider full-time status of Financial Aid (12 undergraduate credit hours) or full-time equivalency (15 undergraduate credit hours), when determining plateau range. Alternative tuition schedules for on-line courses, contract courses, and specific programs are outlined in policy R510-4.

Truth-in-Tuition - Campus administrators advertise and hold public hearings on campus during the Legislative session prior to final tuition decisions, to propose first and second tier undergraduate tuition rate increases (usually in ranges) and specific funding needs of the institution. [Utah Code 53B-7-101.5]

Tuition Setting Process

During a normal tuition setting process, the following sequence of events is followed.

- 1) On campus meetings with President, Executives, Budget Offices, & others to determine institutional needs for the coming year
- 2) Council of Presidents and Commissioner discuss first tier tuition rate proposals
- 3) Public Truth-in-Tuition hearings are held at each institution
- 4) Legislative session ends and new year state appropriations are determined
- 5) Institutional second-tier tuition rates and are formally approved by Boards of Trustees
- 6) System-wide first-tier and institutional specific second-tier tuition rates presented to Board of Regents for approval

General Student Fees - All general fees (as differentiated from course-specific fees) are subject to Board of Regents approval, normally in conjunction with annual determination of tuition rates. Fees may vary according to specific institutional needs and must adhere to institutional policy. Each institution has an established advisory board to oversee creation, review and maintenance of required student fees and student input is a critical component of this process. [R510-5]

Commissioner's Recommendation

This is an information item only; no action is required at this time.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS
Attachment



UTAH SYSTEM OF
HIGHER EDUCATION

Building a Stronger State of Minds

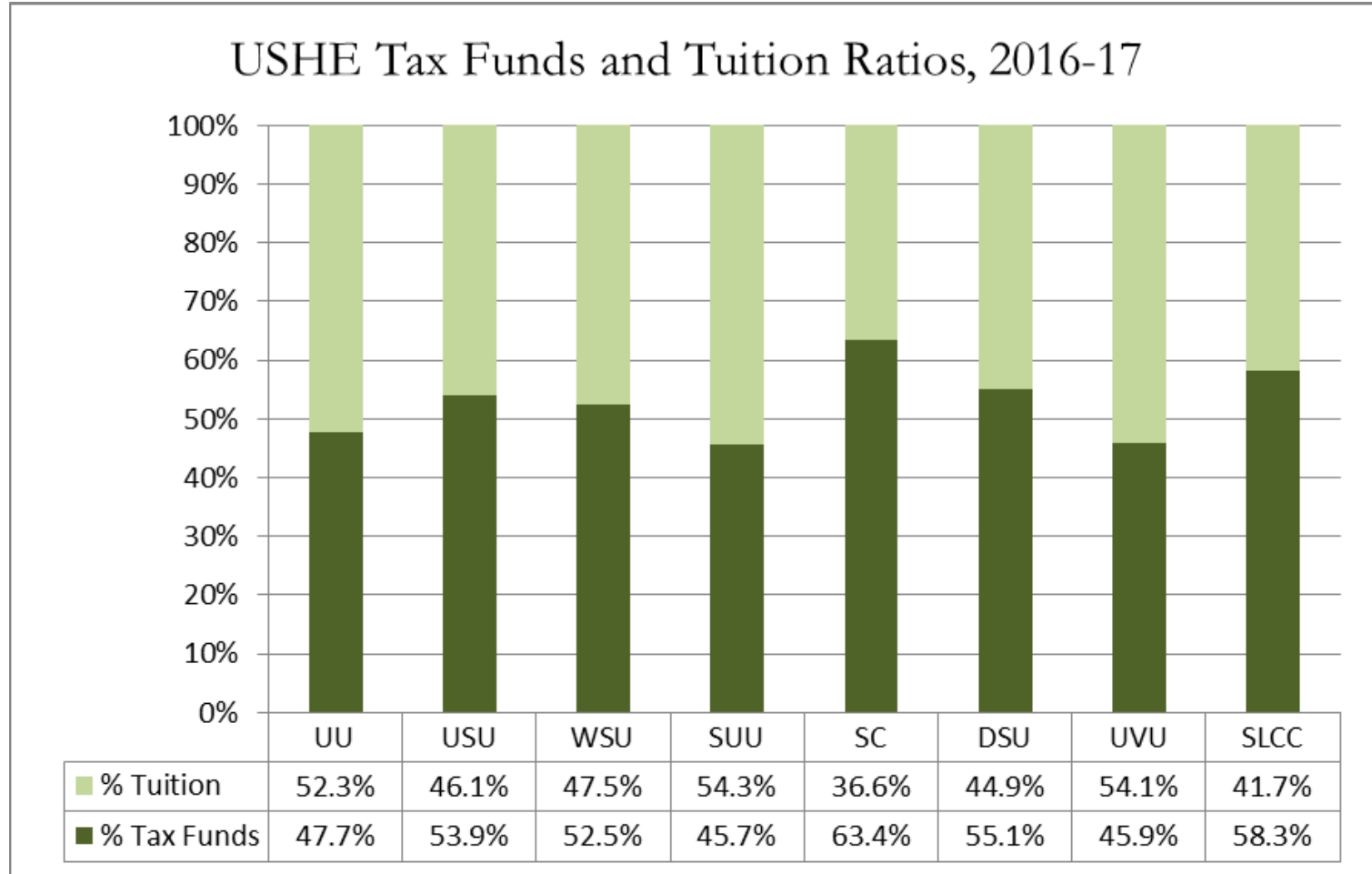
Discussion of Tuition & Fees

Kimberly L. Henrie, Associate Commissioner for Finance and Facilities

Brian L. Shuppy, Assistant Commissioner for Budget & Planning



Significance of Tuition



USHE goal is 52% tax funds and 48% tuition. Current USHE ratio is 50.8% tax funds and 49.2% tuition



Topics

- Types of Tuition
- Tuition Setting Process
- How USHE Tuition Rates Compare
- Institutional Student Financial Aid
- General Student Fees



Types of Tuition

First-tier*

Resident

Second-tier*

Non-Resident

Differential*

Linear

Graduate*

Plateau



First-Tier Tuition

R510-3.1 “A first-tier of tuition rate increase shall be uniform for all institutions, shall be implemented at the same time, and shall be based on evaluations of current data on inflation and national and regional tuition increases and justified by specific increasing needs in the Utah System of Higher Education.”



Second-Tier Tuition

R510-3.2 “Each institutional President, with the approval of the Institutional Board of Trustees, may recommend a second-tier of tuition rate increases to meet specific institutional needs. Second-tier tuition rate increases may apply to all programs equally or they may be different for specific programs.”



Differential Tuition

R510-4.2 “Differential tuition schedules...may be authorized by the board on a case by case basis. The increased revenue...shall be used by the institution to benefit the impacted program and to help support related campus services...”



Graduate Tuition

R510-3.1 “Tuition for resident and non-resident graduate students will be set at not less than one hundred ten percent (110%) of tuition for undergraduate students. For this purpose, a graduate student is a student who has been formally admitted to a graduate program at the institution.” Example: Undergraduate \$1,000
Graduate \$1,100



Tuition Setting Process

- Meetings to discuss institutional needs
- Commissioner proposes initial 1st tier
- Legislative session determine appropriations
- Public Truth-in-tuition hearings held
- Proposed 1st tier approved by Regents
- Institutions propose 2nd tier increase
- 2nd tier approved by Boards of Trustees
- Commissioner finalizes recommendation
- 1st and 2nd tier approved by Board of Regents



Truth-in-Tuition

R511-1.4 “Prior to recommending a tuition increase to the Board of Regents, the President or his or her designee shall hold a public meeting to provide an explanation of the reasons for the proposed increase, an explanation of how the revenue generated by the increase will be used...and an opportunity for public comment from students and student leaders.”



How USHE Tuition Rates Compare

Overview of:

History of CPI and HEPI Increases

History of Resident Tuition Increases

USHE Tax Funds & Tuition Per FTE

USHE Tuition Models (Linear vs Plateau)

USHE Regional Comparisons

USHE National Comparisons



Consumer Price Index (CPI) and Higher Education Price Index (HEPI)

Consumer Price Index, Fiscal Years 2011-12 to 2015-16

	2011-12	2012-13	2013-14	2014-15	2015-16
Fiscal Year Average	227.6	231.4	235.0	236.7	238.3
Fiscal Year Increase	2.9%	1.7%	1.6%	0.7%	0.7%
Most Recent 12-months (November to October)					0.9%

Source: Bureau of Labor Statistics (www.bls.gov). Consumer Price Index for All Urban Consumers..

Higher Education Price Index, Fiscal Years 2011-12 to 2015-16

	2011-12	2012-13	2013-14	2014-15	2015-16
Fiscal Year Average	293.2	297.8	306.7	313.3	319.0
Fiscal Year Increase	1.7%	1.6%	3.0%	2.1%	1.8%

Source: Higher Education Price Index (HEPI), Research Associates of Washington and Common Fund Institute.



Tuition History

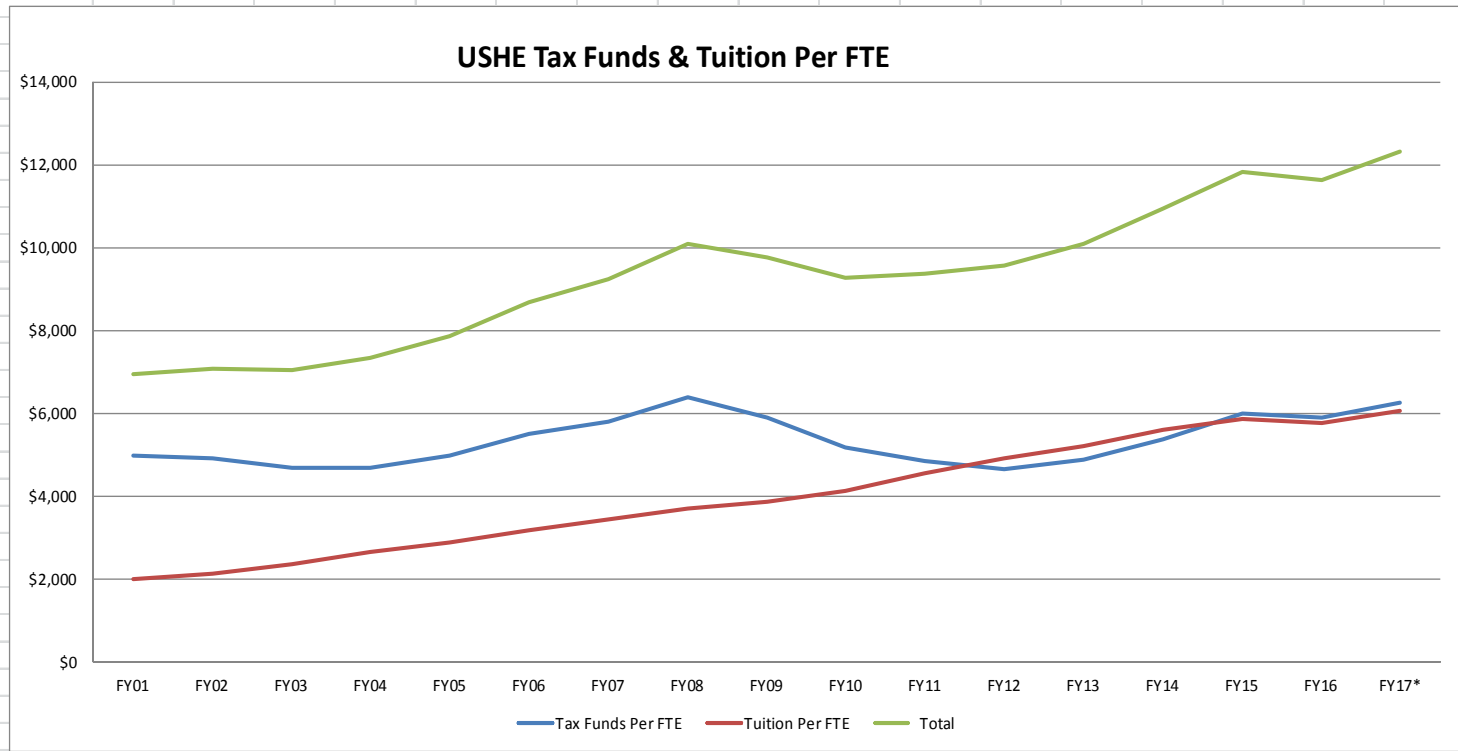
USHE Undergraduate Resident Tuition Increases

Institution	2012-13	2013-14	2014-15	2015-16	2016-17
UU	6.0%	5.0%	5.8%	3.5%	3.9%
USU	6.0%	5.0%	5.5%	3.0%	3.5%
WSU	5.0%	5.0%	4.0%	3.0%	3.5%
SUU	6.5%	5.0%	4.0%	3.0%	3.5%
Snow	7.0%	5.0%	6.0%	3.0%	3.5%
DSU	5.5%	5.0%	4.0%	3.0%	5.0%
UVU	4.5%	6.0%	4.0%	3.0%	3.5%
SLCC	4.5%	6.0%	4.0%	3.0%	3.5%
USHE Average	5.6%	5.3%	5.3%	3.1%	3.7%
USHE First-tier only	4.5%	5.0%	4.7%	3.0%	3.5%



USHE Tax Funds & Tuition Per FTE

	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17*
Tax Funds Per FTE	\$4,974	\$4,928	\$4,691	\$4,686	\$4,973	\$5,502	\$5,793	\$6,389	\$5,912	\$5,164	\$4,834	\$4,645	\$4,876	\$5,359	\$5,985	\$5,887	\$6,254
Tuition Per FTE	\$1,982	\$2,140	\$2,366	\$2,660	\$2,889	\$3,163	\$3,453	\$3,715	\$3,849	\$4,120	\$4,549	\$4,917	\$5,203	\$5,590	\$5,848	\$5,752	\$6,063
Total	\$6,956	\$7,068	\$7,057	\$7,346	\$7,862	\$8,665	\$9,246	\$10,104	\$9,761	\$9,285	\$9,383	\$9,562	\$10,079	\$10,949	\$11,833	\$11,639	\$12,318
% Tax funds	71.5%	69.7%	66.5%	63.8%	63.3%	63.5%	62.7%	63.2%	60.6%	55.6%	51.5%	48.6%	48.4%	48.9%	50.6%	50.6%	50.8%

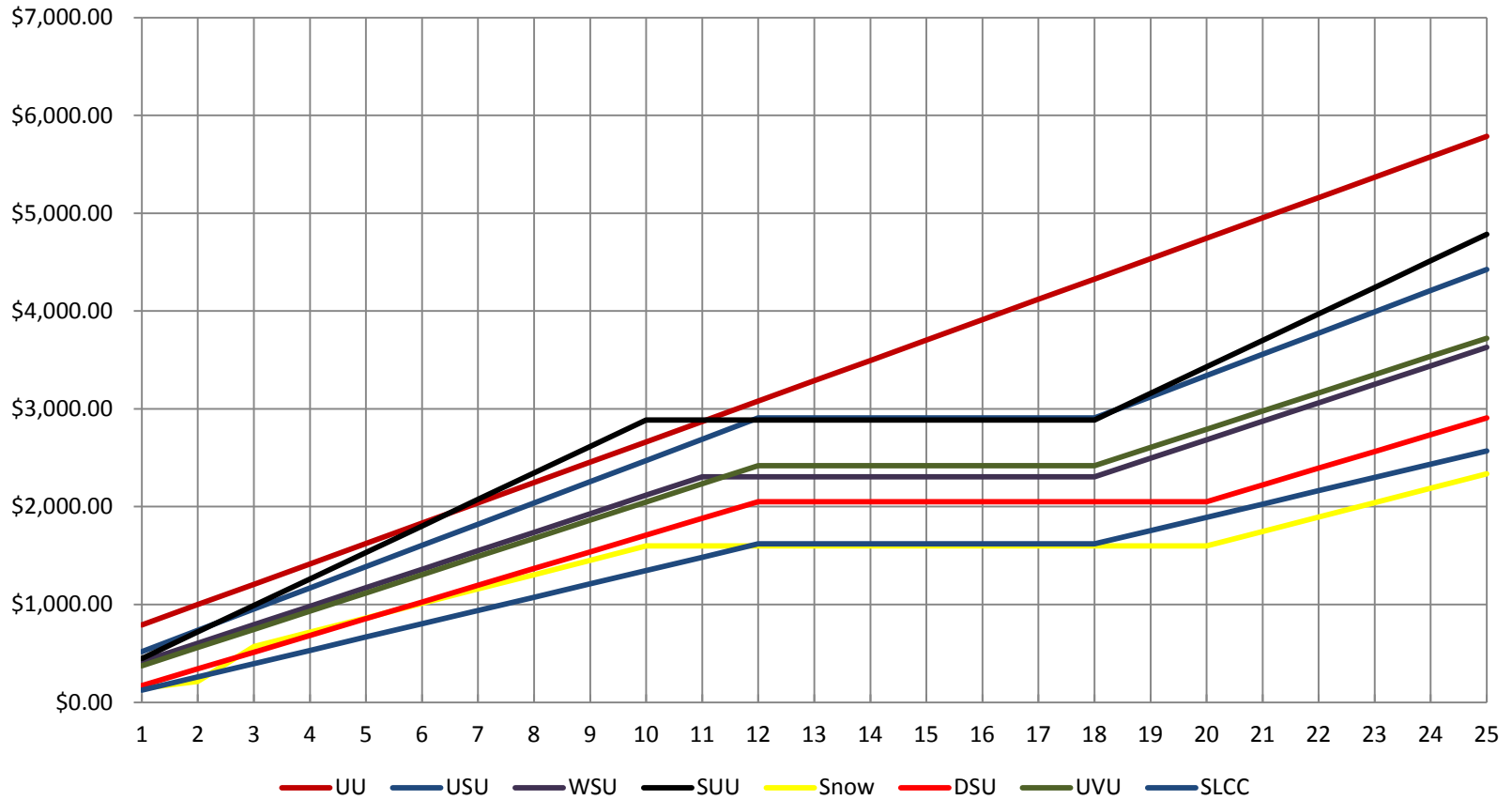


Sources: 1) Databook Budget History Table 1 Current \$; 2) FTE Analysis includes all Education & General line items plus all other instructional line items except the UU School of Medicine, RDEP/Dental, and SLCC ATC; 3) Budget Related Annualized FTE; 4) FY17 reflects FY17 A-1 budget and FY16 budget related enrollment increased by the projected FY17 increase of 2.7%.



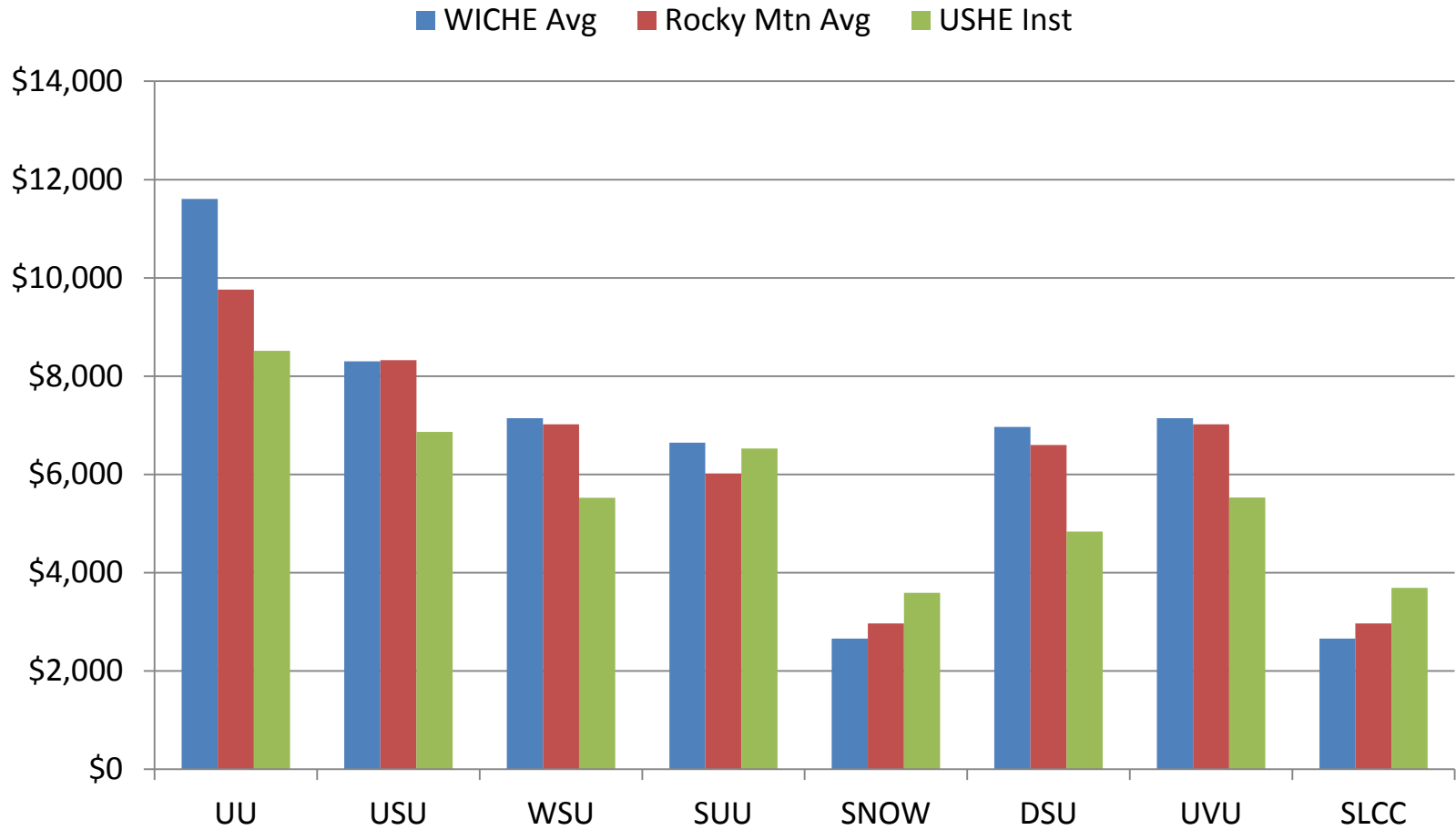
Linear and Plateau Tuition

Utah System of Higher Education
2016-17 Tuition and Fees by Credit Hour
Resident Undergraduate Students





Comparison to Regional Institutions, 2016-17





WICHE Region Tuition & Fee Increases at Public Institutions

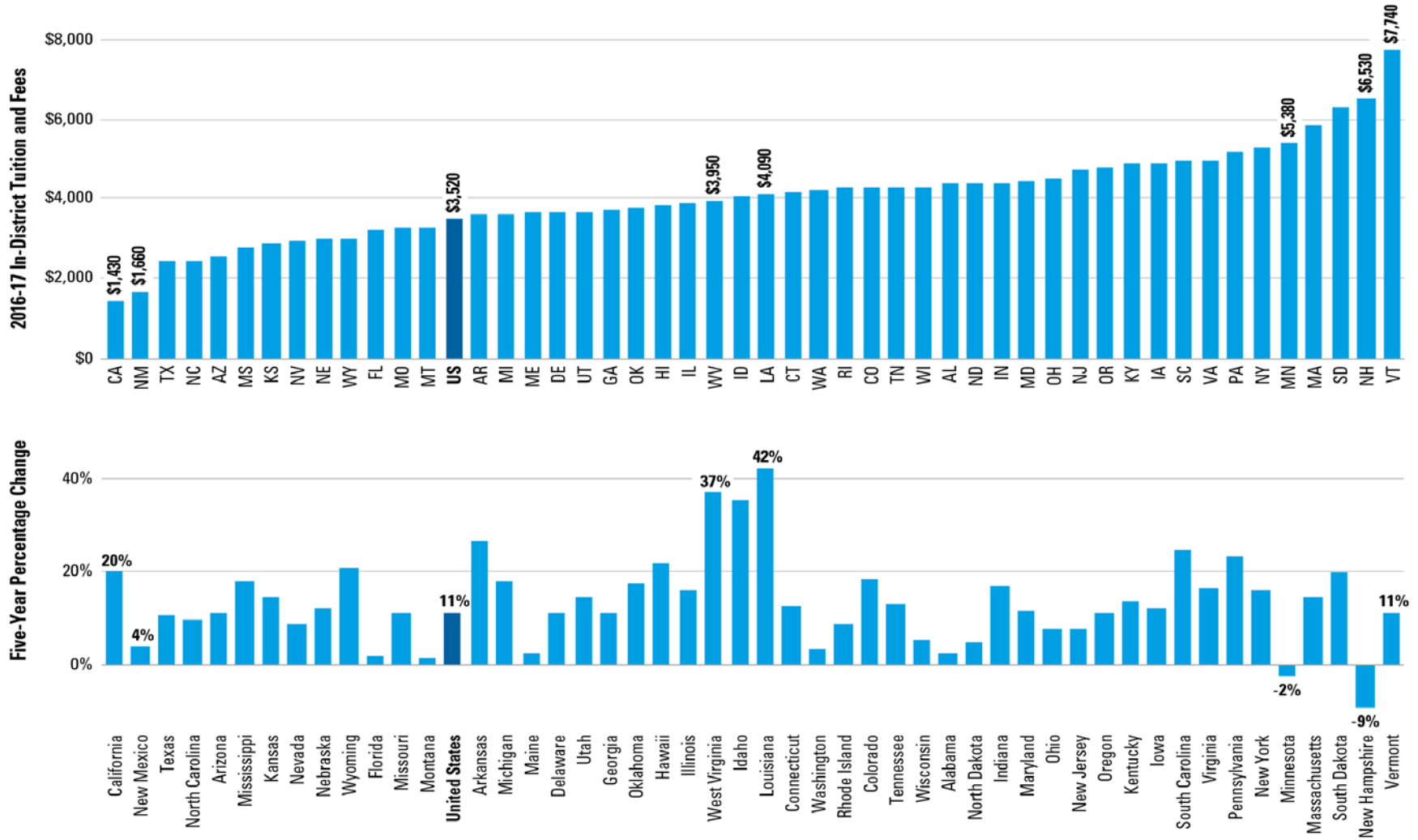
	2012-13	2013-14	2014-15	2015-16	2016-17
Public Four-year Institutions					
Resident Undergrad.	4.1%	3.1%	2.3%	2.7%	1.6%
Resident Graduate	4.2%	3.1%	2.6%	3.3%	2.7%
Nonresident Undergrad.	4.0%	2.3%	2.8%	3.6%	3.4%
Nonresident Graduate	6.2%	2.5%	3.0%	3.0%	2.7%
Public Two-year Institutions					
Resident	5.5%	2.6%	1.4%	1.4%	1.8%
Nonresident	3.1%	1.8%	3.1%	1.1%	3.2%

WICHE Tuition and Fees in Public Higher Education in the West, 2012-13 through 2016-17.

*WICHE states include Alaska, Hawaii, Washington, Oregon, California, Idaho, Nevada, Arizona, New Mexico, Utah, Colorado, Wyoming, Montana, North Dakota, South Dakota



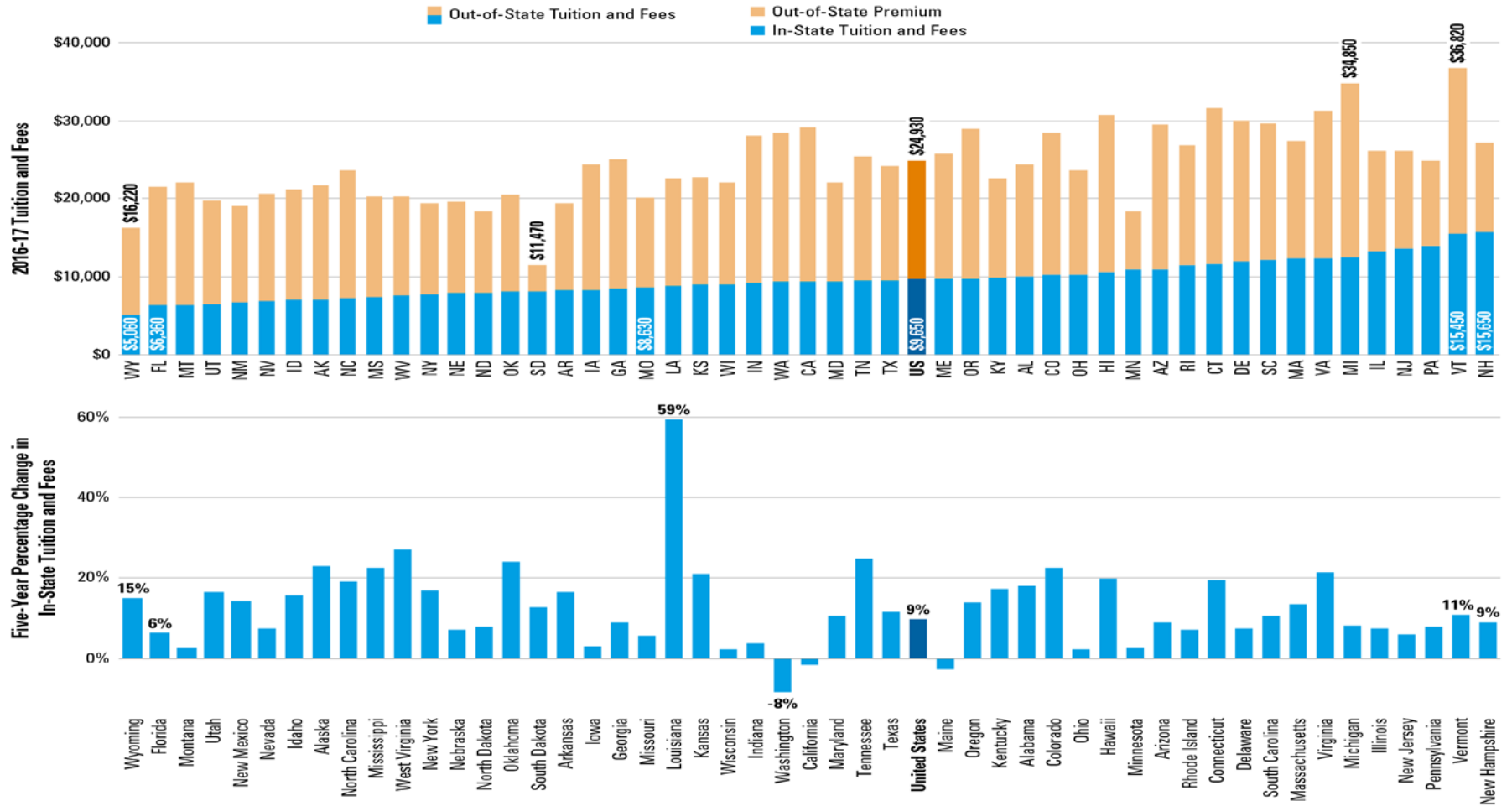
2016-17 Resident Tuition and Fees at Public Two-Year Institutions by State and Five-Year Percentage Change in Inflation-Adjusted Tuition and Fees



Source: College Board, Trends in College Pricing



Average 2016-17 In-State and Out-of-State Tuition and Fees at Public Four-Year Institutions by State and Five-Year Percentage Change in Inflation-Adjusted In-State Tuition and Fees



Source: College Board, Trends in College Pricing



Institutional Student Financial Aid

Financial aid offered by the college that reduces the amount a student is required to pay for tuition; the result is that the *full sticker price* quoted as a college's published tuition rate, is in fact more than most students end up paying – also known as Tuition Discounting.



Types of Tuition Discounting

- State & Federal Grants and Loans
- Program based Financial Aid
- Scholarships
- Waivers



Tuition Waivers

10% Meritorious Residents

Military & Dependents

Senior Citizen

Faculty & Staff

Police/Firefighter Survivor

Public School Teachers

Merit Non-resident

Border

Alumni Legacy

Athletics

Reciprocal Agreement

Utah HS Grad Foreign

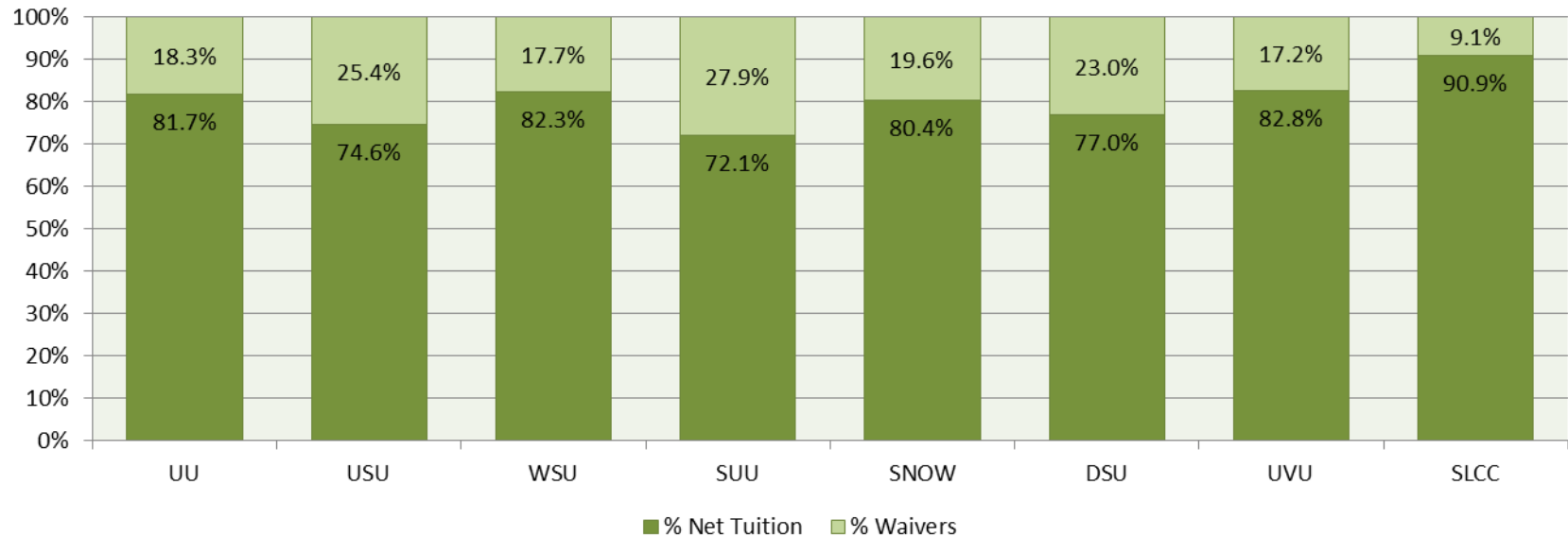
Non-resident Transition

WICHE/WUE



Tuition Waivers

Actual Percent of Waivers Used by Institution 2015-2016



Source: R-1 Actual



General Student Fees

R511-3.3 “Board approved amounts which are assessed to students directly, required to be paid with tuition, and are generally dedicated to specific purposes, such as building revenue bonds, extracurricular student activities, additional student services such as health clinics, computer labs, or athletics.”



General Student Fees

2016-17 UNDERGRADUATE STUDENT FEES

Annual Fee Rate for a Full-Time Student (15 Credit Hours for 2 Consecutive Semesters)

UU	USU	WSU	SUU	Snow	DSU	UVU	SLCC
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Fees

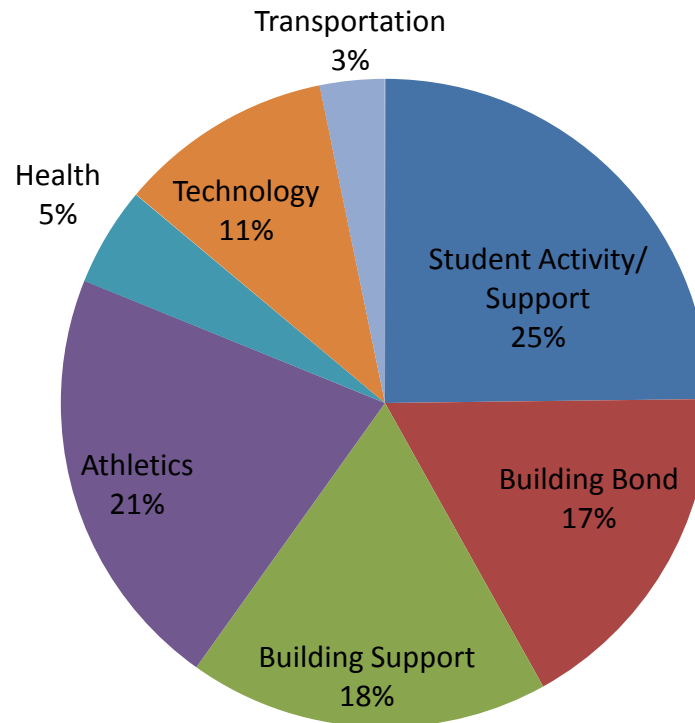
Student Activity/ Support Fees	285.42	218.74	301.88	125.50	99.20	209.00	136.32	134.00
Building Bond Fees	-	276.64	242.34	212.00	-	-	192.18	118.00
Building Support Fees	258.48	17.42	66.74	110.00	176.30	295.50	107.84	61.00
Athletic Fees	171.38	270.28	136.38	204.00	75.00	160.00	208.70	69.00
Health Fees	40.96	88.34	57.08	40.00	5.60	23.50	17.04	29.00
Technology Fees	232.04	127.02	94.10	64.00	39.90	48.00	14.84	29.50
Transportation Fees	116.70	47.28	13.16	-	-	-	13.08	7.00
Other Fees	5.00	5.98	-	-	-	-	-	3.00
Total Fees	\$1,109.98	\$1,051.70	\$911.68	\$755.50	\$396.00	\$736.00	\$690.00	\$450.50

Note: Distributions refer to Main Campuses only. Branch campuses and centers may have different fee schedules (typically lower)



General Student Fees

Annual Full-time Undergraduate Student Fees by Activity 2016-17





Utah Code and Regent Policy Links

- R510, Tuition and Fees: <https://higheredutah.org/policies/r510-tuition-and-fees/>
- R511, Tuition Disclosures and Consultation:
<https://higheredutah.org/policies/r511-tuition-disclosures-and-consultation/>
- Utah Code 53B-7-1-101.5 Proposed Tuition Increases; 53B-7-1-105 Higher Education Cost Disclosure
http://le.utah.gov/xcode/Title53B/Chapter7/53B-7-P1.html?v=C53B-7-P1_1800010118000101
- R512, Determination of Resident Status:
<https://higheredutah.org/policies/r512-determination-of-resident-status/>
- R513, Tuition Waivers and Reductions:
<https://higheredutah.org/policies/r513-tuition-waivers-and-reductions/>

Questions



January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: University of Utah – Property Disposal

Issue

The University of Utah requests Board approval to dispose of a 62,133 gross square foot class B office and research facility located on 3.4 acres at 585 Kommas Drive in the University's Research Park for \$8,100,000. The property no longer supports the University's mission and has been deemed surplus.

Background

Regent Policy R710, *Capital Facilities* requires the Board of Regents to approve the disposal of institutional property. In 2016 the University of Utah consolidated its Information Technology (IT) department and located it at the former Questar Building in downtown Salt Lake City, known as 102 Tower (102 South 200 East). As part of that move and consolidation, the IT operations previously located at 585 Kommas Drive in Research Park were vacated. The University is currently in negotiations with ARUP Laboratories Inc. (a non-profit corporation "owned" by the University of Utah) to purchase the property for \$8,100,000.

An appraisal of the property commissioned by ARUP, dated as of November 2015, concluded that the market value of the property was \$7,400,000. A more recent appraisal commissioned by the University, dated as of November of 2016, concludes the market value of the property is \$8,275,000. The University of Utah requests Board approval to sell the property to ARUP for a purchase price of \$8,100,000.

Additional information about this request may be found in the attached letter from the University and the executive summary of the property appraisal with accompanying maps. Representatives from the University of Utah will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize the University of Utah to dispose of the property located at 585 Kommas Drive in Research Park for a negotiated price of \$8,100,000.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

December 21, 2016

Mr. David Buhler
Commissioner
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Buhler:

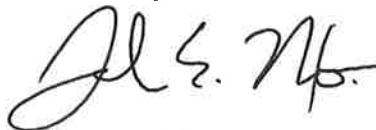
The University of Utah hereby requests approval from the Board of Regents' for the disposition of the building located at 585 Komas in Research Park.

The University's IT teams previously occupied the 585 Komas building in Research Park. With the consolidation of IT operations into the 102 Tower in downtown Salt Lake City, the University desires to sell the 585 Komas building to ARUP. The purchase price was established by appraisal to be \$8,100,000.

Approval is requested to authorize the University to finalize negotiations with ARUP on the disposition of the building. Closing to occur on or before March 31, 2017.

Thanks, as always, for your consideration and support.

Sincerely,



John E. Nixon
Chief Administrative Officer

c: David W. Pershing
Dr. Kimberly Henrie
Richard P. Amon
Arnold B. Combe
Jonathon Bates

VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS / CONSULTANTS

AN APPRAISAL OF
A ±61,293 RSF OFFICE/DATA CENTER
BUILDING WITHIN RESEARCH PARK

LOCATED AT
585 KOMAS DRIVE
SALT LAKE CITY, UTAH 84108



PREPARED FOR
UNIVERSITY OF UTAH
Attn: Mr. Jonathon Bates, CPM
Executive Director
Department of Real Estate Administration

PREPARED BY
ERIC VAN DRIMMELEN, MAI
CERTIFIED GENERAL APPRAISER

EFFECTIVE DATE AS IS
November 15, 2016

DATE OF REPORT
December 14, 2016

VAN DRIMMELEN & ASSOCIATES, INC.
REAL ESTATE APPRAISERS / CONSULTANTS

December 14, 2016

University of Utah
Attn: Mr. Jonathon Bates, CPM
Executive Director
Department of Real Estate Administration
505 Wakara Way
Salt Lake City, Utah 84108
Office: 801-587-8730
Email: Jonathon.bates@admin.utah.edu

Re: An appraisal of a ±61,293 RSF office/data center building within Research Park located at 585 Komas Drive, Salt Lake City, Utah 84108. Appraiser's File #598ev1116.

Dear Mr. Bates, CPM:

At your request, I have prepared an Appraisal Report on the above referenced property. The purpose of this appraisal is to estimate the Market Value As Is of the leasehold interest. In the As Is condition, the property is improved with a ±61,293 rentable square foot (RSF) office building. The building was originally constructed in 1973 and renovated in 2005. It has an estimated effective age of 20 years and a remaining economic life of 30 years. The building has been occupied by the University of Utah for several years, but is currently being vacated. There are reported negotiations between the owner and ARUP for purchase of the building. The building is within Research Park at the University of Utah. The land is owned by the University of Utah but is subject to a ground lease that will be enforced upon purchase of the building improvements. As such, only the leasehold interest in the building improvements is appraised herein.

The concluded market value as is reflects the leasehold interest. Pertinent market data has been gathered and used for a comparative analysis. An appraisal analysis was then completed in accordance with Standards Rule 1 of the Uniform Standards of Professional Practice (USPAP).

The results of the appraisal have been prepared in the attached Appraisal Report, which is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of USPAP. The report presents a discussion of the data, reasoning, and analyses that were used in the appraisal process to develop an opinion of market value As Is. The depth of discussion contained in this report is specific to the needs of the client. Finally, this appraisal report conforms with, and is subject to, the Uniform Standards of Professional Appraisal Practice (USPAP), the Code of Professional Ethics, and the Standards of Professional Appraisal Practice of the Appraisal Institute.

Specifically, this appraisal conforms to the following guidelines:

- a) Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.);
- b) The regulations adopted by the Office of the Comptroller of the Currency pursuant to Title XI, including, without limitations, the appendix thereto consisting of excerpts from the Uniform Standards of Professional Appraisal Practice (USPAP), adopted by the Appraisal Foundation (12 CFR Part 34, Subpart C); and
- c) Zion's First National Bank Appraisal Standards.

The client is the University of Utah. Intended users include the University of Utah and ARUP. The intended use is to assist in establishing Market Value for a possible purchase by ARUP. The use of this appraisal report, by the client or by a third party, will mean acceptance of all assumptions and limiting conditions contained in the Letter of Transmittal, Preface, and attached report. The appraiser is not responsible for unauthorized use of this report.

As demonstrated within the attached appraisal report, I am of the opinion that the **Market Value As Is** of the Leasehold Interest (as defined in the attached Report and subject to the definitions, certifications and assumptions set forth in the attached Report), as of November 15, 2016, is:

<p>EIGHT MILLION TWO HUNDRED SEVENTY-FIVE THOUSAND DOLLARS \$8,275,000</p>
--

Based on current market conditions and available market data, it would appear that the subject property as is, if properly marketed, would need an exposure time of 6-12 months. Likewise, being properly marketed, the subject could be sold within a 12-month period from the date of this appraisal.

The values given are subject to the general assumptions and limiting conditions, and specific extraordinary assumptions stated in the report and/or itemized in the preface section of this document. It is important that the reader of this report review and understand all general and specific assumptions and limiting conditions.

The effective date of value as is, is based on the last date of inspection or November 15, 2016. The date of the report is December 14, 2016.

This report has been prepared primarily for your use. As is customary in assignments of this nature, neither my name, my company name, nor the material submitted may be included in any prospectus, in newspaper publicity, or as part of any printed material; or

Mr. Jonathon Bates, CPM
December 14, 2016
Page 3

used in offerings or representations with the sale of securities or participation interests to the public.

I trust the attached document is sufficient to accomplish its intended function. Please call if I may be of further assistance. Your attention is invited to the attached appraisal report, which provides a discussion of the data collected and the methods used to formulate an opinion of the market value of the above indicated interests on the above-described property.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Eric Van Drimmelen".

Eric Van Drimmelen, MAI

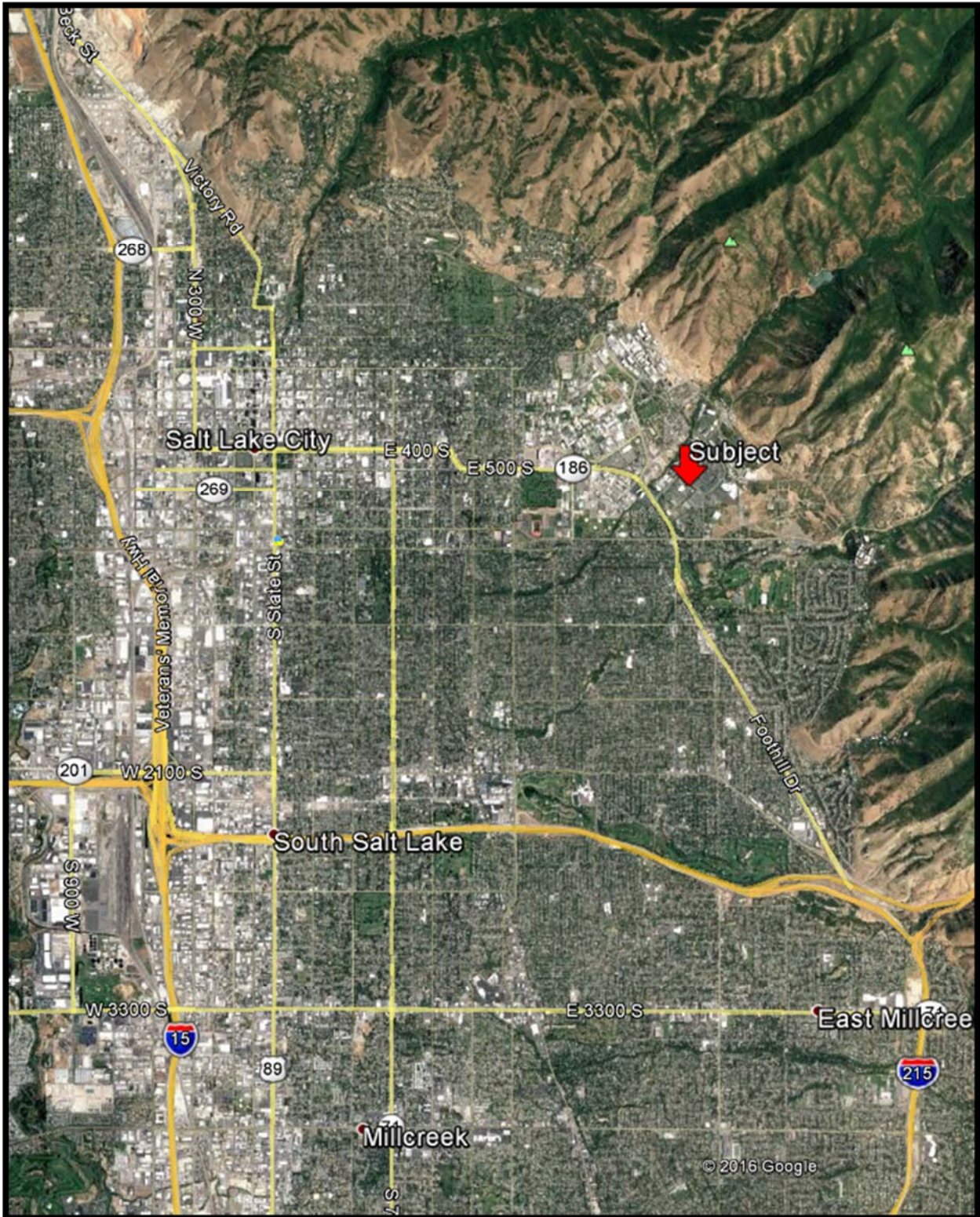
Utah State Certified General Appraiser Certificate #5463327-CG00, Expires 5-31-18
--

Enc.

AERIAL OF SUBJECT



* Outlined boundaries are Approximate.



January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Property Acquisition

Issue

The University of Utah (UU) requests Board approval to purchase and renovate an office building in Research Park in order to relocate the Continuing Education and Community Engagement (CECE) program. The UU would purchase the property at the appraised value of \$6,400,000 with CECE funds and use CECE funds to renovate the facility at an estimated cost of \$3,014,000.

Background

Regent Policy R710, *Capital Facilities* requires the Board of Regents to approve nonadjacent institutional property purchases that exceed \$100,000. The UU requests Board approval to purchase approximately 39,100 square feet of Class B office space on a 3.84 acre site at 540 Arapeen Drive in Research Park (Salt Lake City) for the appraised value of \$6,400,000.

The property purchase allows the CECE program to relocate from outdated and confined on-campus space. CECE has been housed in the old Annex building at the UU for several decades, which is inadequate to meet current program needs and accommodate future growth opportunities. For the past five years the program has sought new space to meet its functional needs, welcome the community, and be located in close proximity to campus to allow for successful collaboration with academic departments. With additional renovation, the property at Research Park will fulfill the CECE need for modern educational and office space.

In addition to the property purchase, the University also requests approval to renovate approximately 33,800 square feet of the acquired space to properly accommodate the CECE program. The estimated cost of renovation is \$3,014,000 and would not need Building Board or Legislative approval as it falls under the \$3,500,000 threshold for a capital development. The property purchase, renovation, and future operation and maintenance costs will all be funded by CECE funds. No state funds will be requested for operation and maintenance or future capital improvements.

Additional information about this request may be found in the attached letter from the University, an executive summary of the appraisal report with an accompanying map, and budget estimates and floor plans for the renovation project. Representatives from the University of Utah will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize the University of Utah to acquire and renovate property in Research Park for the Continuing Education and Community Engagement program.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

December 21, 2016

Mr. David Buhler
Commissioner
Board of Regents Building, The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Dear Commissioner Buhler:

The University of Utah hereby requests approval from the Board of Regents' for the acquisition of the building located at 540 Arapeen in Research Park and the subsequent renovation project for the relocation of Continuing Education (CE) from the Annex Building on Campus. The purchase price has been set at \$6,400,000 or \$163.33 per square foot (sf) for a total building of 39,185 sf.

Over the last ninety (90) days the following due diligence items have been successfully completed on the property:

- Appraisal (market value conclusion of \$6,400,000)
- Title Report and Insurance Commitment
- Phase I Environmental
- ALTA Survey
- Architectural Feasibility Study

The architectural feasibility study established the following probable costs associated with the subsequent renovation of approximately 33,792 square feet of the facility for CE's use:

• Construction Hard Costs	\$1,912,218	\$56.59/sf
• Code & Deferred Maintenance	\$810,767	\$23.99/sf
• Seller Contribution	(\$500,000)	(\$14.80)/sf
• Construction Soft Costs	\$791,078	\$23.41/sf
• <i>TOTAL CONSTRUCTION COST</i>	<i>\$3,014,063</i>	<i>\$89.19/sf</i>

The following code, deferred maintenance and energy efficiency upgrades include the following:

- Structural and seismic upgrades
- Glazing
- Replacement of one of two existing roof top HVAC units.
- Roof replacement

- Building insulation upgrade

Building acquisition costs and construction costs will be funded by CE cash reserves.

The future anticipated O&M costs are estimated to be ~\$4.86/sf for FY2017-18 and increasing to ~\$8.75/sf upon the expiration of existing 3rd party leases. All future O&M costs will be funded by CE.

Attached for your reference is the University's Construction Budget Estimate as well as the current test fit floor plans detailing CE's planned use.

Thanks, as always, for your consideration and support.

Sincerely,

A handwritten signature in black ink, appearing to read "John Nixon", with a long horizontal flourish extending to the right.

John E. Nixon
Chief Administrative Officer

c: David W. Pershing
Dr. Kimberly Henrie
Richard P. Amon
Arnold B. Combe
Jonathon Bates

August 16, 2016

Jonathon Bates, CPM
Director, Real Estate Administration
UNIVERSITY OF UTAH
505 Wakara Way, Suite 210
Salt Lake City, Utah 84108

RE: Appraisal of Arapeen Drive Multi-Tenant Office Building
540 Arapeen Drive
Salt Lake City, Salt Lake County, Utah
CBRE, Inc. File No. 15-276SL-0229

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject of this report is the leasehold interest in a 39,181 square foot, two-story, suburban office building located within the Research Park submarket at 540 Arapeen Drive in Salt Lake City, Salt Lake County, Utah. The improvements were constructed in 1973, updated from 1995-2004, and are situated on a 3.84 acre site.

There is currently a ground lease agreement for the subject site in place that expires in November 2052. Therefore, the leasehold interest that we are appraising includes the fee simple interest in the subject improvements (the building) and the leasehold (lessee's) position in the land (which gives the lessee the right to occupy and improve the land but obligates the lessee to make ground-lease payments).

Based on the analysis contained in the following report, the market value of the subject is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Leasehold Interest	June 27, 2016	\$6,400,000
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter.

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were

developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to non-client, non-intended users does not extend reliance to any other party and CBRE will not be responsible for unauthorized use of the report, its conclusions or contents used partially or in its entirety.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



Mark D. Raddatz
Appraiser
Utah Licensed Appraiser
#6833421-LA00, exp. 12/31/2016

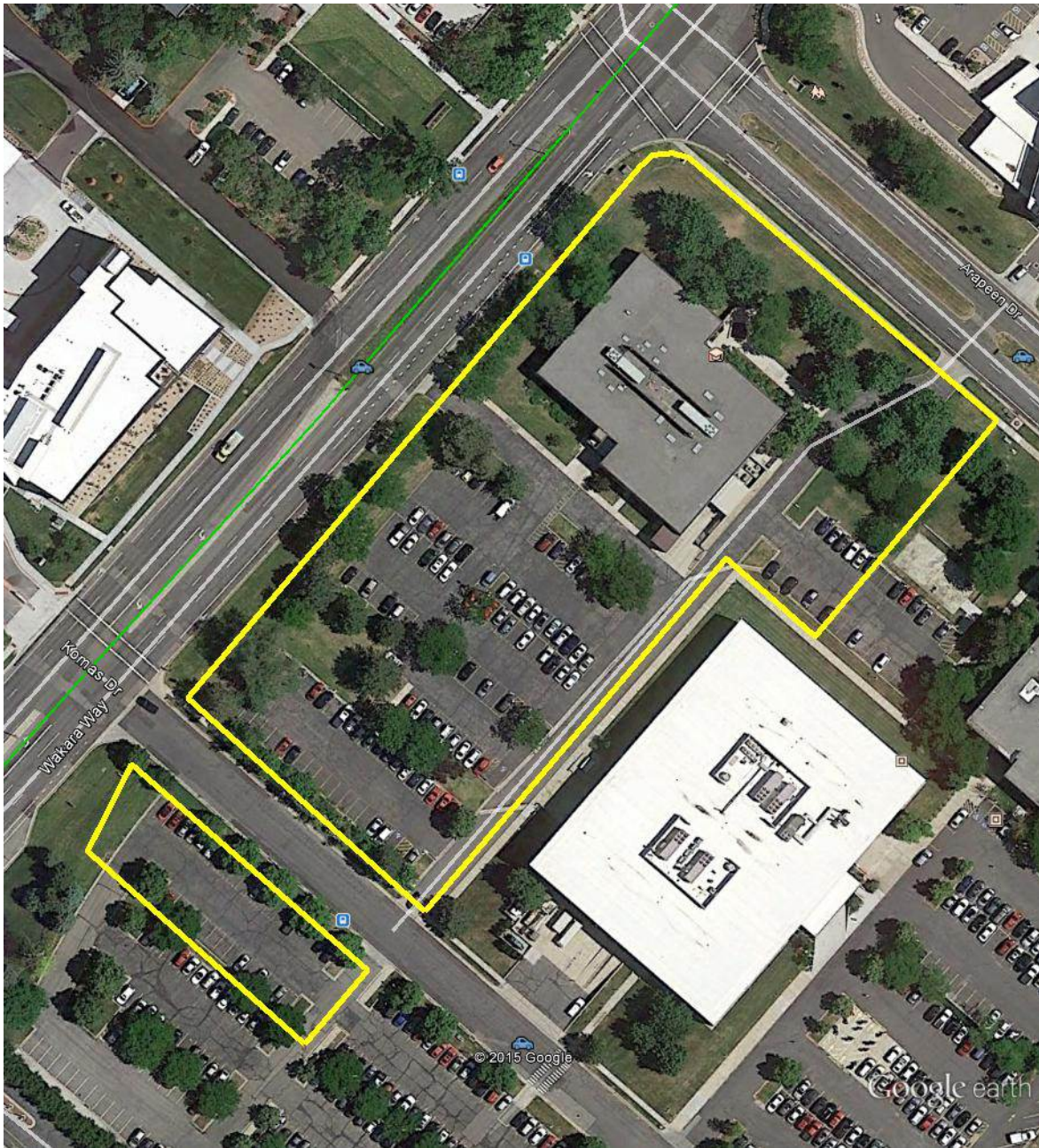
Phone: 801-930-6109
Fax: 801-869-8080
Email: mark.raddatz@cbre.com



Micheal E. Miller, MAI
Director
Utah Certified General Appraiser
#5482081-CG00, exp. 6/30/2017

Phone: 801-930-6107
Fax: 801-869-8080
Email: mike.miller@cbre.com

Subject Photographs



Aerial View



Typical view of the subject



Typical view of the subject



View of the main entry



View of a typical open office area



View of a typical open office area



View of a typical private office

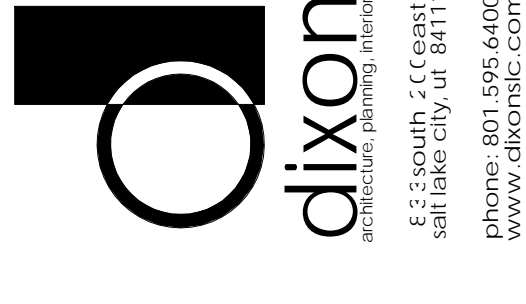
University of Utah

Capital Improvement Projects

Capital Budget Estimate (CBE)

Project Name:	Continuing Ed. - 540 Arapeen Dr. Remodel - Min. Cost to Move In - Concept Estimate Phase 1		
Client:	Continuing Education		
Project Manager:	Mark E. Grabl		
Cost Summary			
	\$ Amount	Cost Per SF	Notes
Facility Cost	\$ 1,912,218	\$56.59	Minimum Construction Cost
Additional Construction Cost	\$ 310,767	\$9.20	Minimum Code Related Increases
Site Cost	\$ -	\$0.00	
Total Construction Cost	\$ 2,222,985	\$65.78	73.8%
Soft Costs:			
Hazardous Materials	\$ 38,000		
Pre-Design/Planning	\$ -		
Design	\$ 165,390		
Furnishings & Equipment	\$ -	\$	
Information Technology:	\$ 168,960		
Testing & Inspection	\$ 7,500		
Contingency	\$ 291,211	13.10%	
Moving/Occupancy	\$ 20,000		
Builder's Risk Insurance (0.15% of Construction Budget)	\$ 3,334		
UofU Project Management Fee	\$ 50,000		
User Fees	\$ -		
Commissioning	\$ 11,115		
Other Costs	\$ 35,568		
Total Soft Costs	\$ 791,078	\$23.41	26.2%
			1.36
TOTAL PROJECT COST	\$ 3,014,063	\$89.19	
Funding Other Than New State Capital Improvement or CF&R:			
Total Funding Other than St. Cap. Improvement or CF&R	\$ -		
REQUEST FOR CAPITAL IMP. OR CF&R FUNDING	\$ 3,014,063		
Project Information			
Gross Square Feet	33,792	Base Cost Date	8-Dec-16
Net Square Feet	23,654	Estimated Bid Date	1-May-17
Net/Gross Ratio	70%	Est. Completion Date	1-Nov-16
		Last Modified Date	8-Dec-16
		Print Date	1/3/17

REFERENCE NOTES



CONSULTANTS

Department Legend: Classrooms, Common Areas, Pathways, Professional Development, Personal Enrichment, Service Teams

SCHEMATIC

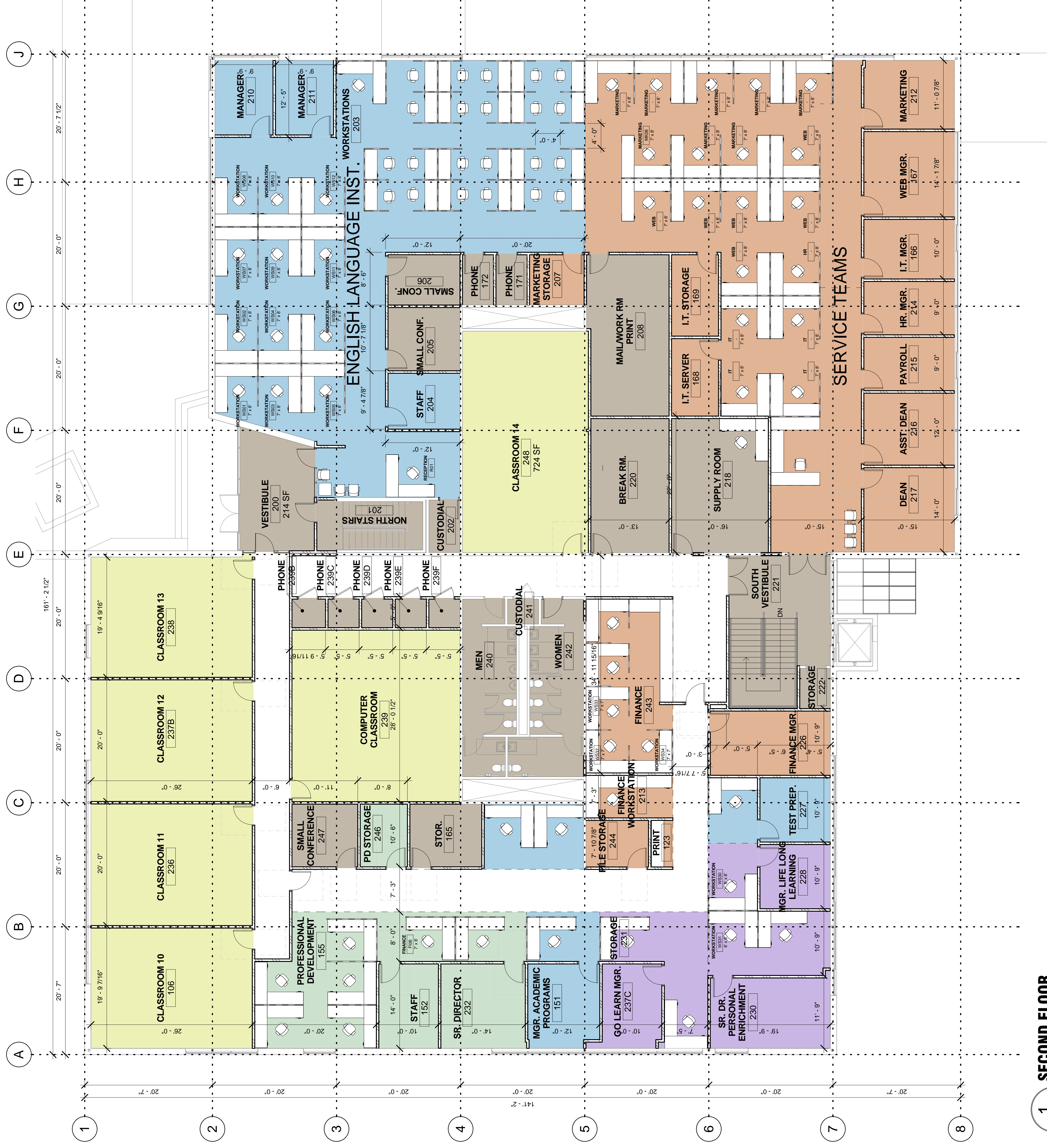
Table with columns: #, DATE, DESCRIPTION. Includes project details like PROJECT NO: 10252016 and AUTHOR: 16081.

SECOND FLOOR PLAN

1 SECOND FLOOR

Scale: 1/8" = 1'-0"

A102B



WALL LEGEND: NEW WALL, NEW WALL TO DECK, EXISTING WALL, DEMOLISHED WALL. GRAPHICAL LEGEND: MILLWORK

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Series 2017 Refunding Bond Issue

Issue

The University of Utah requests Board authorization to refund up to \$220,000,000 of previously issued revenue bonds dependent on favorable market conditions.

Background

Regent Policy R590, *Issuance of Revenue Bonds for Colleges and Universities* requires the Board of Regents to review and authorize the issuance and sale of revenue bonds to refund a prior bond issuance. Legislative authorization is not necessary. Recognizing that institutions may need flexibility to issue refunding bonds at the most favorable market conditions, the Regents amended Policy R590 to allow institutions to move forward with refunding opportunities without returning for additional approval from the Board.

The University of Utah requests authorization to issue refunding bonds of up to \$220,000,000 pending favorable market conditions. The issuance of these bonds is contingent on interest rates and meaningful savings available from the refunding of prior issued bonds or commercial paper as determined by the University. The attached resolution clarifies that the authorization to issue up to \$220,000,000 of refunding bonds supersedes any prior authorization.

The relevant parameters of the requested issue are:

- Principal amount not to exceed \$220,000,000
- Interest rate not to exceed 6.0%
- Discount from par not to exceed 2.0%
- Final maturity not to exceed 30 years from the date of issue

A copy of the Approving Resolution is attached. Representatives from the University will be in attendance at the meeting to provide additional information and answer questions from the Board.

Commissioner's Recommendation

The Commissioner recommends approval of the proposed Authorizing Resolution to refund prior issued University of Utah debt as proposed.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

APPROVING RESOLUTION
UNIVERSITY OF UTAH
GENERAL REVENUE REFUNDING BONDS

Salt Lake City, Utah

January 20, 2017

The State Board of Regents of the State of Utah (the “Board”) met in regular session (including by electronic means) at the University of Utah in Salt Lake City, Utah on January 20, 2017, commencing at 9:00 a.m. The following members were present:

Daniel W. Campbell	Chair
France A. Davis	Vice Chair
Ty Aller	Student Regent
Jesslie B. Anderson	Member
Nina Barnes	Member
Wilford W. Clyde	Member
Marlin K. Jensen	Member
Patricia Jones	Member
Steven J. Lund	Member
Robert S. Marquardt	Member
Steven R. Moore*	Member
Robert W. Prince	Member
Harris H. Simmons	Member
Spencer F. Stokes	Member
Mark R. Stoddard	Member
Teresa L. Theurer	Member
Joyce P. Valdez	Member
John H. Zenger	Member
[Vacant*]	

Absent:

Also Present:

David L. Buhler	Commissioner of Higher Education
Loreen Olney	Secretary

* Non-voting member from State Board of Education

After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result and after other matters not pertinent to this Resolution had been discussed, 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 State Board of Regents of the State of Utah University of Utah General Revenue Refunding Bonds.

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

AYE:

NAY:

The resolution is as follows:

RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING THE ISSUANCE AND SALE OF ITS UNIVERSITY OF UTAH GENERAL REVENUE REFUNDING BONDS, IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED \$220,000,000; 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 State Board of Regents of the State of Utah (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, Utah Code Title 11, Chapter 17, Utah Code and Title 11, Chapter 27, Utah Code (collectively, the “Act”); and

WHEREAS, in 2013 through 2016, the Board adopted resolutions (collectively, the “Prior Resolutions”) authorizing the issuance of general revenue and refunding bonds of the University for the purpose of financing and refinancing various projects and provided that the University could issue such bonds in multiple series and from time to time for a given period of time, with the option of the Board to extend this authorization in the future; and

WHEREAS, pursuant to the Prior Resolutions and a General Indenture of Trust dated as of July 1, 2013, between the Board 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 its General Revenue and Refunding Bonds to finance the projects authorized by the Prior Resolutions and to refund bonds and commercial paper of the University resulting in significant savings to the University; and

WHEREAS, the Board now desires to (i) authorize the issuance of additional bonds for the purpose of refunding any bonds or commercial paper of the University (superseding the refunding authorization of the Prior Resolutions, to the extent not previously utilized) and (ii) pay costs of issuance related thereto; 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 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 \$220,000,000 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, 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 STATE BOARD OF REGENTS OF THE STATE OF UTAH, 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 Vice President for Administrative Services 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 Vice President for Administrative Services 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) refunding all or any portion of the outstanding bonds or commercial paper issued by the Board on behalf of the University and (ii) 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 \$220,000,000. 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, Facilities and Accountability 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 at any time and from time to time, prior to January 20, 2019, with the option of the Board to extend this authorization in the future.

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 Vice President for Administrative Services 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. The Bonds shall be sold to the Purchasers with a Purchaser's discount of not to exceed 0.60% of the face amount of the Bonds. 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 Vice President for Administrative Services 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 Vice President for Administrative Services 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 price 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 Vice President for Administrative Services 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, Facilities and Accountability Committee, Commissioner of Higher Education and Secretary of the Board and the President and/or Vice President for Administrative Services of the University, are hereby authorized and directed to 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.

Section 10. 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/or Vice President for Administrative Services of the University are hereby authorized to 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 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 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 12. In accordance with the provisions of the Section 11-27-4, Utah Code, 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 January 20, 2017, the State Board of Regents of the State of Utah (the “Board”) adopted a resolution (the “Resolution”) in which it authorized the issuance of the Board’s University of Utah General Revenue 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 Two Hundred Twenty Million Dollars (\$220,000,000), to bear interest at a rate or rates of not to exceed six percent (6.0%) per annum, to mature not later than thirty (30) 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 a portion of the Board’s outstanding revenue bonds and commercial paper issued to finance facilities and improvements for the University of Utah (the “University”) and paying costs of issuance of the Bonds.

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 20th day of January, 2017.

/s/ Loreen Olney

Secretary

Section 13. 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 irrevocable 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 14. 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 15. 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 16. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE STATE BOARD OF REGENTS OF THE
STATE OF UTAH THIS 20TH DAY OF JANUARY, 2017.

STATE BOARD OF REGENTS OF THE
STATE OF UTAH

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)
 : ss.
COUNTY OF SALT LAKE)

I, Loreen Olney, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

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 January 20, 2017 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 20th day of January, 2017.

Secretary

(SEAL)

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Loreen Olney, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents 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 January 20, 2017 public meeting held by the Members of the State Board of Regents 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 State Board of Regents 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 State Board of Regents 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 State Board of Regents, 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 State Board of Regents;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2016-2017 Annual Meeting Schedule of the State Board of Regents was given, specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during said years, by causing a Notice of Annual Meeting Schedule for the State Board of Regents, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah in September 2015; (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 State Board of Regents pursuant to its subscription to the Utah Public Notice Website (<http://pmn.utah.gov>); and

(c) the State Board of Regents 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 State Board of Regents and to members of the public at least 24 hours before the meeting to allow members of the State Board of Regents and the public to participate in the meeting, including a description of

how they could be connected to the meeting. The State Board of Regents 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 State Board of Regents of the State of Utah, this 20th day of January, 2017.

(SEAL)

Secretary

SCHEDULE 1

NOTICE OF PUBLIC MEETING

(See Transcript Document No. ____)

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	\$220,000,000
Interest rate not to exceed	6.0%
Discount from par not to exceed	2.0%
Final maturity not to exceed	Thirty (30) years from the date thereof
May be non-callable or callable at the option of University as determined at the time of sale	

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Utah State University – Property Acquisition

Issue

Utah State University (USU) requests Board approval to purchase 43.24 acres in Dayton, Idaho for agricultural research. USU would purchase the property at the appraised value of \$300,000 with institutional revenues.

Background

Regent Policy R710, *Capital Facilities* requires the Board of Regents to approve nonadjacent institutional property purchases that exceed \$100,000. USU requests Board approval to purchase 43.24 acres of agricultural land and 42 shares of water in Dayton, Idaho. The property would be used for tree research as well as crop and livestock production. The University requests approval to purchase the property for the appraised value of \$300,000 using farm commodity revenues. No state funds will be requested for operation and maintenance or future capital improvements.

Additional information about this request may be found in the attached letter from the University with accompanying exhibits, as well as a summary of the appraisal report. Representatives from Utah State University will be in attendance at the meeting to provide additional information and respond to questions from the Board.

Commissioner's Recommendation

The Commissioner recommends that the Board authorize Utah State University to acquire agricultural land and water shares in Dayton, Idaho.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

December 19, 2016

Commissioner David L. Buhler
Utah State Board of Regents
Board of Regents Building The Gateway
60 South 400 West
Salt Lake City, Utah 84101-1284

Subject: Real Property Acquisition

Dear Commissioner Buhler:

Utah State University (USU) desires to acquire a parcel of agricultural land and water shares located at approximately 2000 North 4000 West, Dayton, Idaho as shown on the aerial photo in the attached Exhibit A. The property is 43.24 acres in size and includes 42 shares of water.

The property and water will be purchased from Dayton Perennials for the recently appraised value of \$300,000. Acquiring the property will enable USU to continue its research on the Black Walnut, Pecan, Hazelnut, and Butternut trees located on the property. USU will raise crops for livestock on the portion of ground that has no orchards. Funding for the acquisition and ongoing operation and maintenance costs will be funded by farm commodity revenues. No state O&M funds will be requested at this time.

We appreciate your support and ask that you present this item to the Board of Regents during the January 20, 2017 meeting. This request received Board of Trustees approval on January 6, 2017.

Sincerely,



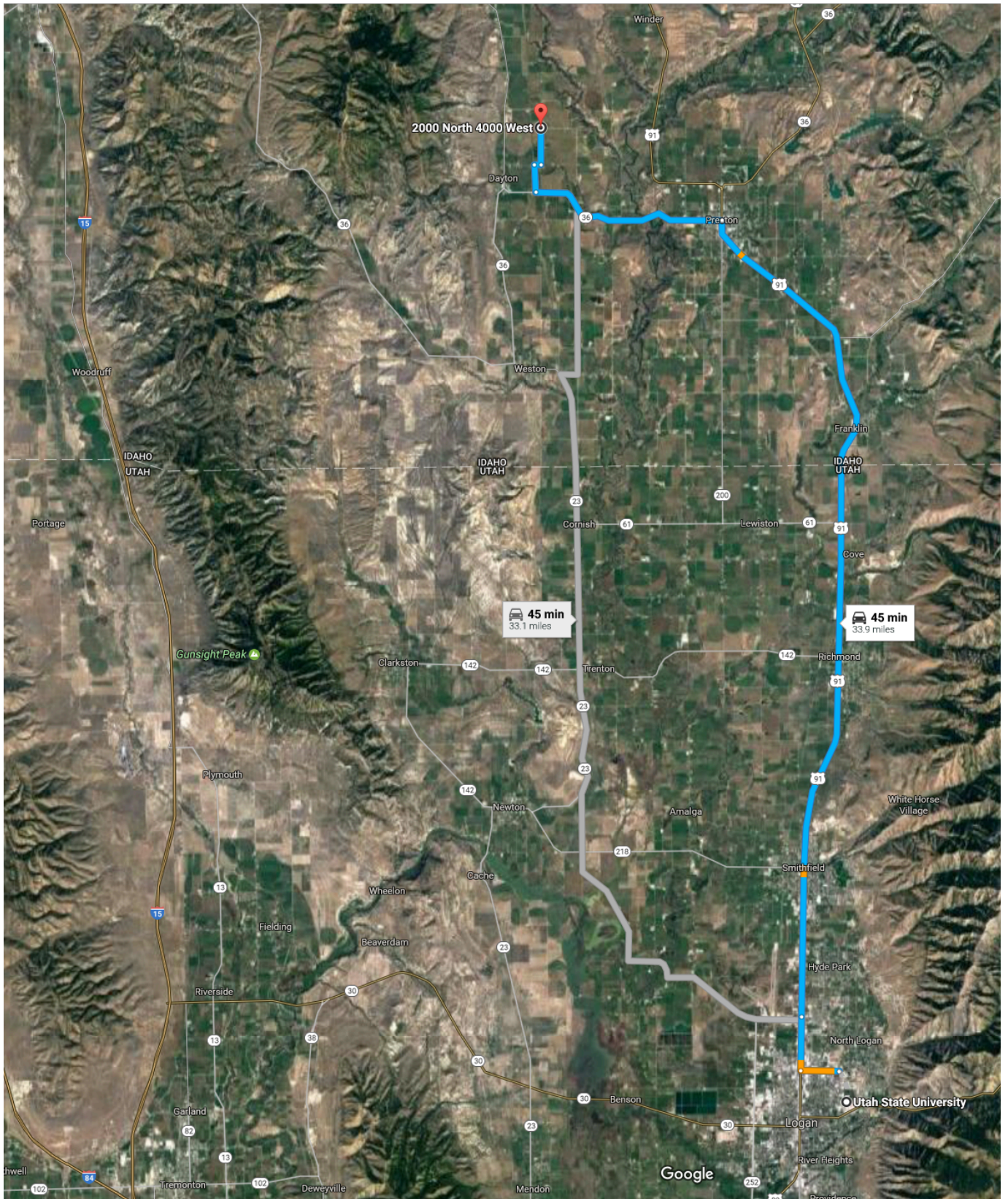
David T. Cowley
Vice President for
Business and Finance

C: Kimberly Henrie, Associate Commissioner for Finance & Facilities
Rich Amon, Assistant Commissioner for Business Operations
Stan Albrecht, President
Charles Darnell, Associate Vice President for Facilities

EXHIBIT A



EXHIBIT B



Uniform Agricultural Appraisal Report

Dayton Perennials, LLC
43.24 Acres
Dayton, Idaho - Franklin County
October 28, 2016



Prepared For:

Dayton Perennials
Attn: Carol Petersen
11895 West 10400 North
Tremonton, UT 84337

Intended User:

Trustee of the Reed and Donna Funk Family Trust

Prepared By:

Craig Warren, ARA
Certified General Appraiser #CGA-188
P.O. Box 32
Smithfield, UT 84335

Date Prepared:

November 1, 2016

Uniform Agricultural Appraisal Report

Property Identification	Owner/Occupant: <u>Dayton Perennials, LLC</u>	Total Deeded Acres: <u>43.24</u>
	Property Address: <u>Not identified by county</u>	Effective Unit Size: <u>43.24</u>
	State/County: <u>ID / Franklin</u>	Zip Code: <u>83232</u>
	Property Location: <u>Within Corporate limits of the City of Dayton, Idaho</u>	Property Code #: _____
	Highest & Best Use: <u>Agricultural Investment "As If" Vacant</u>	FAMC Com'dity Gp: _____
	<u>Agricultural Investment "As Improved"</u>	Primary Land Type: <u>Irrg Land</u>
	Zoning: <u>Agriculture</u>	Primary Commodity: <u>Alfalfa</u>
	Unit Type: <input type="checkbox"/> Economic Sized Unit <input checked="" type="checkbox"/> Supplemental/Add-On Unit	
	FEMA Community # <u>Map not available</u> FEMA Map # _____ FEMA Zone/Date: _____	
	Legal Description: _____ SEC _____ TWP _____ RNG _____ Attached <input checked="" type="checkbox"/>	
	Purpose of Report: <u>Report Market Value, together with relevant market and subject property information and analysis</u>	
	Use/Intended User(s): <u>Estate and Family purposes - Reed and Donna Funk Family Trust</u>	
	Rights Appraised: <u>Fee Simple</u>	
	Value Definition: <u>Market Value</u> Attached <input checked="" type="checkbox"/>	
	Assignment: <u>Appraisal</u> Report Type: <u>Summary Report</u>	
Extent of Process/Scope of Work: A physical inspection of the subject property was completed on October 28, 2016. Carol Petersen was interviewed about the property marketing, production, and improvements. Additional information on the subject property was obtained from government and private sources. Comparable sales were researched and inspected. The sales comparison and income approaches to value were completed and were determined to be applicable and reliable in this instance. (see additional comments on next page.)		

Summary of Facts and Conclusions

Appraisal Report Summary	Date of Inspection: <u>10/28/16</u> Effective Date of Appraisal: <u>10/28/16</u>																																																																																
	Value Indication																																																																																
	- Cost Approach: \$ <u>300,165</u>																																																																																
	- Income Approach: \$ <u>331,718</u>																																																																																
	- Sales Comparison Approach: \$ <u>N/A</u>																																																																																
	Opinion of Value: (Estimated Marketing Time <u>6-12</u> months) \$ <u>300,000</u>																																																																																
	Cost of Repairs: \$ <u>0</u> Cost of Additions: \$ <u>0</u>																																																																																
	Allocation:																																																																																
	Land: \$ <u>259,275</u> \$ <u>5,996</u> / acre (<u>86</u> %)																																																																																
	Land Improvements: \$ _____ \$ <u>0</u> / acre (<u>0</u> %)																																																																																
	Structural Improvement Contribution: \$ <u>37,350</u> \$ <u>864</u> / acre (<u>12</u> %)																																																																																
	Non-Realty Items: \$ <u>3,375</u> \$ <u>78</u> / acre (<u>1</u> %)																																																																																
	Leased Fee Value (Remaining term of encumbrance _____) \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)																																																																																
	Leasehold Value: \$ _____ \$ <u>0</u> / _____ (<u>0</u> %)																																																																																
	Overall Value: \$ <u>6,938</u> / acre (<u>100</u> %)																																																																																
Income and Other Data Summary: <input checked="" type="checkbox"/> Cash Rent <input type="checkbox"/> Share <input type="checkbox"/> Owner/Operator <input type="checkbox"/> FAMC Suppl. Attached																																																																																	
Income Multiplier _____ () Income Estimate: \$ <u>164.06</u> / acre (unit)																																																																																	
Expense Ratio <u>23.78</u> % Expense Estimate: \$ <u>39.01</u> / acre (unit)																																																																																	
Overall Cap Rate: <u>1.63</u> % Net Property Income: \$ <u>125.05</u> / acre (unit)																																																																																	
Area-Regional-Market Area Data and Trends:	Subject Property Rating:																																																																																
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USPAP, Organizational, or Other Requirements

Report Type: Summary Report
Date of Inspection: 10/28/16 **Date of Value Opinion:** 10/28/16 **Date of Report:** 11/1/16

Scope of Work *(Describe the amount and type of information researched and the analysis applied in this assignment. The Scope of Work includes, but is not limited to the degree and extent of the property inspection; the extent of research into physical and economic factors affecting the property; the extent of data research; and the type and extent of analysis applied to arrive at the opinions or conclusions. Additionally, describe sales availability & ability to demonstrate market - "as vacant" - and "as improved" if applicable - or describe sales available to form value opinion "as completed" or proposed if requested; describe income sources and ability of income to support existing or proposed construction; discuss extent of third party verification of RCN, if applicable.):*

An appraisal is an orderly process wherein the data utilized in estimating the value of the subject property is acquired, classified, analyzed and presented. The first step in this process involves defining the appraisal problem as to the identification of the property rights being appraised, and the type of value being sought. Once this has been accomplished, the appraiser embarks upon a data collection and analysis program of factors which effect the market value of the subject property including area and neighborhood analysis, land and improvement analysis, highest and best use analysis, and the application of the available approaches to value which are generally, the Cost Approach, the Income Approach, and the Sales Comparison Approach.

GENERAL DATA COLLECTION, CONFIRMATION AND REPORTING

During the physical inspection of the subject property, factual information regarding the subject property was gathered from the owner, Natural Resources Conservation Service, County Courthouse, and the Farm Service Agency. Area-regional and neighborhood information along with market conditions was compiled from: Chamber of Commerce Brochures, United States Census publications, United States Department of Agriculture publications, Idaho Agricultural Census, and the 2016 Economic Report to the Governor. The highest and best use opinion was developed from factual information of the subject property, the area and neighborhood data, and zoning regulations obtained from the County Courthouse.

SALES DATA COLLECTION, CONFIRMATION, AND REPORTING

The scope of the data includes information on sales in Franklin County, Idaho. The search for comparable sales in the subject area for comparison to the subject property consisted of three steps: 1) review of the appraiser's sales database, 2) conversations with local real estate professionals, loan officers, appraisers and local landowners, & 3) research of public records and deeds. The appraiser completed on-site inspections of the sales and verified them by either the buyer, seller, courthouse records, real estate agent, or other knowledgeable persons. Factual information regarding the comparable sales has been gathered from the property owner/operator, tenant, Natural Resources Conservation Service, the County Courthouse, and the Farm Service Agency.

Subject Property Sale & Marketing History: *(Analyze and report any agreements of sale, options, or current listings as of the date of the appraisal - and all sales within three (3) years prior to the effective date of appraisal. For UASFLA assignments, report the details of the LAST SALE OF THE SUBJECT - no matter when it occurred):* The subject property has been owned by the Funk family for several years. A For Sale sign was placed on the property and a listing on KSL.com was active for about 6 months with an asking price of \$300,000. Real Estate agents were also contacted, but the property was not listed. A verbal offer of \$225,000 was received.

Market Conditions *(Volume of Competing Listings, Volume of Sales, Amenities Sought by Buyers):* The market has been active over the past two years. There are a few recent sales of farm acreages in the area. Most buyers in the market are neighboring land owners wanting to expand their operations.

Approaches to Value *(Explain Approaches Used and/or Omitted):* The subject includes building improvements with contributory value. The cost approach is applicable in this instance. The Income Approach is not as reliable due to the lack of truly comparable sales and also because comparable sales have relatively low cap rates. Low rates translate into highly volatile value estimations with the slightest change in income or expense. The approach has been used in this instance. There are no recent sales of farm properties that included a metal building similar to the subject building. For this reason, the sales comparison approach was not used in this instance. The cost approach was determined to be the most applicable and reliable in this instance.

Appraiser Certification

I certify that, to the best of my knowledge and belief:

- 1. the statements of fact contained in this report are true and correct.
- 2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analysis, opinions, and conclusions.
- 3. I have no the specified present or prospective interest in the property that is the subject of this report and I have no the specified personal interest with respect to the parties involved.
- 4. I have performed no the specified services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 5. I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- 6. my engagement in this assignment was not contingent upon developing or reporting predetermined results.
- 7. my compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- 8. my analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- 9. I have have not made a personal inspection of the property that is the subject of this report.
- 10. no one the specified persons provided significant real property appraisal assistance to the person signing this certification.

I appraised the subject property along with two other parcels in December 2013.

Effective Date of Appraisal: 10/28/16

Opinion of Value: \$ 300,000

Appraiser:

Signature: Craig Warren, ARA

Property Inspection: Yes No
Inspection Date: 10/28/16

Name:	Craig Warren, ARA
License #:	CGA-188 (Idaho)
Certification #:	

Appraiser has inspected verified analyzed the sales contained herein.

Date Signed: 11/01/16

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Capital Facilities Policies; Repeal R701, R710, R720 and Adopt R701, R702, R703, R704, R705, R706

Issue

Regent Policy R710, *Capital Facilities*, governs institutional requests for new facilities, the acquisition and disposal of institutional property, and facility leasing. The proposed modifications will establish five separate policies and clarify procedural requirements regarding how capital facilities transactions will be handled in USHE. In addition, Regent Policy R701, *Selected Provisions from the State Building Board and DFCM Statutes*, should be deleted and Regent Policy R720, *Capital Facilities Master Planning*, should be revised and renumbered.

Background

Utah code delegates authority to the Board of Regents to control and manage the real property of the Utah System of Higher Education. The Board may acquire, construct, and remodel facilities as well as purchase and dispose of real property. Regent Policy R710 clarifies the role of the State Board of Regents, institutional Boards of Trustees, the Office of the Commissioner, and USHE institutions in fulfilling those statutory duties. Over time Regent Policy R710 has grown to nine pages with multiple subsections and topics.

In the November meeting the Board of Regents discussed several questions regarding the level of approval needed and the dollar thresholds recommended for institutional property transactions requiring Board approval. The questions and respective responses from that meeting are included below:

1. **Adjacent vs. non-adjacent property transactions**

Is there a continued need to distinguish between transactions for property adjacent to and non-adjacent to campus in the policy? **No. All property acquisitions under \$500,000 will be delegated to Institutional Boards of Trustees for approval regardless of adjacency to campus. The distinction between adjacent and non-adjacent property will be removed. Making this change would have removed 5 of the 16 property acquisition agenda items brought before the Board of Regents over the last three years.**

2. **Locations outside of an institution's defined "Service Area"**
Staff proposes that Board approval is required for any property purchased or leased outside of an institution's "Service Area" – does the Board concur with that requirement? **Yes. All transactions involving property located outside of an institution's service area will require Regent approval.**

3. **Level of awareness regarding UU Healthcare System property transactions**
The Board has delegated all property transactions, lease reviews, and final approvals for the Healthcare System to the University of Utah Board of Trustees – what level of reporting would the Board like to see on these property transactions (if any)? **University of Utah Trustees will continue to have delegated authority to approve all leases and property transactions for the University Healthcare System. The institution will be required to submit an annual report of the property transactions approved by their Board of Trustees.**

4. **Board of Trustee delegation of property disposal transactions**
Should the Board delegate any authority to dispose of property, either adjacent (contiguous) or non-adjacent (non-contiguous) to institutional Boards of Trustees (current policy requires all disposal proposals be presented to the Board for action)? **Yes. Disposal of property under \$500,000 that conforms to Policy R704 (sold at or above fair market value, is declared surplus, etc.) will be delegated to Boards of Trustees for approval. This change would have removed 5 of the 8 property disposal agenda items brought before the Board of Regents over the last three years.**

5. **President delegation for minor property disposal transactions <\$50,000**
Does the Board concur with the addition of a new section allowing institutions to engage in minor property disposals for easements, right-of-ways, and other adjustments under \$50,000? **This item will be subsumed in #4 above and will not be necessary.**

6. **Dollar thresholds requiring Board approval**
Does the Board concur with distinguishing between the University of Utah and other institutions for setting a threshold for reporting leases to the Board? Are the thresholds sufficient throughout the policy and do they align with Board expectations? **Yes. The Boards of Trustees will be delegated authority to enter into lease agreements for annual leases costing \$250,000 or less for the University of Utah and \$100,000 or less for all other institutions. This change will have minimal impact on the number of Regent agenda items as institutions rarely lease property over the threshold required for Board approval.**

To incorporate the Boards responses to the questions posed and to provide clarity around how capital facilities transactions should be handled, the Commissioner's Office recommends establishing five separate policies:

- R701, *Capital Facilities*
- R702, *Non-State Funded Projects*
- R703, *Acquisition of Real Property*
- R704, *Disposal of Real Property*
- R705, *Leased Space*

In addition to creating the more manageable policies, an effort was made to simplify and clarify the associated procedures. Changes made to the procedural aspects of the original policy R710 include:

- Reference to statute for capital development and capital improvement definitions
- Clarification of procedures for approval of state-funded projects and capital improvement requests to better reflect practice and statutory requirements
- Removal of the requirement that any construction or remodeling project costing over \$1 million be approved by the Board and instead require Board approval for any capital project needing Building Board or Legislative approval
- Clarification of types of property transactions and lease dollar thresholds for the delegation of authority to institutional Boards of Trustees:
 - Up to \$500,000 for property acquisitions
 - Up to \$500,000 for disposal of property deemed surplus
 - Up to \$100,000 (\$250,000 for the University of Utah) for leases of no more than 10 years
 - All property transactions and leases for the University of Utah Health Care System
 - No property transactions or leases outside of institutional service area designations without Board of Regents approval

The inclusion of statutory references in each of the new policies alleviates the need to have the separate policy citing statute – R701, *Selected Provisions from the State Building Board and the Division of Facilities Construction and Management Statutes*. This policy should be deleted.

Several of the procedures in these policies reference Regent Policy R720, *Capital Facilities Master Planning*, which was also revised and is recommended for renumbering as Regent Policy R706, *Capital Facilities Master Planning*. Changes to Regent Policy R720 are minor with one section moving to Regent Policy R701, *Capital Facilities* and the other sections being modified for organization and readability.

Commissioner's Recommendation

The Commissioner recommends the Regents delete Policies R701, R710, and R720 and in their place approve the new R701, R702, R703, R704, R705, and R706 policies, effective immediately.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachments

R701-1 Purpose: To establish the respective roles of the State Board of Regents, the Boards of Trustees and the Presidents regarding capital facilities and institutional requests for new capital facility projects.

R701-2 References

- 2.1. Utah Code §53B-6-101 (Master Plan for Higher Education - Studies and Evaluations)
- 2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights - Title and Control)
- 2.4. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- 2.5. Regent Policy R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. Regent Policy R706, Capital Facilities Master Planning
- 2.7. Regent Policy R741, Capital Development Prioritization

R701-3 Definitions

- 3.1. **"Capital Facilities"** – Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. **"Capital Development"** This policy adopts the definition established in Utah Code 63A-5-104(1)(a).
- 3.3. **"Capital Improvement"** This policy adopts the definition established in Utah Code 63A-5-104(1)(b).
- 3.4. **Remodeling:** includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

R701-4 Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

4.1. Remodeling: Institutions should remodel existing capital facilities for the purpose of changing the building's function only when the project is justified by and consistent with the the institution's mission and in accord with the Board of Regents' previously approved goals and objectives.

R701-5. State Funded Capital Projects Approvals

5.1. Boards of Trustee Review of Requests: Institutions shall obtain approval from their respective Boards of Trustees before they may submit a request funding for capital development and capital improvement projects to the Board of Regents. Boards of Trustees shall ensure that proposed project requests are consistent with the institution's Master Plan, the role assignment of the institution, and institutional goals and objectives.

5.2 Commissioner's Office Recommendations: The Commissioner and his staff shall provide annual recommendations for capital facilities development and improvement projects based on approved prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

5.3 Regent Prioritization of State Funded Projects: The Board shall annually prioritize capital development projects for the System of Higher Education in accordance with Regent Policy R741, *Capital Development Prioritization*, and submit final recommendations to the State Building Board, the Governor, and the State Legislature.

R701-6. Submission of Capital Improvement Requests – Each year institutions shall submit to the Utah State Building Board and the Board of Regents a prioritized list of projects for funding through the state capital improvement program.

6.1. Non-inclusion of Equipment: Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement.

6.2. Non-inclusion of Normal Maintenance: Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget and may not be included as a component of a capital improvement project. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).

R701-7 Responsibilities of Institutional Presidents. Presidents or their designees may:

7.1. Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.

7.2. Routine Repair and Maintenance: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.

7.3. Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.

7.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.

R701-1 Purpose: To ~~clarify~~ establish the respective roles of the State Board of Regents, ~~that of the institutional~~ Boards of Trustees and ~~of the institutional~~ Presidents ~~with respect to~~ regarding capital facilities and institutional requests for new capital facility projects.

R701-2 References

- 2.1. Utah Code §53B-6-101 (Master Plan for Higher Education - Studies and Evaluations)
- 2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)
- 2.3. Utah Code §53B-20-101 (Property Rights - Title and Control)
- 2.4. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- 2.5. ~~Policy and Procedures~~ Regent Policy R711, State Building Board Delegation of Capital Facilities Projects
- 2.6. ~~Policy and Procedures R720~~ Regent Policy R706, Capital Facilities Master Planning
- 2.7. Regent Policy R741, Capital Development Prioritization

R701-3 Definitions

- 3.1. **"Capital Facilities"** – Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.
- 3.2. **"Capital Development"** This policy adopts the definition established in Utah Code 63A-5-104(1)(a). ~~defines a capital development as any:~~
 - ~~remodeling, site, or utility projects with a total cost of \$2,500,000 or more;~~
 - ~~new facility with a construction cost of \$500,000 or more; or,~~
 - ~~purchase of real property where an appropriation is requested to fund the purchase.~~

~~3.2.1.—"New Facility" means the construction of any new building on state property regardless of funding source, including~~

- ~~an addition to an existing building; and~~
- ~~the enclosure of space that was not previously fully enclosed.~~

~~3.2.2.—"New facility" does not include:~~

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state-owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.

3.3. "Capital Improvement" This policy adopts the definition established in Utah Code 63A-5-104(1)(b). defines a capital improvement as any:

- remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
- site and utility improvement with a total cost of less than \$2,500,000; or
- new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and
- (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.

~~3.3.1.—Submission of Capital Improvement Requests—~~ Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).

3.4. "~~Capital Investment Plan~~": ~~Integrated scheduling of capital developments and improvements over a five year planning period.~~ Remodeling: includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

R701-4 Policy

~~4.1.—Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.~~

~~4.2.—Purpose: The purpose of these policies is to develop and maintain a well-planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.~~

4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources

and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

4.41. Remodeling: ~~Institutions should~~ Remodeling of remodel existing capital facilities for the purpose of changing the building's function ~~will be undertaken~~ only when the ~~need for such a~~ project is justified by and ~~is~~ consistent with the ~~role assignment of~~ the institution's mission ~~involved~~ and in accord with the Board of Regents' previously approved goals and objectives ~~set by the State Board of Regents~~. ~~The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.~~

4.5R701-5. The State Board of Regents Will: State Funded Capital Projects Approvals

5.1. Boards of Trustee Review of Requests: Institutions shall obtain approval from their respective Boards of Trustees before they may submit a request funding for capital development and capital improvement projects to the Board of Regents. Boards of Trustees shall ensure that proposed project requests are consistent with the institution's Master Plan, the role assignment of the institution, and institutional goals and objectives.

~~4.5.1. Programmatic Planning—Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.~~

~~4.5.2. Campus Facilities Master Plans—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.~~

~~4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval—Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:~~

~~4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature—These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization—CDP.~~

~~4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds—Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.~~

~~4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required—Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.~~

~~4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design—Requests to the Building Board for approval to use donated or~~

institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

4.5.4. Acquisition and Disposal of Real Property

4.5.4.1 Property Acquisitions Requiring Approval—Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

4.5.4.1.1. Required Appraisal—For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.

4.5.4.1.2. Guidelines—The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.

4.5.4.1.2.1. Proof of Clear Title—Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.

4.5.4.1.2.2. Phase I Environmental Assessment or Greater—A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

4.5.4.1.2.3. Code and Requirements Review—Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.

4.5.4.1.2.4. Engineering Assessment—For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.

4.5.4.1.2.5. Past Maintenance and Operational Expenses—Where possible, past maintenance and operational expense histories should be obtained.

~~4.5.4.1.2.6. Situs, Zoning, and Planning Information—This information should be obtained where applicable or when it is determined to be needed.~~

~~4.5.4.1.2.7. Land Survey—An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.~~

~~4.5.4.2. Property Acquisitions Adjacent to Campuses—The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:~~

~~4.5.4.2.1.—Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.~~

~~4.5.4.2.2.—Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU—Eastern.~~

~~4.5.4.2.3.—All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value~~

~~4.5.4.2.4.—Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.~~

~~4.5.4.2.5.—This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.~~

~~4.5.4.2.6. Reporting of Property Acquisitions—Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives—Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.~~

~~4.5.4.4. Disposal of Property—Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.~~

~~4.5.4.4.1. Determination of Surplus Property—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.~~

~~4.5.4.4.2. Fair Market Value—Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.~~

~~4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:~~

~~4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.~~

~~4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:~~

- ~~a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);~~
- ~~b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)~~

~~4.5.4.5.3. Reporting of Property Disposals—Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives—The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:~~

~~4.5.7. Projects Funded from Non-State Appropriated Funds—Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:~~

~~4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange of Capital Assets: Proposals for projects funded in whole or in part from an adjustment in~~

student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

4.5.7.2.—Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non-state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.

4.5.8.—Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

(b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self-support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.

(c) The Board, on a case-by-case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.

4.5.8.1.—O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O &

~~M funding plan with additional revenue to support the new space to be credited to its O & M accounts.~~

~~**4.5.8.2.— Board Approval of O & M Funding Plan:** The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.~~

~~**4.5.9.— Leased Space:** Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10 year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.~~

~~**4.6.— The Commissioner Is Authorized to:**~~

~~**4.6.1.— Recommendations:**~~

~~**5.2 Commissioner's Office Recommendations:** The Commissioner and his staff shall provide~~ Propose annual recommendations for capital facilities development and improvement projects based on approved ~~capital facilities qualification and~~ prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

~~**5.3 Regent Prioritization of State Funded Projects:** The Board shall annually prioritize capital development projects for the System of Higher Education in accordance with Regent Policy R741, *Capital Development Prioritization*, and submit final recommendations to the State Building Board, the Governor, and the State Legislature.~~

~~**4.7.— Institutional Boards of Trustees Are Authorized to:**~~

~~**4.7.1.— Facilities Master Plans:** Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.~~

~~**4.7.2.— Requests for Appropriated Funds:** Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.~~

~~**4.7.3.— Inconsistent Projects:** Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the~~

~~State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.~~

~~Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:~~

- ~~• construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;~~
- ~~• is inconsistent with the role assignment of the institution involved; or,~~
- ~~• is not in accord with previously approved institutional goals or objectives.~~

~~4.7.4.—Public Hearings: Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.~~

R701-6. Submission of Capital Improvement Requests – Each year institutions shall submit to the Utah State Building Board and the Board of Regents a prioritized list of projects for funding through the state capital improvement program.

6.1. Non-inclusion of Equipment: Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement.

6.2. Non-inclusion of Normal Maintenance: Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget and may not be included as a component of a capital improvement project. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).

R701-7 Responsibilities of 4.8: Institutional Presidents. ~~Are Authorized to~~ Presidents or their designees may:

4.87.1. Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.

4.87.2. Routine Repair and Maintenance: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.

4.87.3. Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.

4.87.4. Accept Completed Facilities: Accept completed capital facilities from the DFCM.

R02-1 Purpose: To provide guidelines and requirements for institutional requests to program, plan, design, or construct a facility using non-state funds.

R710-2 Definitions

2.1. Non-State Funded Project: any capital development project whose source of funding comes from anything other than state funds appropriated by the Utah State Legislature.

2.2. Capital Development: has the same definition as Utah Code 63A-5-104(1)(a).

R702-3 Requests for Non-State Funded Projects: Regardless of the funding source, the Board of Regents shall review and authorize institutional requests for non-state funded projects that require Building Board or Legislative approval before the requests are submitted to those bodies. Such requests shall be based upon the programmatic planning and facilities master planning requirements of Regent Policy R707, *Capital Facilities Master Planning*. Types of funding sources include:

3.1. Projects Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for capital development projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

3.2. Projects Funded from Private Sources: The institutional Board of Trustees must approve capital development projects funded through private sources or a combination of private sources and other non-state funds before the president may submit the request to the Board of Regents for consideration.

3.3. Projects for which Legislative Revenue Bonding Authorization is Required: Institutions shall submit capital development projects requiring revenue bonding to the Board of Regents for approval as required by Regent Policy R590, *Issuance of Revenue Bonds for Higher Education*.

3.4. Requests to use Donated or Institutional Funds for Planning and Design: Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

R702-4. Operating and Maintenance (O & M) Costs on Non-State Funded Projects: A capital development project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the institution's programmatic planning and facilities master plan requirements.

4.1 Excess Space: If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

4.2. Non-Academic Space: In most cases, a capital development project that is not primarily for approved for academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. If the institution requests to the Board of Regents to allow state-funded O & M, it shall include a detailed statement showing how space types included in the facility will relate to important institutional activities.

4.3. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institution's proposal must explain how it will pay the ongoing O & M as defined by the State Building Board. When making arrangements for ongoing O & M funding, institutions shall give first priority to separate non-state funding assured through private contracts or an O & M endowment established by a private donor; second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

R02-1 Purpose: ~~To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities~~ to provide guidelines and requirements for institutional requests to program, plan, design, or construct a facility using non-state funds.

R710-2 **References**

- ~~2.1. Utah Code §53B-6-101 (Master Plan for Higher Education – Studies and Evaluations)~~
 - ~~2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)~~
 - ~~2.3. Utah Code §53B-20-101 (Property Rights – Title and Control)~~
 - ~~2.4. Utah Code Title 63A, Chapter 5 (State Building Board – Division of Facilities Construction and Management)~~
 - ~~2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects~~
 - ~~2.6. Policy and Procedures R720, Capital Facilities Master Planning~~
- Definitions

2.1. **Non-State Funded Project:** any capital development project whose source of funding comes from anything other than state funds appropriated by the Utah State Legislature.

2.2. **Capital Development:** has the same definition as Utah Code 63A-5-104(1)(a).

R702-3 **Definitions**

~~3.1. **“Capital Facilities”** – Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.~~

~~3.2. **“Capital Development”** – Utah Code 63A-5-104(1)(a) defines a capital development as any:~~

- ~~• remodeling, site, or utility projects with a total cost of \$2,500,000 or more;~~
- ~~• new facility with a construction cost of \$500,000 or more; or,~~
- ~~• purchase of real property where an appropriation is requested to fund the purchase.~~

~~3.2.1. **“New Facility”** means the construction of any new building on state property regardless of funding source, including~~

- ~~• an addition to an existing building; and~~
- ~~• the enclosure of space that was not previously fully enclosed.~~

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

~~3.2.2. "New facility" does not include:~~

- ~~• the replacement of state-owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or~~
- ~~• the construction of facilities that do not fully enclose a space.~~

~~3.3. "Capital Improvement" Utah Code 63A-5-104(1)(b) defines a capital improvement as any:~~

- ~~• remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;~~
- ~~• site and utility improvement with a total cost of less than \$2,500,000; or~~
- ~~• new facility with a total construction cost of less than \$500,000.~~

~~Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:~~

- ~~(i) the capital improvement project or multiple projects require more than one year to complete; and~~
- ~~(ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.~~

~~3.3.1. Submission of Capital Improvement Requests— Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).~~

~~3.4. "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five-year planning period.~~

~~R710-4 Policy~~

~~4.1. Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.~~

~~4.2. Purpose: The purpose of these policies is to develop and maintain a well-planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.~~

~~4.3. Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources~~

and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

4.4. — Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

4.5. — The State Board of Regents Will:

4.5.1. Programmatic Planning — Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.

4.5.2. Campus Facilities Master Plans — Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.

4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval — Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:

4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature — These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization — CDP.

4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds — Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.

4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required — Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.

4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design — Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

4.5.4. Acquisition and Disposal of Real Property

4.5.4.1 Property Acquisitions Requiring Approval — Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval all institutional requests for

real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

4.5.4.1.1. Required Appraisal—For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.

4.5.4.1.2. Guidelines—The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.

4.5.4.1.2.1. Proof of Clear Title—Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.

4.5.4.1.2.2. Phase I Environmental Assessment or Greater—A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

4.5.4.1.2.3. Code and Requirements Review—Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.

4.5.4.1.2.4. Engineering Assessment—For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.

4.5.4.1.2.5. Past Maintenance and Operational Expenses—Where possible, past maintenance and operational expense histories should be obtained.

4.5.4.1.2.6. Situs, Zoning, and Planning Information—This information should be obtained where applicable or when it is determined to be needed.

4.5.4.1.2.7. Land Survey—An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.

~~4.5.4.2. Property Acquisitions Adjacent to Campuses—The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:~~

~~4.5.4.2.1.—Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.~~

~~4.5.4.2.2.—Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU Eastern.~~

~~4.5.4.2.3.—All purchases must have a supporting appraisal, made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value~~

~~4.5.4.2.4.—Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.~~

~~4.5.4.2.5.—This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.~~

~~4.5.4.2.6. Reporting of Property Acquisitions—Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives—Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.~~

~~4.5.4.4. Disposal of Property—Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.~~

~~4.5.4.4.1. Determination of Surplus Property—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.~~

~~4.5.4.4.2. Fair Market Value—Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.~~

~~4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated~~

or gifted real property that is not contiguous to campus boundaries subject to the following conditions:

~~4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.~~

~~4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:~~

- ~~a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);~~
- ~~b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)~~

~~4.5.4.5.3. Reporting of Property Disposals—Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives—The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:~~

~~4.5.7. Requests for Projects Funded from Non-State Appropriated Funds Funded Projects – Regardless of the funding source, the Board of Regents shall review and approve authorize institutional project requests for non-state funded projects planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows that require Building Board or Legislative approval before the requests are submitted to those bodies. Such requests shall be based upon the programmatic planning and facilities master planning requirements of Regent Policy R707, Capital Facilities Master Planning. Types of funding sources include:~~

~~4.5.7.13.1. Projects Funded from Student Fees, Contractual Debt, or Disposal or Exchange or Capital Assets: Proposals for capital development projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.~~

~~4.5.7.23.2. **Projects Funded from Private Sources:** Major construction or remodeling projects (defined as projects costing more than \$1,000,000) The institutional Board of Trustees must approve capital development projects funded through private sources or a combination of private sources and other non-state funds shall be approved by the institutional Board of Trustees before the president may submit the request to the Board of Regents for consideration. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.~~

3.3. Projects for which Legislative Revenue Bonding Authorization is Required: Institutions shall submit capital development projects requiring revenue bonding to the Board of Regents for approval as required by Regent Policy R590, *Issuance of Revenue Bonds for Higher Education*.

3.4. Requests to use Donated or Institutional Funds for Planning and Design: Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

~~4.5.8 R702-4. **Operating and Maintenance (O & M) Costs on Non-State Funded Projects:** (a) An acquisition, construction or remodeling A capital development project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the institution's programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.~~

4.1 Excess Space: If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

4.2 Non-Academic Space: In most cases, if the acquisition, construction or remodeling a capital development project that is not primarily for approved for academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.

~~(c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. If the institution requests to the Board of Regents to allow state-funded O & M, it shall include Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.~~

~~4.5.8.1. 4.3 **O & M Funding Sources for Projects Not Eligible for State Appropriated O & M:** In those cases where property acquisitions, construction, or remodeling projects are not eligible for state~~

appropriated O & M funding, the institution's proposal must ~~include arrangements as to~~ explain how it will pay the ongoing O & M as defined by the State Building Board ~~will be covered.~~ When making arrangements for ongoing ~~Institutions are to pursue~~ O & M funding, institutions shall give first priority to ~~in the following sequence for such ineligible non-state funded facilities:~~ first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

~~4.5.8.2.—Board Approval of O & M Funding Plan:~~ The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. ~~Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.~~

~~4.5.9.—Leased Space:~~ Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10-year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off-campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion in its comprehensive 5-year building plan.

~~4.6.—The Commissioner Is Authorized to:~~

~~4.6.1.—Recommendations:~~ Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.

~~4.7.—Institutional Boards of Trustees Are Authorized to:~~

~~4.7.1.—Facilities Master Plans:~~ Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.

~~4.7.2.—Requests for Appropriated Funds:~~ Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.

~~4.7.3.—Inconsistent Projects:~~ Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.

~~Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:~~

- ~~• construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;~~
- ~~• is inconsistent with the role assignment of the institution involved; or,~~
- ~~• is not in accord with previously approved institutional goals or objectives.~~

~~4.7.4.—Public Hearings: Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.~~

~~4.8.—Institutional Presidents Are Authorized to:~~

~~4.8.1.—Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.~~

~~4.8.2.—Routine Repair and Maintenance: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.~~

~~4.8.3.—Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.~~

~~4.8.4.—Accept Completed Facilities: Accept completed capital facilities from the DFCM.~~

R703-1. Purpose: To provide guidelines and requirements for the acquisition of real property by institutions of higher education and to specify the approval process for various types of real property acquisitions.

R703-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights - Title and Control)
- 2.2. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- 2.3. Regent Policy R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.4. Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs

R703-3 Regent Review of Property Acquisitions: Except as provided by subsection 702-6, The Board of Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$500,000.

- 3.1. **Regent Approval Required for Property Purchased Outside of an Institution's Service Area:** The Board of Regents shall review and consider for approval, regardless of term or purchase price, all institutional requests for real property acquisition that will include instructional space located outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs*.

R703-4. Required Appraisal – For acquisitions of property by purchase or exchange, institutions shall establish the fair market value based on an appraisal completed by a State of Utah licensed appraiser with the purchase price not to exceed the appraised value unless otherwise justified.

R703-5. Property Acquisition Guidelines - When practicable, institutions shall use the following guidelines acquiring property, whether by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the circumstances of specific properties, some or all of these guidelines may not apply.

- 5.1. **Proof of Clear Title** – Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.

- 5.2. **Phase I Environmental Assessment or Greater** – A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

5.3. Code and Requirements Review – Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.

5.4. Engineering Assessment – For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.

5.5. Past Maintenance and Operational Expenses – Where possible, past maintenance and operational expense histories should be obtained.

5.6. Sites, Zoning, and Planning Information – This information should be obtained where applicable or when it is determined to be needed.

5.7. Land Survey – An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.

R703-6. Delegation of Authority to Approve the Acquisition of Real Property: The State Board of Regents delegates the authority to acquire real property in the following limited circumstances:

6.1. Institutional Boards of Trustees may approve the acquisition of real property with institutional funds if the property is consistent with the approved campus master plan, the purchase price does not exceed \$500,000, and the space does not contain instructional space located outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs*.

6.2. Acquisitions with Endowment or Foundational Funds: Institutional Boards of Trustees may approve the acquisition of real property purchased with endowment funds or funds from independent foundations regardless of cost or location.

6.3. Gifts of Real Property: Institutional presidents may accept gifts of real property from donors, development initiatives, and fund raising in accordance with standards and procedures approved by the Boards of Trustees. The institution may sell the gifted property, hold it for future development or investment, or use it for any other institutional purpose.

6.4. University of Utah Health Care System: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property acquisitions for the University of Utah Health Care System.

6.5. Purchase Price Below Appraised Value: All property acquisitions approved under this section must have a supporting appraisal and the purchase price may not exceed the appraised value.

6.6. No Request for Operation and Maintenance: Institutions may not request operations and maintenance funding for property acquired under this section. If there is a need for operations and maintenance funds, the purchase must be approved through the Board of Regents.

6.7. Reporting of Property Acquisitions – Institutions shall report all property acquisitions or options approved under this section at the next regularly scheduled State Board of Regents meeting.

R703-1. Purpose: To provide guidelines and requirements for the acquisition of real property by institutions of higher education and to specify the approval process for various types of real property acquisitions.

R703-2 References

- ~~2.1. Utah Code §53B-6-101 (Master Plan for Higher Education—Studies and Evaluations)~~
- ~~2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)~~
- ~~2.3. Utah Code §53B-20-101 (Property Rights - Title and Control)~~
- 2.4.2. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- ~~2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects~~
- ~~2.6. Policy and Procedures R720, Capital Facilities Master Planning~~
- 2.3. Regent Policy R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.4. Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs

R703-3 ~~Definitions~~ Regent Review of Property Acquisitions

- ~~3.1. "Capital Facilities"—Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.~~
- ~~3.2. "Capital Development"—Utah Code 63A-5-104(1)(a) defines a capital development as any:~~
 - ~~• remodeling, site, or utility projects with a total cost of \$2,500,000 or more;~~
 - ~~• new facility with a construction cost of \$500,000 or more; or,~~
 - ~~• purchase of real property where an appropriation is requested to fund the purchase.~~
 - ~~3.2.1. "New Facility" means the construction of any new building on state property regardless of funding source, including~~
 - ~~• an addition to an existing building; and~~
 - ~~• the enclosure of space that was not previously fully enclosed.~~
 - ~~3.2.2. "New facility" does not include:~~

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state-owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.

3.3. ~~"Capital Improvement"~~ Utah Code 63A-5-104(1)(b) defines a capital improvement as any:

- remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
- site and utility improvement with a total cost of less than \$2,500,000; or
- new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and
- (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.

3.3.1. ~~Submission of Capital Improvement Requests~~— Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).

3.4. ~~"Capital Investment Plan"~~: Integrated scheduling of capital developments and improvements over a five year planning period.

R710-4 Policy

4.1. ~~Statutory Authority~~: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.

4.2. ~~Purpose~~: The purpose of these policies is to develop and maintain a well-planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.

4.3. ~~Effective and Efficient Use of Resources~~: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

~~4.4. — Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.~~

~~4.5. — The State Board of Regents Will:~~

~~4.5.1. Programmatic Planning — Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.~~

~~4.5.2. Campus Facilities Master Plans — Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.~~

~~4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval — Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:~~

~~4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature — These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization — GDP.~~

~~4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds — Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.~~

~~4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required — Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.~~

~~4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design — Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.~~

~~4.5.4. Acquisition and Disposal of Real Property~~

~~4.5.4.1 Property Acquisitions Requiring Approval — Except as provided by 4.5.4.2 below [subsection 702-6](#), The [Boards of](#) Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$1500,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:~~

3.1. Regent Approval Required for Property Purchased Outside of an Institution's Service Area: The Board of Regents shall review and consider for approval, regardless of term or purchase price, all institutional requests for real property acquisition that will include instructional space located outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs*.

R703-4 4.5.4.1.1. Required Appraisal – For acquisitions of property by purchase or exchange, institutions shall establish the a fair market value ~~of property shall be established that is~~ based on an appraisal completed by a State of Utah licensed ~~MAI~~ appraiser with the purchase price not to exceed the appraised value unless otherwise justified.

R703-5 4.5.4.1.2. Property Acquisition Guidelines - When practicable, institutions shall use the following guidelines ~~will be utilized to the extent reasonably practicable for when reviewing and approval of real properties to be acquired by purchase~~ acquiring property, whether by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the ~~diverse~~ circumstances of specific properties, ~~application of some or all of~~ these guidelines ~~in every case~~ may not ~~be achievable or required~~ apply.

4.5.4.1.2.15.1. Proof of Clear Title – Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.

4.5.4.1.2.25.2. Phase I Environmental Assessment or Greater – A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

4.5.4.1.2.35.3. Code and Requirements Review – Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.

4.5.4.1.2.45.4. Engineering Assessment – For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.

4.5.4.1.2.55.5. Past Maintenance and Operational Expenses – Where possible, past maintenance and operational expense histories should be obtained.

4.5.4.1.2.65.6. Situs, Zoning, and Planning Information – This information should be obtained where applicable or when it is determined to be needed.

4.5.4.1.2.75.7. Land Survey – An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.

R703-6. Delegation of Authority to Approve the Acquisition of Real Property: The State Board of Regents delegates the authority to acquire real property in the following limited circumstances:

6.1. Acquisitions Adjacent to Campus: Institutional Boards of Trustees may approve the acquisition of real property with institutional funds if the property is consistent with the approved campus master plan, the purchase price does not exceed \$500,000, and the space does not contain instructional space located

outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs*.

6.2. **Acquisitions with Endowment or Foundational Funds:** Institutional Boards of Trustees may approve the acquisition of real property purchased with endowment funds or funds from independent foundations regardless of cost or location.

6.3. **Gifts of Real Property:** Institutional presidents may accept gifts of real property from donors, development initiatives, and fund raising in accordance with standards and procedures approved by the Boards of Trustees. The institution may sell the gifted property, hold it for future development or investment, or use it for any other institutional purpose.

6.4. **University of Utah Health Care System:** In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property acquisitions for the University of Utah Health Care System.

6.5. **Purchase Price Below Appraised Value:** All property acquisitions approved under this section must have a supporting appraisal and the purchase price may not exceed the appraised value.

6.6. **No Request for Operation and Maintenance:** Institutions may not request operations and maintenance funding for property acquired under this section. If there is a need for operations and maintenance funds, the purchase must be approved through the Board of Regents.

6.7. **Reporting of Property Acquisitions** – Institutions shall report all property acquisitions or options approved under this section at the next regularly scheduled State Board of Regents meeting.

~~4.5.4.2. **Property Acquisitions Adjacent to Campuses**—The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:~~

~~4.5.4.2.1.—Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.~~

~~4.5.4.2.2.—Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU—Eastern.~~

~~4.5.4.2.3.—All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value~~

~~4.5.4.2.4.—Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.~~

~~4.5.4.2.5.—This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.~~

~~4.5.4.2.6. Reporting of Property Acquisitions—Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives—Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.~~

~~4.5.4.4. Disposal of Property—Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.~~

~~4.5.4.4.1. Determination of Surplus Property—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.~~

~~4.5.4.4.2. Fair Market Value—Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.~~

~~4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:~~

~~4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.~~

~~4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:~~

- ~~a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);~~
- ~~b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)~~

~~4.5.4.5.3. Reporting of Property Disposals—Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.~~

4.5.6. Approval of Projects that are Inconsistent with Approved Institutional Roles, Goals and Objectives—The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:

4.5.7. Projects Funded from Non State Appropriated Funds—Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:

4.5.7.1.—Funded from Student Fees, Contractual Debt, or Disposal or Exchange of Capital Assets: Proposals for projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

4.5.7.2.—Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.

4.5.8.—Operating and Maintenance (O & M) Costs on Non State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

(b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self support auxiliary space, i.e., college bookstores, food

~~service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.~~

~~(c) The Board, on a case by case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.~~

~~**4.5.8.1.— O & M Funding Sources for Projects Not Eligible for State Appropriated O & M:** In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.~~

~~**4.5.8.2.— Board Approval of O & M Funding Plan:** The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.~~

~~**4.5.9.— Leased Space:** Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to space rentals for 10 year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5-year building plan.~~

~~**4.6.— The Commissioner Is Authorized to:**~~

~~**4.6.1.— Recommendations:** Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.~~

~~**4.7.— Institutional Boards of Trustees Are Authorized to:**~~

~~4.7.1.—Facilities Master Plans: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.~~

~~4.7.2.—Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.~~

~~4.7.3.—Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.~~

~~Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:~~

- ~~• construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;~~
- ~~• is inconsistent with the role assignment of the institution involved; or,~~
- ~~• is not in accord with previously approved institutional goals or objectives.~~

~~4.7.4.—Public Hearings: Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.~~

~~4.8.—Institutional Presidents Are Authorized to:~~

~~4.8.1.—Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.~~

~~4.8.2.—Routine Repair and Maintenance: Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.~~

~~4.8.3.—Change Orders: Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.~~

~~4.8.4.—Accept Completed Facilities: Accept completed capital facilities from the DFCM.~~

R704-1 Purpose: To provide guidelines and requirements for institutions to dispose of real property and to establish the approval process.

R710-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights - Title and Control)
- 2.2. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- 2.3. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees

R704-3 Disposal of Property: Except as provided by subsections 704-6 and 704-7, institutions shall request and obtain Regents approval prior to disposing of real property.

R704-4. Determination of Surplus Property: If the institution determines the real property does not serve its mission and is, therefore, surplus property, the property is eligible for sale or exchange on the open market.

R704-5. Fair Market Value: Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed appraiser.

R704-6. Delegation of Authority to Approve the Disposal of Donated or Gifted Real Property:

The State Board of Regents delegates to the Boards of Trustees the authority to dispose of real property subject to the following conditions:

- 6.1. The disposal price cannot exceed \$500,000.
- 6.2. The property shall be sold at or above fair market value as determined by an appraisal unless the value of the property does not warrant the cost of the or the gifted property has preexisting conditions that affect the future sales price.
- 6.3. **Reporting of Property Disposals** – When an institution disposes of property under this policy, it shall report the transaction at the next regularly scheduled State Board of Regents' meeting.

R704-7. Delegation of Authority to the University of Utah Board of Trustees for University Health Care System Property Transactions: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property disposals and transactions for the University of Utah Health Care System.

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

R704-1 Purpose: ~~To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities.~~ To provide guidelines and requirements for institutions to dispose of real property and to establish the approval process.

R710-2 References

- ~~2.1. Utah Code §53B-6-101 (Master Plan for Higher Education – Studies and Evaluations)~~
- ~~2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)~~
- ~~2.3. Utah Code §53B-20-101 (Property Rights - Title and Control)~~
- 2.4.2. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)
- ~~2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects~~
- ~~2.6. Policy and Procedures R720, Capital Facilities Master Planning~~
- 2.3. Regents Policy R220, Delegation of Responsibilities to the President and Board of Trustees

R710-3 Definitions

- ~~3.1. "Capital Facilities" – Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.~~
- ~~3.2. "Capital Development" – Utah Code 63A-5-104(1)(a) defines a capital development as any:~~
 - ~~• remodeling, site, or utility projects with a total cost of \$2,500,000 or more;~~
 - ~~• new facility with a construction cost of \$500,000 or more; or,~~
 - ~~• purchase of real property where an appropriation is requested to fund the purchase.~~
 - ~~3.2.1. "New Facility" means the construction of any new building on state property regardless of funding source, including~~
 - ~~• an addition to an existing building; and~~
 - ~~• the enclosure of space that was not previously fully enclosed.~~
 - ~~3.2.2. "New facility" does not include:~~

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

- the replacement of state-owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or
- the construction of facilities that do not fully enclose a space.

3.3. ~~"Capital Improvement"~~ Utah Code 63A-5-104(1)(b) defines a capital improvement as any:

- remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;
- site and utility improvement with a total cost of less than \$2,500,000; or
- new facility with a total construction cost of less than \$500,000.

Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:

- (i) the capital improvement project or multiple projects require more than one year to complete; and
- (ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.

~~3.3.1. **Submission of Capital Improvement Requests**—~~ Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).

3.4. ~~"Capital Investment Plan"~~: Integrated scheduling of capital developments and improvements over a five-year planning period.

~~R710-4 Policy~~

4.1. ~~**Statutory Authority:**~~ Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.

4.2. ~~**Purpose:**~~ The purpose of these policies is to develop and maintain a well-planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.

4.3. ~~**Effective and Efficient Use of Resources:**~~ The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

~~4.4. — Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.~~

~~4.5. — The State Board of Regents Will:~~

~~4.5.1. Programmatic Planning— Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.~~

~~4.5.2. Campus Facilities Master Plans— Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.~~

~~4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval— Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:~~

~~4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature— These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization—GDP.~~

~~4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds— Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.~~

~~4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required— Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.~~

~~4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design— Requests to the Building Board for approval to use donated or institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.~~

~~4.5.4. Acquisition and Disposal of Real Property~~

~~4.5.4.1 Property Acquisitions Requiring Approval— Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of~~

~~\$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:~~

~~**4.5.4.1.1. Required Appraisal**—For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.~~

~~**4.5.4.1.2. Guidelines**—The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.~~

~~**4.5.4.1.2.1. Proof of Clear Title**—Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.~~

~~**4.5.4.1.2.2. Phase I Environmental Assessment or Greater**—A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.~~

~~**4.5.4.1.2.3. Code and Requirements Review**—Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.~~

~~**4.5.4.1.2.4. Engineering Assessment**—For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.~~

~~**4.5.4.1.2.5. Past Maintenance and Operational Expenses**—Where possible, past maintenance and operational expense histories should be obtained.~~

~~**4.5.4.1.2.6. Situs, Zoning, and Planning Information**—This information should be obtained where applicable or when it is determined to be needed.~~

~~**4.5.4.1.2.7. Land Survey**—An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.~~

~~**4.5.4.2. Property Acquisitions Adjacent to Campuses**—The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property~~

purchase transactions if a property purchase meets the above conditions with the following limitations:

~~4.5.4.2.1. — Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.~~

~~4.5.4.2.2. — Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU—Eastern.~~

~~4.5.4.2.3. — All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value~~

~~4.5.4.2.4. — Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.~~

~~4.5.4.2.5. — This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.~~

~~4.5.4.2.6. Reporting of Property Acquisitions — Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives — Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.~~

4.5.4.4. Disposal of Property: Except as provided by ~~4.5.4.4 below~~ [subsections 704-6 and 704-7](#), [institutions shall request and obtain Regents' approval prior to disposing of](#) ~~all disposal of~~ real property by USHE institutions is subject to approval by the Regents.

4.5.4.4.1~~R704-4. Determination of Surplus Property~~ – If [the institution determines](#) the real property ~~is determined to~~ [does](#) not serve the institution's mission and is, therefore, surplus real property, the [property](#) is eligible for sale or exchange on the open market.

4.5.4.4.2~~R704-5. Fair Market Value~~ – Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed ~~MAI~~ appraiser.

4.5.4.5~~R704-6. Disposition of Donated or Gifted Property that is not Contiguous to Campuses~~ [Delegation of Authority to Approve the Disposal of Donated or Gifted Real Property](#) : The ~~State~~ Board of Regents delegates to the ~~institutional~~ Boards of Trustees the authority to dispose of ~~donated or gifted~~ real property ~~that is not contiguous to campus boundaries~~ subject to the following conditions:

~~4.5.4.5.16.1.~~ The disposal price cannot exceed \$500,000 ~~for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.~~

~~4.5.4.5.26.2.~~ The property shall be sold at or above fair market value as determined by an appraisal ~~completed by a State of Utah licensed MAI appraiser unless:~~ a) the value of the property does not warrant the cost of the appraisal (e.g., low-valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal); b) or the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer).

~~4.5.4.5.36.3.~~ Reporting of Property Disposals – When an Institution engaging in disposal disposes of property utilizing the above authority are required to, it shall report the disposal transaction at the next regularly scheduled State Board of Regents' meeting.

~~4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives—~~The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. ~~Delegation can occur in the following circumstances:~~

~~4.5.7. Projects Funded from Non-State Appropriated Funds—~~Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:

~~4.5.7.1.—Funded from Student Fees, Contractual Debt, or Disposal or Exchange of Capital Assets:~~ Proposals for projects funded in whole or in part from an adjustment in student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

~~4.5.7.2.—Funded from Private Sources:~~ Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non-state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.

~~4.5.8.—Operating and Maintenance (O & M) Costs on Non-State Funded Projects:~~ (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan

requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board-approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

(b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self-support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.

(c) The Board, on a case-by-case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research-generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.

4.5.8.1. O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O & M funding plan with additional revenue to support the new space to be credited to its O & M accounts.

4.5.8.2. Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.

4.5.9. Leased Space: Review and approve institutional requests for plans to lease capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities: (1) exceed \$100,000 per year; (2) commit the institution to

~~space rentals for 10-year duration or beyond; or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space. An annual report of all space leased by the institutions, including space leased for off-campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion in its comprehensive 5-year building plan.~~

~~4.6. — The Commissioner Is Authorized to:~~

~~4.6.1. — Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.~~

~~4.7. — Institutional Boards of Trustees Are Authorized to:~~

~~4.7.1. — Facilities Master Plans: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.~~

~~4.7.2. — Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.~~

~~4.7.3. — Inconsistent Projects: Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.~~

~~Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:~~

- ~~• construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;~~
- ~~• is inconsistent with the role assignment of the institution involved; or,~~
- ~~• is not in accord with previously approved institutional goals or objectives.~~

~~4.7.4. — Public Hearings: Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.~~

~~4.8. — Institutional Presidents Are Authorized to:~~

~~4.8.1. — Other Necessary Actions: Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.~~

~~4.8.2.— **Routine Repair and Maintenance:** Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.~~

~~4.8.3.— **Change Orders:** Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.~~

~~4.8.4.— **Accept Completed Facilities:** Accept completed capital facilities from the DFCM.~~

R704-7. Delegation of Authority to the University of Utah Board of Trustees for University Health Care System Property Transactions: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property disposals and transactions for the University of Utah Health Care System.

R705-1 Purpose: To comply with statute requiring the Board of Regents to establish written policies governing leasing for higher education institutions and to provide procedures for the approval of new leased space and for the annual reporting of leased space to the Board of Regents.

R705-2 References

- 2.1. Utah Code §53B-20-101 (Property Rights - Title and Control)
- 2.2. Utah Code §63A-5-305 (Leasing by Higher Education Institutions)
- 2.4. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.5. Policy and Procedures R315, Service Area Designations and Coordination of Off-Campus Courses and Programs
- 2.6. Policy and Procedures R587, Contract or Lease-Purchase Financing
- 2.7. Policy and Procedures R712, Nontraditional Arrangements for Development of Facilities on Campuses

R705-3 Board Approval of Certain Leases: The Board of Regents shall review significant lease terms and institutional requests to renew or enter into new leases of capital facilities space for programs of instruction, research, or service when contracts for leasing such facilities:

- 3.1. Exceed \$250,000 per year regardless of funding source for the University of Utah or exceed \$100,000 per year regardless of the funding source for all other USHE institutions;
- 3.2. Commit the institution to space rentals for 10-years duration;
- 3.3. Lead to the establishment of regular state-supported daytime programs of instruction in leased space; or
- 3.4. Will include instructional space located outside of the service area designated by Regent Policy R315, *Service Area Designations and Coordination of Off-Campus Courses and Programs*.

R705-4. Leasing State-Owned Property to Outside Entities: The Board of Regents shall review and approve institutional requests to lease state-owned institutional property to non-institutional entities if the lease will exceed \$250,000 or extend for more than 10 years for the University of Utah or exceed \$100,000 per year or extend for more than 10 years for all other USHE institutions other than the University of Utah.

- 4.1. Approval of nontraditional arrangements for the use of institutional-owned facilities is subject to the provisions of Regent Policy R712, *Nontraditional Arrangements for Development of Facilities on Campuses*.

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

R705-5. Delegation of Authority to Boards of Trustees: The Board of Regents delegates authority to the institutional Board of Trustees to approve:

5.1 Leases under \$250,000 of state-appropriated funds and less than 10-years in duration for the University of Utah;

5.2 Leases under \$100,000 of state-appropriated funds and less than 10-years in duration for all other USHE institutions other than the University of Utah.

R705-6. Delegation of Authority to the University of Utah Board of Trustees for University Health Care

System Leases: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property leases for the University of Utah Health Care System.

R705-7. Annual Report to the Board of Regents: The Commissioner shall report annually to the Board of Regents all space leased by the institutions in the System of Higher Education, including space leased for off-campus continuing education programs and space leased in research parks.

7.1. **Institution Lease Information:** In accordance with procedures and forms developed by the Commissioner's Office, institutions shall annually submit information for all space leased by the institution.

7.2. **Submission to the State Building Board:** After review by the Board of Regents, the Commissioner shall forward the report to the State Building Board for possible inclusion its comprehensive 5-year building plan.

R705-1 Purpose: ~~To clarify the role of the State Board of Regents, that of the institutional Boards of Trustees and of the institutional Presidents with respect to capital facilities~~ To comply with statute requiring the Board of Regents to establish written policies governing leasing for higher education institutions and to provide procedures for the approval of new leased space and for the annual reporting of leased space to the Board of Regents.

R705-2 References

- ~~2.1. Utah Code §53B-6-101 (Master Plan for Higher Education—Studies and Evaluations)~~
- ~~2.2. Utah Code §53B-7-101 (Combined Requests for Appropriations)~~
- ~~2.3. Utah Code §53B-20-101 (Property Rights - Title and Control)~~
- ~~2.42. Utah Code Title 63A, Chapter 5 (State Building Board—Division of Facilities Construction and Management)~~ Utah Code §63A-5-305 (Leasing by Higher Education Institutions)
- ~~2.5. Policy and Procedures R711, State Building Board Delegation of Capital Facilities Projects~~
- ~~2.6. Policy and Procedures R720, Capital Facilities Master Planning~~
- 2.4. Policy and Procedures R220, Delegation of Responsibilities to the President and Board of Trustees
- 2.5. Policy and Procedures R315, Service Area Designations and Coordination of Off-Campus Courses and Programs
- 2.6. Policy and Procedures R587, Contract or Lease-Purchase Financing
- 2.7. Policy and Procedures R712, Nontraditional Arrangements for Development of Facilities on Campuses

~~R705-3 Definitions~~

- ~~3.1. "Capital Facilities"—Capital Facilities are defined as fixed capital assets such as buildings and structures, real estate, utilities and distribution infrastructure, landscape features, hardscape (surface parking, plazas, sidewalks, and exterior stairs and ramps), roadways, campus lighting, and other improvements that serve and protect the general purposes of an institution.~~
- ~~3.2. "Capital Development"—Utah Code 63A-5-104(1)(a) defines a capital development as any:~~
 - ~~• remodeling, site, or utility projects with a total cost of \$2,500,000 or more;~~
 - ~~• new facility with a construction cost of \$500,000 or more; or,~~
 - ~~• purchase of real property where an appropriation is requested to fund the purchase.~~

¹ Approved September 16, 1975; amended February 16, 1982, June 24, 1988, December 14, 1990, June 18, 1993, September 24, 1993, December 11, 1998, June 4, 1999, April 18, 2008, April 1, 2010, November 16, 2012, January 25, 2013, September 13, 2013, January 24, 2014 and May 15, 2015.

~~3.2.1. — "New Facility" means the construction of any new building on state property regardless of funding source, including~~

- ~~• an addition to an existing building; and~~
- ~~• the enclosure of space that was not previously fully enclosed.~~

~~3.2.2. — "New facility" does not include:~~

- ~~• the replacement of state-owned space that is demolished, if the total construction cost of the replacement space is less than \$2,500,000; or~~
- ~~• the construction of facilities that do not fully enclose a space.~~

~~3.3. — "Capital Improvement" — Utah Code 63A-5-104(1)(b) defines a capital improvement as any:~~

- ~~• remodeling, alteration, replacement, or repair project with a total cost of less than \$2,500,000;~~
- ~~• site and utility improvement with a total cost of less than \$2,500,000; or~~
- ~~• new facility with a total construction cost of less than \$500,000.~~

~~Note: The State Building Board may provide capital improvement funding to a single project, or to multiple projects within a single building or facility, even if the total cost of the project or multiple projects is \$2,500,000 or more, if:~~

- ~~(i) the capital improvement project or multiple projects require more than one year to complete; and~~
- ~~(ii) the Legislature has affirmatively authorized the capital improvement project or multiple projects to be funded in phases.~~

~~3.3.1. — Submission of Capital Improvement Requests — Each year institutions shall submit to the Division of Facilities Construction and Management (DFCM) a prioritized list of projects for funding through the state capital improvement program. Requests for funding of Capital Improvement Projects shall be approved by institutional Boards of Trustees. Institutions may not include acquisition of equipment unless it is an integral component of a capital improvement. Normal maintenance of fixed capital assets (i.e., unplanned or discretionary) shall be considered part of the annual operating budget. Normal maintenance excludes preventive and corrective maintenance of equipment scheduled by the Division of Facilities Construction and Management (DFCM), as well as planned or programmed maintenance of major structural components of a facility (i.e., roofs, parking lots).~~

~~3.4. — "Capital Investment Plan": Integrated scheduling of capital developments and improvements over a five-year planning period.~~

R71005-3 **Policy Board Approval of Certain Leases:**

~~4.1. — Statutory Authority: Title 53B outlines the broad responsibilities of the State Board of Regents in administering the facilities, grounds, buildings and equipment at institutions under its jurisdiction. These policies and procedures are issued under that authority to clarify the roles to be assigned to the institutional Presidents, the institutional Boards of Trustees and the State Board of Regents.~~

~~4.2. — Purpose: The purpose of these policies is to develop and maintain a well-planned, harmonious and safe physical environment for student achievement and personal growth on each of the institutional~~

campuses of the State System of Higher Education in accordance with the applicable provisions of Title 53B.

4.3. — Effective and Efficient Use of Resources: The Utah System of Higher Education seeks to maximize the effective and efficient use of state resources. Institutions must demonstrate that requests for construction of new capital facilities or remodeling of existing facilities meet the standards of approved academic and facilities master plans. Such justification should consider the availability of state resources and include information relating to student enrollments, space utilization, structural obsolescence, operational inefficiencies, and operating budget constraints.

4.4. — Remodeling: Remodeling of existing capital facilities for the purpose of effecting a change in functions will be undertaken only when the need for such a project is justified by and is consistent with the role assignment of the institution involved and in accord with previously approved goals and objectives set by the State Board of Regents. The term "remodeling" as used herein includes any alteration, modification, or improvement project other than routine maintenance or repair work, regardless of the source of funding.

4.5. — The State Board of Regents Will:

4.5.1. Programmatic Planning—Require institutions to undertake comprehensive programmatic planning as part of comprehensive programmatic planning for the Utah System of Higher Education. This programmatic planning will inform the evaluation of any proposals for planning and construction of additional capital facilities.

4.5.2. Campus Facilities Master Plans—Require comprehensive campus facilities master plans to be completed and approved for each institution in correlation with programmatic planning. Each institution shall seek formal Regent approval of its campus master plan on a biennial basis.

4.5.3. Requests for Capital Development Projects That Require Utah State Building Board or Utah State Legislature Approval—Review and authorize institutional requests for capital development projects that require Building Board or Legislative approval. Such requests shall be based upon the programmatic planning and facilities master plan requirements of the institutions and shall be presented to the Regents for authorization prior to their presentation to the Building Board for approval or recommendation to the Legislature for final approval or funding. The requests to be submitted to the Regents for authorization include:

4.5.3.1. Requests for Capital Development Projects to be Funded by the Legislature—These projects are generally authorized in the annual capital development project cycle and are subject to the procedures and requirements of Policy R741, Capital Development Prioritization—CDP.

4.5.3.2. Projects Funded Entirely from Non-state Appropriated Funds—Projects in this category that require Regents' approval are described in sections 4.5.7. and 4.5.8. below.

4.5.3.3. Projects for which Legislative Revenue Bonding Authorization is Required—Requirements for seeking bonding authorization are included in section 4.2. of Policy R590, Issuance of Revenue Bonds for Facilities Construction, Facilities Acquisition, or Equipment.

4.5.3.4. Requests to use Donated or Institutional Funds for Planning and Design—Requests to the Building Board for approval to use donated or

institutional funds for planning and design of proposed capital development projects require prior Regents' authorization.

4.5.4. Acquisition and Disposal of Real Property

4.5.4.1 Property Acquisitions Requiring Approval—Except as provided by 4.5.4.2 below, The Regents shall review and consider for approval all institutional requests for real property acquisition that commit institutional funds in excess of \$100,000 or where consideration paid for options to acquire property commits institutional funds in excess of \$25,000. The following provisions and guidelines will be utilized by the Regents in authorizing the acquisition of real properties:

4.5.4.1.1. Required Appraisal—For acquisitions of property by purchase or exchange a fair market value of property shall be established that is based on an appraisal completed by a State of Utah licensed MAI appraiser with the purchase price not to exceed the appraised value unless otherwise justified.

4.5.4.1.2. Guidelines—The following guidelines will be utilized to the extent reasonably practicable for review and approval of real properties to be acquired by purchase, exchange or to be accepted as gifts designated for ongoing institutional use, regardless of the location of the property. The Board of Regents recognizes that, based on the diverse circumstances of specific properties, application of all these guidelines in every case may not be achievable or required.

4.5.4.1.2.1. Proof of Clear Title—Established by a title report or an owner's policy of title insurance if such title is deemed to be necessary.

4.5.4.1.2.2. Phase I Environmental Assessment or Greater—A Phase I or greater Environmental Assessment may be required by the Regents prior to purchase, exchange, or acceptance of a gifted property when there are questions about the possibility of environmental issues that would materially affect the use of the property.

4.5.4.1.2.3. Code and Requirements Review—Utilized to determine the suitability of a property under all applicable codes and requirements, including any applicable provisions of State law.

4.5.4.1.2.4. Engineering Assessment—For all improved real property valued at \$250,000 or above the institution should obtain an engineering assessment of mechanical systems and structural integrity of improvements located on the property. This need may be waived if an engineering assessment has been performed within the past 12 months or if the land is unimproved. The institution may perform an engineering assessment for real property valued at less than \$250,000.

4.5.4.1.2.5. Past Maintenance and Operational Expenses—Where possible, past maintenance and operational expense histories should be obtained.

~~4.5.4.1.2.6. Situs, Zoning, and Planning Information—This information should be obtained where applicable or when it is determined to be needed.~~

~~4.5.4.1.2.7. Land Survey—An Alta/ACSM Land Title Survey should be obtained unless such a survey has been performed in the prior 12 months.~~

~~4.5.4.2. Property Acquisitions Adjacent to Campuses—The State Board of Regents delegates the authority to the institutional Boards of Trustees to engage in property purchase transactions if a property purchase meets the above conditions with the following limitations:~~

~~4.5.4.2.1.—Property needs to be identified on the approved campus master plan and must be contiguous to the current campus boundary.~~

~~4.5.4.2.2.—Property purchased cannot exceed \$500,000 for properties purchased by the UU, WSU, SLCC, UVU, USU and DSU, \$400,000 for SUU and \$250,000 for Snow and USU—Eastern.~~

~~4.5.4.2.3.—All purchases must have a supporting appraisal; made by a licensed appraiser, where the purchase price cannot exceed the MAI appraised value~~

~~4.5.4.2.4.—Property purchased with endowment funds or independent foundations does not need approval from the Board of Regents, regardless of cost.~~

~~4.5.4.2.5.—This delegation of purchasing authority is only available in instances where no O & M funds will be requested. If there is a need for operations and maintenance funds, the purchase needs to be approved through the normal Regent process.~~

~~4.5.4.2.6. Reporting of Property Acquisitions—Institutions engaging in a purchase of property utilizing the above authority are required to report the purchase at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.4.3. Real Property Donated to Institutions Related to Development and Fund Raising Initiatives—Acceptance of gifts of real property expected to be sold by the institution with proceeds to be assigned to designated purposes, or to be used for institutional needs not specified by the donor is delegated to the institutional presidents within institutional gift acceptance standards and procedures approved by the Boards of Trustees.~~

~~4.5.4.4. Disposal of Property—Except as provided by 4.5.4.4 below, all disposal of real property by USHE institutions is subject to approval by the Regents.~~

~~4.5.4.4.1. Determination of Surplus Property—If the real property is determined to not serve the institution's mission and is, therefore, surplus real property it is eligible for sale or exchange on the open market.~~

~~4.5.4.4.2. Fair Market Value—Unless otherwise justified, surplus real property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser.~~

~~4.5.4.5. Disposition of Donated or Gifted Property that is not Contiguous to Campuses—The State Board of Regents delegates to the institutional Boards of Trustees the authority to dispose of donated or gifted real property that is not contiguous to campus boundaries subject to the following conditions:~~

~~4.5.4.5.1. The disposal price cannot exceed \$500,000 for properties disposed of by the UU, USU, WSU, SLCC, UVU and DSU, \$400,000 for SUU; and \$250,000 for Snow and USU-Eastern.~~

~~4.5.4.5.2. The property shall be sold at or above fair market value as determined by an appraisal completed by a State of Utah licensed MAI appraiser unless:~~

- ~~a) the value of the property does not warrant the cost of the appraisal (e.g., low valued recreational property or seriously deteriorated properties, where sale proceeds would be seriously reduced or eliminated due to the cost of obtaining an appraisal);~~
- ~~b) the gifted property has preexisting conditions that affect the future sales price (e.g., an undivided property interest with the sale controlled by the majority holders, or the property comes from a donor with a sale or price already negotiated or in process with a buyer)~~

~~4.5.4.5.3. Reporting of Property Disposals—Institutions engaging in disposal of property utilizing the above authority are required to report the disposal at the next regularly scheduled State Board of Regents' meeting.~~

~~4.5.6. Approval of Projects that are inconsistent with Approved Institutional Roles, Goals and Objectives—The Regents will review and approve, as they deem appropriate, all other institutional requests for planning and construction of facilities, or major remodeling of existing facilities, regardless of the source of funds to be used for such activity, where the proposed construction or remodeling is inconsistent with the role assignment of the institution involved, is not in accord with institutional goals and objectives previously approved by the State Board of Regents, which will require a substantial change in the approved programmatic planning or facilities master plan, or where the construction or remodeling is subject to legislative project approval. Further, all requests for operations and maintenance (O & M) funding require approval by the State Board of Regents. Delegation can occur in the following circumstances:~~

~~4.5.7. Projects Funded from Non-State Appropriated Funds—Review and approve institutional project requests for planning and construction of facilities, or remodeling of existing facilities, for which no appropriation of state funds or authority to incur bonded indebtedness is requested, as follows:~~

~~4.5.7.1. Funded from Student Fees, Contractual Debt, or Disposal or Exchange of Capital Assets: Proposals for projects funded in whole or in part from an adjustment in~~

student fees, incurring of contractual debt, or the disposal or exchange of land or other capital assets shall be approved by the institutional Board of Trustees prior to submission to the Board of Regents.

4.5.7.2.—Funded from Private Sources: Major construction or remodeling projects (defined as projects costing more than \$1,000,000) funded through private sources or a combination of private sources and other non-state funds shall be approved by the institutional Board of Trustees. Upon trustee approval, the institutional President shall submit the project to the Commissioner for inclusion as an action item on an upcoming Board of Regents agenda.

4.5.8.—Operating and Maintenance (O & M) Costs on Non-State Funded Projects: (a) An acquisition, construction or remodeling project funded from private sources, or from a combination of private sources and other non-state appropriated funds will be eligible for state appropriated O & M when the use of the building is primarily for approved academic and training purposes and associated support and is consistent with the programmatic planning and facilities master plan requirements of the institutions. Examples of such space include classrooms, class/labs, faculty and education and general administrative offices and related space, library and study space, open labs, education and general conference rooms, physical education space, and academic and approved training support space, i.e., admissions, records, counseling, student aid administration, campus security, computer center and telecommunication space, etc.. If an academic facility, funded in whole or in part by non-state funds, is built to a scale larger than Board approved programmatic or facilities planning requirements, the excess space may not qualify for state appropriated O & M funding. The Board will consider the eligibility of the institution to receive state O & M funding for such excess space on a case-by-case basis.

(b) In most cases, if the acquisition, construction or remodeling project is not primarily for approved academic and training purposes or associated support, it will not be eligible for state appropriated O & M funding. Examples of such space might include research space not generating student credits or the equivalent thereto, football stadia, softball, baseball, soccer fields, basketball arenas, self-support auxiliary space, i.e., college bookstores, food service, student housing, recreational services, student organizations, private vendors and student health services spaces, etc.

(c) The Board, on a case-by-case basis, may determine that an acquisition, construction or remodeling project to be used primarily for purposes other than approved academic and training purposes and associated support should be eligible for state appropriated O & M funds in whole or in part. Each request for such Board consideration must be accompanied by a detailed statement showing how space types included in the facility will relate to important institutional activities such as instruction, research generating student credits, and service within the institution's role statement. Examples of such space might include museums, theaters, community outreach and research spaces administered by academic units that generate academic student credits or the equivalent thereto, etc.

4.5.8.1.—O & M Funding Sources for Projects Not Eligible for State Appropriated O & M: In those cases where property acquisitions, construction, or remodeling projects are not eligible for state appropriated O & M funding, the institutional proposal must include arrangements as to how O & M as defined by the State Building Board will be covered. Institutions are to pursue O & M funding in the following sequence for such ineligible non-state funded facilities: first, separate non-state funding assured through private contracts or an O & M endowment established by a private donor; and second, an institutional O &

~~M funding plan with additional revenue to support the new space to be credited to its O & M accounts.~~

~~4.5.8.2.—Board Approval of O & M Funding Plan: The institutional O & M funding plan must be consistent with the provisions of 4.5.6 and 4.5.6.1 to receive Regents' acquisition, construction or remodeling project approval. Increased consideration for state appropriated O & M will be given to projects previously listed in the Utah State Building Board Five Year Building Program. Board approval of the acquisition of the facility shall include approval of a plan to fund the O & M costs, including the source of the funds and the projected amount needed. Further approval of such proposals, when legally required by the State Building Board and the Legislature, will follow their respective established procedures.~~

~~4.5.9.—Leased Space: The Board of Regents shall review significant lease terms and approve institutional requests for plans to renew or enter into new leases of capital facilities space with state appropriated funds for programs of instruction, research, or service when contracts for leasing such facilities:~~

~~3.1 (1) exceed \$250,000 per year regardless of funding source for the University of Utah or exceed \$100,000 per year regardless of the funding source for all other USHE institutions;~~

~~3.2 (2) commit the institution to space rentals for more than 10-years duration or beyond;~~

~~3.3 or (3) lead to the establishment of regular state-supported daytime programs of instruction in leased space; or~~

~~3.4. will include instructional space located outside of the service area designated by Regent Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs.~~

~~An annual report of all space leased by the institutions, including space leased for off campus continuing education programs and space leased in research parks, shall be compiled by the Commissioner's Office for review by the Board of Regents and forwarded to the State Building Board for possible inclusion its comprehensive 5 year building plan.~~

~~4.6.—The Commissioner Is Authorized to:~~

~~4.6.1.—Recommendations: Propose annual recommendations for capital facilities development and improvement projects based on approved capital facilities qualification and prioritization procedures for consideration by the Board in the preparation of its recommendations to the State Building Board, Governor and Legislature.~~

~~4.7.—Institutional Boards of Trustees Are Authorized to:~~

~~4.7.1.—Facilities Master Plans: Review and approve institutional campus facilities master plans before they are forwarded to the State Board of Regents.~~

~~4.7.2.—Requests for Appropriated Funds: Review and approve for submission to the State Board of Regents all institutional requests for funds for capital developments and capital improvements to be appropriated by the State Legislature through the State Building Board.~~

~~4.7.3.— **Inconsistent Projects:** Review and approve all other institutional proposals relating to planning or construction of capital facilities, or major remodeling of existing capital facilities that require State Building Board approval and/or legislative project approval, regardless of the source of funds to be used for such activity, except to the extent that responsibility has been delegated to the institutional President as specified below in section 4.8. These actions will be reported to the State Board of Regents monthly as a part of the institutional Board of Trustees minutes, and will include planning and budget reports in the form prescribed by the Commissioner or other appropriate description and justification.~~

~~Proposals for inconsistent projects must be forwarded to the State Board of Regents by the institutional President, together with the institutional Board of Trustees' recommendations, for review and action by the Regents if:~~

- ~~• construction or remodeling is contrary to or will require substantial change in the approved programmatic planning or facility master plans;~~
- ~~• is inconsistent with the role assignment of the institution involved; or,~~
- ~~• is not in accord with previously approved institutional goals or objectives.~~

~~4.7.4.— **Public Hearings:** Conduct all required public hearings on any project, provided that adequate notice be given the State Board of Regents of any such required public hearings.~~

~~4.8.— **Institutional Presidents Are Authorized to:**~~

~~4.8.1.— **Other Necessary Actions:** Take all necessary actions relating to construction and remodeling activities that do not require State Building Board approval.~~

~~4.8.2.— **Routine Repair and Maintenance:** Assume the responsibility for routine repair and maintenance of existing structures or facilities (i.e., painting, roof repair, plumbing and electrical repairs, etc.). Institutions must adhere to the State Building Board facility maintenance standards.~~

~~4.8.3.— **Change Orders:** Assume the responsibility to approve and recommend to the DFCM any change orders on projects under construction, as long as funds are available and the change order is within the approved purpose of the project.~~

~~4.8.4.— **Accept Completed Facilities:** Accept completed capital facilities from the DFCM.~~

R705-4. Leasing State-Owned Property to Outside Entities: The Board of Regents shall review and approve institutional requests to lease state-owned institutional property to non-institutional entities if the lease will exceed \$250,000 or extend for more than 10 years for a state research institution the University of Utah or exceed \$100,000 per year or extend for more than 10 years for all other USHE institutions other than the University of Utah.

4.1. Approval of nontraditional arrangements for the use of institutional-owned facilities is subject to the provisions of Regent Policy R712, *Nontraditional Arrangements for Development of Facilities on Campuses*.

R705-5. Delegation of Authority to Boards of Trustees: The Board of Regents delegates authority to the institutional Board of Trustees to approve:

5.1 Leases under \$250,000 of state-appropriated funds and less than 10-years in duration for a state research institution the University of Utah;

5.2 Leases under \$100,000 of state-appropriated funds and less than 10-years in duration for all other USHE institutions other than the University of Utah.

R705-6. Delegation of Authority to the University of Utah Board of Trustees for University Health Care

System Leases: In accordance with Regents Policy R220, *Delegation of Responsibilities to the President and Board of Trustees*, the University of Utah Board of Trustees may review and approve all property leases for the University of Utah Health Care System.

R705-7. Annual Report to the Board of Regents: The Commissioner shall report annually to the Board of Regents all space leased by the institutions in the System of Higher Education, including space leased for off-campus continuing education programs and space leased in research parks.

6.1. Institution Lease Information: In accordance with procedures and forms developed by the Commissioner's Office, institutions shall annually submit information for all space leased by the institution.

6.2. Submission to the State Building Board: After review by the Board of Regents, the Commissioner shall forward the report to the State Building Board for possible inclusion its comprehensive 5-year building plan.

R706-1. Purpose: To provide for comprehensive capital facilities master planning based on approved programmatic planning at the institutions.

R706-2. References

2.1. Utah Code §53B-6-101 (Master Planning - Board Establishes Criteria to Meet Capital Budgetary Needs)

2.2. Utah Code §53B-20-101 (Property of Institutions to Vest in State Board)

2.3. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)

2.4. Policy and Procedures R701, Capital Facilities

R706-3. Master Planning: Institutions shall complete and keep current a comprehensive capital facilities master plan based on programmatic planning for new and existing facilities. Master plans should be realistic, achievable, and flexible.

3.1. Master plans shall emphasize renovation, replacement, and improvements to existing capital facilities before additions for new space unless otherwise justified.

3.2. Institutions shall be thorough and innovative in their allocation and reallocation of space within their existing physical assets, rather than relying on the addition of new space.

R706-4. Periodic Updates: The master planning process is continuous and the higher education environment is dynamic; therefore, master plans must be constantly reviewed and updated periodically to reflect demonstrable changes in strategic direction, planning, and environment.

R706-4. Master Plan Approval: At least biennially institutions shall submit capital facilities master plans to the Board of Regents for approval.

4.1. Prior to submission for Board approval, Institutional Boards of Trustees shall review and approval institutional campus facilities master plans.

¹ Approved September 16, 1975, amended July 19, 2013



R706, Capital Facilities Master Planning¹

R720706-1. Purpose: To provide for comprehensive capital facilities master planning based on approved programmatic planning at the institutions.

R720706-2. References

2.1. Utah Code §53B-6-101 (Master Planning - Board Establishes Criteria to Meet Capital Budgetary Needs)

2.2. Utah Code §53B-20-101 (Property of Institutions to Vest in State Board)

2.3. Utah Code Title 63A, Chapter 5 (State Building Board - Division of Facilities Construction and Management)

2.4. Policy and Procedures R74001, Capital Facilities

R720706-3. Master Planning: Institutions shall complete and keep current a comprehensive capital facilities master plan based on programmatic planning for new and existing facilities. Master plans should be realistic, achievable, and flexible.

3.1. Master plans shall emphasize renovation, replacement, and improvements to existing capital facilities before additions for new space unless otherwise justified.

3.2. Institutions shall be thorough and innovative in their allocation and reallocation of space within their existing physical assets, rather than relying on the addition of new space.

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R720706-4. Master Plan Approval: At least biennially institutions shall submit capital facilities master plans to the Board of Regents for approval.

4.1. Prior to submission for Board approval, Institutional Boards of Trustees shall review and approve institutional campus facilities master plans.

¹ Approved September 16, 1975, amended July 19, 2013

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Revision of Policy R571, *Delegation of Purchasing Authority*

Issue

Over the last several years the State Legislature has substantially modified the State's Procurement Code, which has necessitated a review and revision of Regent Policy R571, *Delegation of Purchasing Authority*. The proposed changes will align the Regent policy with statute and continue to provide procurement governance for the System of Higher Education.

Background

The State Procurement Code (Code) allows each of the eight USHE institutions the ability to procure items with "independent procurement authority" without the supervision or control of the State Division of Purchasing. The Code provides for three levels of procurement governance:

1. Statutory provisions in the Code
2. Rules by "rulemaking authorities"
3. Procedures and policies at each institution

The Procurement Code designates the Board of Regents as the "rulemaking authority" for the eight USHE institutions with regard to procurement and requires the Board to make specific rules which have been incorporated into Regent Policy R571, *Delegation of Purchasing Authority* as well as a formal rule in the Utah Administrative Code (R765-571) filed with the State Division of Administrative Rules.

Over the last several years the State Legislature has substantially modified the Procurement Code, which now requires additional rules be written by the Board. The changes recommended in this item include:

- Change of title from "Delegation of Purchasing Authority" to "Procurement"
- Update of references and clarification of definitions and wording to be consistent with Code
- Clarification on resolving tie bids
- Requirement for institutions to establish policies governing best and final offers
- Parameters for the creation and use of approved vendor lists
- Clarification of sole source procurement processes to align with Code
- Enumeration of items or services for which sole source procurements are acceptable

- Clarification that state funds may not be used in any manner when procuring items without competition as a condition of donation
- Clarification of conditions in which emergency procurements may be made
- Parameters for the use of multi-year contracts

Commissioner's Recommendation

The Commissioner recommends the Regents approve the changes to Policy R571, effective immediately and authorize the Commissioner's Office to file an Administrative Rule adopting these changes into Administrative Code R765-571.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment

R571-1 Purpose: As required by the Utah Procurement Code, this policy and corresponding Utah Administrative Rule R765-571 govern the management and control of procurements and procurement procedures conducted by the institutions in the state system of higher education.

R571-2 References

- 2.1 Utah Code 53B-1-102(4)
- 2.2 Utah Code 53B-7-101(12)
- 2.3 Utah Code 63G-6a-101-2407 (Utah Procurement Code)

R571-3 Definitions

- 3.1 The terms used in this policy shall be defined as they are in 63G-6a-103 and 104.
- 3.2 In addition, the following definition shall apply:

3.2.1 "Institution" means an institution of higher education listed in 53B-1-102, except the Utah College of Applied Technology.

R571-4 Delegation of Authority: As established in 63G-61-103(3)(f), the State Board of Regents is the body designated with rulemaking authority over procurement for institutions of Higher Education. The Board delegates to each institution the authority to adopt and administer procurement policies and processes that conform with the Utah Procurement Code and this general policy and Utah Administrative Code R765-571. Each president, or designee, is given authority over procurements at their respective institution.

R571-5 Guiding Principles: Each institution is charged to provide efficient and timely procurement services, that maximize the institution's resources and promotes its instruction, research, extension, and professional service programs. Each institution shall strive to obtain the maximum value for each dollar expended, utilizing open competition and impartial evaluation of alternate products. They should also foster fair, ethical, and legal trade practices, which develop a strong vendor community and promote public trust in the institution and the system of higher education.

R571-6 Small Purchases: Each institution shall establish policies, and processes governing small purchases.

6.1 Each institution shall establish the maximum expenditure that may qualify as a small purchase.

6.2 Each institution may establish expenditure thresholds and procurement requirements related to those thresholds in relation to small purchases, including, but not limited to:

6.2.1 Purchasing Cards (P-Card): Purchasing card programs establish a more efficient method of paying for low-dollar transactions. Institutions shall establish procedures that govern card issuance, card-holder training, and auditing of purchasing card transactions.

¹ Approved September, 14, 2012, amended May 15, 2015.

6.2.2 Requests for Quotation (RFQ): Institutions shall seek competition whenever practicable. RFQs involve soliciting quotes from two or more known vendors. Each institution should establish procedures regarding the acceptance of phone, fax, and email quotes.

6.2.3 Small-dollar Purchase Orders

6.2.4 Reimbursements

6.2.5 Petty Cash

R571-7 Solicitations: When procuring items, each institution shall use a standard procurement process or an exception to the standard procurement process described in R571-8, comply with the Utah Procurement Code and comply with this policy. Each institution shall establish policies, and processes governing solicitations, including:

7.1 Invitation for Bid (IFB): The Invitation for Bids is used to initiate a competitive sealed bid procurement.

7.1.1 An IFB shall comply with the requirements of 63G-6a-603(2).

7.1.2 A minimum of seven (7) days shall be provided for response.

7.1.3 IFBs must be publically advertised as outlined in the Utah Procurement Code.

7.1.4 Bids shall be submitted using a sealed bid process.

7.1.5 Bids shall be opened publically in accordance with 63G-6a-604.

7.1.6 Institutions shall evaluate bids based on the requirements set forth in the IFB, including objective evaluation criteria. Criteria not included in the IFB may not be used to evaluate bids.

7.1.7 Contracts shall be awarded with reasonable promptness by notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the IFB.

7.1.8 IFBs may be performed in multiple steps as established in the 63G-6a-609.

7.1.9 Unless otherwise established by policy, institutions shall resolve tie bids by having the president or designee toss a coin in the presence of a minimum of two witnesses with the firm first in alphabetical order being heads.

7.1.10 Institutions may handle bids as otherwise permitted by the Utah Procurement Code, including, but not limited to, rejecting bids, cancelling the IFB, and using a reverse auction process.

7.2 Request for Proposal (RFP): An RFP process may be used instead of the IFB process if the procurement officer determines, in writing, that the RFP process will provide the best value to the institution.

7.2.1 An RFP shall comply with 63G-6a-703.

7.2.2 A minimum of seven (7) days shall be provided for response.

7.2.3 RFPs must be publically advertised as outlined in the Utah Procurement Code.

7.2.4 Proposals shall be processed as outlined in the Procurement Code.

7.2.5 The institution shall establish an evaluation committee of at least three (3) individuals.

7.2.6 The evaluation committee will rate proposals based on the criteria outlined in the RFP. Criteria not included in the RFP may not be used to evaluate proposals.

7.2.7 The RFP process may be conducted in multiple steps, including presentations/discussions and requests for best and final proposals.

7.2.8. Each institution shall establish policies and processes governing best and final offers in accordance with the Utah Procurement Code, this policy and Utah Administrative Code R765-571.

7.2.9. Institutions shall complete a justification statement as required by Utah Procurement Code.

7.3 Request for Information (RFI): The purpose of an RFI is to obtain information, comments, or suggestions from potential bidders or offerors before issuing an IFB or RFP. An RFI is a supplemental procurement process described in Section 63G-6a-409.

7.4 Request for Statement of Qualifications (RFSQ): An institution may use a RFSQ process to prequalify potential bidders or offerors to provide any type of procurement item and limit participation in an IFB or RFP to the prequalified potential bidders or offerors. An institution may also use a RFSQ process to create an approved vendor list. A RFSQ process is a supplemental procurement process described in Section 63G-6a-410.

7.4.1 A RFSQ in multiple-stage procurement process shall comply with 63G-6a-410(4).

7.4.2 A RFSQ in an approved vendor list process shall comply with 63G-6a-410(5).

7.5 Approved Vendor List Procurement Process: Each institution may establish policies and processes governing approved vendor lists and award contracts using methods that comply with the Utah Procurement Code, this policy and Utah Administrative Code R765-561.

7.5.1 **Award:** Institutions choosing to use a vendor list may award a contract to a vendor on an approved vendor list at an established price based on a price list, rate schedule, or pricing catalog in accordance with Section 63G-6a-113.

7.5.2 **Selection of Vendors:** Institutions choosing to use a vendor list shall select vendors based on a rotation system, the assignment of vendors to a specified geographic area, classifying vendors by particular expertise, qualifications or field, or some other method in accordance with a written, public, and fair process.

7.5.3 **Removal of Vendors from the Approved Vendor List:** Institutions choosing to use an approved vendor list shall include a statement indicating that vendors whose performance does not meet the minimum performance rating threshold may be disqualified and removed from the approved vendor list.

R571-8 Exceptions to Procurement Requirements: Each institution shall establish policies, rules, and processes governing exceptions to procurement requirements that comply with the Procurement Code, this policy and corresponding administrative rule. Institutions may award a contract for a procurement item without using a standard procurement process under the following circumstances and in compliance with 63G-6a-802:

8.1 Sole Source Procurement: A standard procurement process is not required where there is only one source for a procurement item. The institution's president or designee shall determine in writing whether a procurement shall be made as a sole source. In cases of reasonable doubt, institutions should use competitive processes.

8.2 Transitional Cost: A standard procurement process is not required where transitional costs are a significant consideration in selecting a procurement item and the results of a cost benefit analysis demonstrate that transitional costs are unreasonable or cost-prohibitive and that the awarding of a contract without engaging in a standard procurement process is in the best interest of the institution.

8.3 Circumstances in which the Standard Procurement Process is Impractical and Not in Institution's Best Interests: Institutions may establish policies and procedures that designate circumstances under which the standard procurement process is impractical and not in the best interest of the institution. Although the president or designee may add additional criteria, the following are examples of procurements that make standard procurement processes impractical or contrary to the institution's best interests:

8.3.1 public utility services.

8.3.2 a procurement item where the; most important consideration in obtaining the item is the compatibility of equipment, technology, software, accessories, replacement parts, or service;

8.3.3 an item which is a condition of a donation and subject to section 8.4;

8.3.4 instructional materials or other needed items for curriculum purposes based on pedagogical need and academic freedom of instructors;

8.3.5 membership fees, conference registrations, seminars, subscriptions to intellectual content;

8.3.6 conference venues;

8.3.7 used equipment when determined to be more practical or advantageous to the institution;

8.3.8 placement advertising in magazines, journals, newspapers, radio, television, online, buses, billboards, etc.;

8.3.9 library journals, periodicals, and rare books;

8.3.10 athletic game guarantees;

8.3.11 guest lecturers, performers, entertainers, convocations;

8.3.12 broadcasting rights, television programming, and associated fees;

8.3.13 original works of art;

8.3.14 study abroad travel expenses; and

8.3.15 travel, including commercial airfare and hotels.

8.4 Condition of a Donation: The institution may award a contract for a procurement item without competition if the president or designee determine in writing that the award to a specific supplier, service provider, or contractor is a condition of a donation or sponsorship that will fund the cost of the supply, service, or construction item. These procurements do not require publication of notice. Neither state funds nor institutional funds may be added to the donation or sponsorship in order to make an award under the provisions of this section.

8.5 Trial Use: The institution may award a contract for a procurement item without competition if the requirements of Section 63G-6a-802.3 are met and the president or designee determine in writing that the procurement item is needed for trial use or testing to determine whether the procurement item will benefit the institution.

8.6 Emergency Procurement: Emergency procurement is appropriate when an emergency condition exists that limits the capability of the institution to obtain competition. An emergency condition is a situation described in 63G-6a-803(1). These procurements shall be made with as much competition as reasonably practical while (1) avoiding a lapse in a critical government service; (2) avoiding harm, or a risk of harm, to the public health, safety, welfare, or property; (3) protecting the legal interests of the institution.

8.7 Publication of Notice Not Required. Publication of notice under Section 63G-6a-802(3) is not required when the award is made under the circumstances described in R571-8.

R571-9 Protests: Aggrieved bidders, offerors, or potential bidders or offerors, may protest the solicitation's specifications or award decision in accordance with the Utah Procurement Code. The aggrieved party may appeal a protest decision in accordance with the Utah Procurement Code. Each institution shall establish policies and processes governing protests related to procurement in accordance with the Utah Procurement Code.

R571-10 Ethics: The institution's employees shall discharge their duties impartially so as to assure fair competitive access to procurements. Employees' conduct should foster public confidence in the integrity of the system of higher education.

R571-11 Multi-Year Contracts: Multi-year contracts, including renewals, may exceed five years if the president or designee determines in writing that (1) a longer period is necessary in order to obtain the item, (2) a longer period is customary for industry standards, or (3) a longer period is in the best interest of the Institution. The written determination must be included in the procurement file.

Preamble

Values and Guiding principles of Public Procurement

Accountability

Taking ownership and being responsible to stakeholders for our actions...essential to preserve the public trust and protect the public interest.

—————*Principles:*

- Apply sound business judgment.
- Be knowledgeable of and abide by all applicable laws and regulations.
- Be responsible stewards of public funds.
- Maximize competition to the greatest extent practicable.
- Practice due diligence.
- Use procurement strategies to optimize value to stakeholders.

Ethics

Acting in a manner true to these values...essential to preserve the public's trust.

—————*Principles:*

- Act and conduct business with honesty and integrity, avoiding even the appearance of impropriety.
- Maintain consistency in all processes and actions.
- Meet the ethical standards of the profession.

Impartiality

Unbiased decision making and action...essential to ensure fairness for the public good.

—————*Principles:*

- Be open, fair, impartial, and non-discriminatory in all processes.
- Treat suppliers equitably, without discrimination, and without imposing unnecessary constraints on the competitive market.
- Use sound professional judgment within established legal frameworks to balance competing interests among stakeholders.

Professionalism

Upholding high standards of job performance and ethical behavior...essential to balance diverse public interests.

—————*Principles:*

- Be led by those with education, experience, and professional certification in public procurement.
- Continually contribute value to the organization.
- Develop, support, and promote the highest professional standards in order to serve the public good.

¹ Approved September, 14, 2012, amended May 15, 2015.

Service

Obligation to assist stakeholders...essential to support the public good.

~~Principles:~~

- ~~• Be a crucial resource and strategic partner within the organization and community.~~
- ~~• Develop and maintain relationships with stakeholders.~~
- ~~• Maintain a customer service focus while meeting the needs, and protecting the interests, of the organization and the public.~~

Transparency

Easily accessible and understandable policies and processes...essential to demonstrate responsible use of public funds.

~~Principles:~~

- ~~• Exercise discretion in the release of confidential information.~~
- ~~• Maintain current and complete policies, procedures, and records.~~
- ~~• Provide open access to competitive opportunities.~~

(Preamble excerpts taken from © National Institute of Governmental Purchasing, Inc)

R571-1 Purpose: As required by ~~Subsection 63G-6a-402(2)~~ [the Utah Procurement Code](#), this policy and corresponding [Utah](#) Administrative Rule R765-571 ~~are related to govern~~ the management and control of procurements and procurement procedures conducted by the institutions in the state system of higher education.

R571-2 References

- ~~2.1 Subsection [Utah Code](#) 53B-1-102(4)~~
- ~~2.2 Subsection [Utah Code](#) 53B-7-101(1012)~~
- ~~2.3 Subsection [Utah Code](#) 63G-6a-104(1)(j)101-2407 ([Utah Procurement Code](#))~~
- ~~2.4 Subsection [Utah Code](#) 63G-6a-104(7)~~
- ~~2.5 Subsection [Utah Code](#) 63G-6a-104(14)~~
- ~~2.6 Subsection [Utah Code](#) 63G-6a-106(1)(a)~~
- ~~2.7 Subsection [Utah Code](#) 63G-6a-106(4)(a)~~

R571-3 Definitions

- 3.1 The terms used in this policy shall be defined as they are in ~~Sections~~ 63G-6a-103 and 104.
- 3.2 In addition, the following definition shall apply:
 - 3.2.1 "Institution" means an institution of higher education listed in ~~Section~~ 53B-1-102, except the Utah College of Applied Technology.

R571-4 Delegation of Authority: As ~~outlined established~~ in ~~Title 63G, Chapter 61-103(3)(f), effective May 1, 2013,~~ the State Board of Regents is the body designated with rulemaking authority over procurement for institutions

of Higher Education. The Board delegates to each institution the authority to adopt and administer procurement policies, ~~rules~~ and processes that ~~are in conformance~~ conform with the Utah Procurement Code and this general policy and ~~corresponding~~ Utah Administrative Code R765-571. Each president, or designee, is given authority over procurements at their respective institution.

R571-5 Guiding Principles: Each institution is charged to provide efficient and timely procurement services, that maximize the institution's resources and promotes its instruction, research, extension, and professional service programs. Each institution shall strive to obtain the maximum value for each dollar expended, utilizing open competition and impartial evaluation of alternate products. They should also foster fair, ethical, and legal trade practices, which develop a strong vendor community and promote public trust in the institution and the system of higher education.

R571-6 Small Purchases: Each institution shall establish policies, ~~rules~~, and processes governing small purchases.

6.1 Each institution shall establish the maximum expenditure that may qualify as a small purchase.

6.2 Each institution may establish expenditure thresholds and procurement requirements related to those thresholds in relation to small purchases, including, but not limited to:

6.2.1 Purchasing Cards (P-Card):

~~6.2.1.1 The purpose of a~~ Purchasing card programs ~~is to~~ establish a more efficient, ~~cost-effective~~ method of ~~purchase and~~ paying for low-dollar transactions. Institutions shall establish procedures that govern card issuance, card-holder training, and ~~the~~ auditing of purchasing card transactions.

6.2.2 Requests for Quotation (RFQ):

~~6.2.2.1~~ Institutions ~~are charged to~~ shall seek competition whenever practicable. RFQs involve soliciting quotes from two or more known vendors. Each institution should establish procedures regarding the acceptance of phone, fax, and email quotes.

6.2.3 Small-dollar Purchase Orders

6.2.4 Reimbursements

6.2.5 Petty Cash

R571-7 Solicitations: When procuring items, each institution shall ~~formally solicit competition for all procurements over the maximum small-dollar expenditure established by the respective institution, unless the procurement falls under~~ use a standard procurement process or an exception to the standard procurement process described in R571-8, ~~Exceptions to the Solicitation Process, as required by law~~ comply with the Utah Procurement Code and comply with this policy. Each institution shall establish policies, ~~rules~~, and processes governing solicitations, including:

7.1 Invitation for Bid (IFB): The Invitation for Bids is used to initiate a competitive sealed bid procurement.

7.1.1 An IFB shall ~~include a purchase description, and contractual terms and conditions applicable to the procurement~~ comply with the requirements of 63G-6a-603(2).

7.1.2 A minimum of seven (7) days shall be provided for response.

7.1.3 IFBs must be publically advertised as outlined in the Utah Procurement Code.

7.1.4 Bids shall be submitted using a sealed bid process.

7.1.5 Bids shall be opened publically in accordance with ~~the Procurement Code~~ [63G-6a-604](#).

7.1.6 ~~Bids shall be evaluated~~ [Institutions shall evaluate bids](#) based on the requirements set forth in the IFB, ~~which may include~~ [including](#) objective [evaluation](#) criteria. Criteria not included in the IFB may not be used to evaluate bids.

7.1.7 Contracts shall be awarded with reasonable promptness by notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the IFB.

7.1.8 IFBs may be performed in multiple steps as ~~outlined~~ [established](#) in the ~~Procurement Code~~ [63G-6a-609](#).

[7.1.9 Unless otherwise established by policy, institutions shall resolve tie bids by having the president or designee toss a coin in the presence of a minimum of two witnesses with the firm first in alphabetical order being heads.](#)

[7.1.10 Institutions may handle bids as otherwise permitted by the Utah Procurement Code, including, but not limited to, rejecting bids, cancelling the IFB, and using a reverse auction process.](#)

7.2 Request for Proposal (RFP): An RFP process may be used instead of the IFB process if the procurement officer determines, in writing, that the RFP process will provide the best value to the institution.

7.2.1 An RFP ~~shall include a scope of work, contractual terms and conditions applicable to the procurement, and the manner in which proposals are to be submitted~~ [comply with 63G-6a-703](#).

7.2.2 A minimum of seven (7) days shall be provided for response.

7.2.3 RFPs must be publically advertised as outlined in the [Utah](#) Procurement Code.

7.2.4 Proposals shall be ~~handled~~ [processed](#) as outlined in the Procurement Code

7.2.5 [The institution shall establish](#) an evaluation committee of at least three (3) individuals ~~shall be appointed to the evaluation committee~~

7.2.6 The evaluation committee will rate proposals based on the criteria outlined in the RFP. Criteria not included in the RFP may not be used to evaluate proposals.

7.2.7 The RFP process may be conducted in multiple steps, including presentations/discussions and requests for best and final proposals.

[7.2.8. Each institution shall establish policies and processes governing best and final offers in accordance with the Utah Procurement Code, this policy and Utah Administrative Code R765-571.](#)

[7.2.9. Institutions shall complete a justification statement as required by Utah Procurement Code.](#)

7.3 Request for Information (RFI): The purpose of an RFI is to obtain information, comments, or suggestions from potential bidders or offerors before issuing an IFB or RFP. An RFI is ~~not~~ a supplemental procurement process described in Section 63G-6a-409.

7.4 Request for ~~Supplier~~ Statement of Qualifications (RFSQ): An institution may use a RFSQ process to prequalify potential bidders or offerors to provide any type of procurement item and limit participation in an IFB or RFP to the prequalified potential bidders or offerors. An institution may also use a RFSQ process to create an approved vendor list. A RFSQ process is a supplemental procurement process described in Section 63G-6a-410.

7.4.1 A RFSQ in multiple-stage procurement process shall ~~include the type of procurement item to which it relates, the scope of work, the minimum criteria for prequalification, and period of time during which the list will be used~~ comply with 63G-6a-410(4).

7.4.2 A RFSQ in an approved vendor list process shall comply with 63G-6a-410(5).

7.5 Approved Vendor List Procurement Process: Each institution may establish policies and processes governing approved vendor lists and award contracts using methods that comply with the Utah Procurement Code, this policy and Utah Administrative Code R765-561.

7.5.1 Award: Institutions choosing to use a vendor list may award a contract to a vendor on an approved vendor list at an established price based on a price list, rate schedule, or pricing catalog in accordance with Section 63G-6a-113.

7.5.2 Selection of Vendors: Institutions choosing to use a vendor list shall select vendors based on a rotation system, the assignment of vendors to a specified geographic area, classifying vendors by particular expertise, qualifications or field, or some other method in accordance with a written, public, and fair process.

7.5.3 Removal of Vendors from the Approved Vendor List: Institutions choosing to use an approved vendor list shall include a statement indicating that vendors whose performance does not meet the minimum performance rating threshold may be disqualified and removed from the approved vendor list.

R571-8 Exceptions to ~~the Solicitation Process~~ Procurement Requirements: Each institution shall establish policies, rules, and processes governing exceptions to procurement requirements that comply with ~~Part 8 of~~ the Procurement Code, ~~and~~ this policy and corresponding administrative rule. Institutions may award a contract for a procurement item without using a standard procurement process under the following circumstances and in compliance with 63G-6a-802:

8.1 Sole Source Procurement: ~~Sole Source Procurement is not permissible unless a requirement is available from only a single supplier. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential bidder or offeror for that item. A standard procurement process is not required where there is only one source for a procurement item. The institution's president or designee shall determine in writing~~ determination as to whether a procurement shall be made as a sole source ~~shall be made in writing by the procurement officer, the head of the purchasing unit, or designee.~~ In cases of reasonable doubt, ~~competition should be solicited~~ institutions should use competitive processes. ~~Circumstances under which there is only one source for a procurement item may include, among other circumstances:~~

8.1.1 ~~where the most important consideration in obtaining a procurement is the compatibility of equipment, technology, software, accessories, replacement parts, or service;~~

~~8.1.2 where transitional costs are unreasonable or cost prohibitive; or
8.1.3 procurement of public utility services.—~~

8.2 Transitional Cost: A standard procurement process is not required where transitional costs are a significant consideration in selecting a procurement item and the results of a cost benefit analysis demonstrate that transitional costs are unreasonable or cost-prohibitive and that the awarding of a contract without engaging in a standard procurement process is in the best interest of the institution.

8.3 Circumstances in which the Standard Procurement Process is Impractical and Not in Institution's Best Interests: Institutions may establish policies and procedures that designate circumstances under which the standard procurement process is impractical and not in the best interest of the institution. Although the president or designee may add additional criteria, the following are examples of procurements that make standard procurement processes impractical or contrary to the institution's best interests:

8.3.1 public utility services.

8.3.2 a procurement item where the most important consideration in obtaining the item is the compatibility of equipment, technology, software, accessories, replacement parts, or service;

8.3.3 an item which is a condition of a donation and subject to section 8.4;

8.3.4 instructional materials or other needed items for curriculum purposes based on pedagogical need and academic freedom of instructors;

8.3.5 membership fees, conference registrations, seminars, subscriptions to intellectual content;

8.3.6 conference venues;

8.3.7 used equipment when determined to be more practical or advantageous to the institution;

8.3.8 placement advertising in magazines, journals, newspapers, radio, television, online, buses, billboards, etc.;

8.3.9 library journals, periodicals, and rare books;

8.3.10 athletic game guarantees;

8.3.11 quest lecturers, performers, entertainers, convocations;

8.3.12 broadcasting rights, television programming, and associated fees;

8.3.13 original works of art;

8.3.14 study abroad travel expenses; and

8.3.15 travel, including commercial airfare and hotels.

8.24 Condition of a Donation: The institution may award a contract for a procurement item without competition if the ~~procurement officer, head of the purchasing unit, president~~ or designee determine in writing that the award to a specific supplier, service provider, or contractor is a condition of a

donation or sponsorship that will fund the ~~full~~ cost of the supply, service, or construction item. These procurements do not require publication of notice. Neither state funds nor institutional funds may be added to the donation or sponsorship in order to make an award under the provisions of this section.

8.35 Trial Use: The institution may award a contract for a procurement item without competition if the ~~procurement officer, head of the purchasing unit,~~ requirements of Section 63G-6a-802.3 are met and the president or designee determine in writing that the procurement item is needed for trial use or testing to determine whether the procurement item will benefit the ~~procurement unit~~ institution.

8.46 Emergency Procurement: Emergency procurement is appropriate when an emergency condition exists that limits the capability of the institution to obtain competition. An emergency condition is a situation ~~where there is harm or risk of harm to public health, welfare, safety, or property. This includes harm or risk of harm to the institution's finances or operations. Such a condition may arise as a result of (1) damage to a facility or infrastructure by reason of flood, fire, earthquake, storm or explosion; (2) epidemics; (3) riots; (4) equipment failures; (5) circumstances not in the institution's control where timeliness, litigation deadlines, or other factors necessitate waiver of provisions of the standard procurement process; or (5) such other reason as may be determined by the president of the institution or designee described in Section 63G-6a-803(1).~~ These procurements shall be made with as much competition as reasonably practical while (1) avoiding a lapse in a critical government service; (2) avoiding harm, or a risk of harm, to the public health, safety, welfare, or property; (3) protecting the legal interests of the institution.

8.7 Publication of Notice Not Required. Publication of notice under Section 63G-6a-802(3) is not required when the award is made under the circumstances described in R571-8.

R571-9 Protests: Aggrieved bidders, offerors, or potential bidders or offerors, may protest the solicitation's specifications or award decision in accordance with the Utah Procurement Code. The aggrieved party may appeal a protest decision in accordance with the Utah Procurement Code. Each institution shall establish policies, ~~rules,~~ and processes governing protests related to procurement in accordance with the Utah Procurement Code.

R571-10 Ethics: ~~Individuals employed by institutions of higher education must~~ The institution's employees shall discharge their duties impartially so as to assure fair competitive access to procurements. Employees' ~~should~~ conduct ~~themselves in such a manner as to~~ should foster public confidence in the integrity of the system of higher education.

R571-11 Multi-Year Contracts: Multi-year contracts, including renewals, may exceed five years if the president or designee determines in writing that (1) a longer period is necessary in order to obtain the item, (2) a longer period is customary for industry standards, or (3) a longer period is in the best interest of the Institution. The written determination must be included in the procurement file.

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: UHEAA – Amendment to Authorizing Resolution: Student Loan Backed Notes

Issue

The Utah Higher Education Assistance Authority (UHEAA) requests Board approval to extend the authorization period to issue permanent financing for \$1.8 billion in student loan backed revenue notes to September 27, 2017, through an amendment to the original authorizing resolution. The current authorization approved at the 2015 March Board meeting is set to expire on March 27, 2017.

Background

In March 2015 the Board authorized the issuance of several series of permanent financings in the aggregate amount of \$1.8 billion to retire an existing warehousing facility. Progress has been made with two completed refinancing transactions:

Description	2015-1 Indenture	2016-1 Indenture
Transaction Date	June 12, 2015	October 27, 2016
Principal Amount (Millions)	\$415.5	\$452.3
True Interest Cost	Libor +.69%	Libor + .95
Ratings:		
Standard and Poors	AA+	AA+
Fitch	AAA	AAA
Lead Investors:	CharlesSchwab	PIMCO
	Goldman Sachs	Goldman Sachs
	TD Bank	Bank of New York

Access to the credit markets for student loan transactions was limited between June 2015 and October 2016 because of rating agency modeling criteria; however, the markets have improved to allow the Board to continue to complete its financing plan. A final transaction of approximately \$418 million is expected to be issued in the spring of 2017. Because the approved financing timeline was delayed by changes in rating agency modeling, the authorizing period approved by the Board to issue notes could possibly expire before the final transaction is concluded. A technical change to extend the authorizing period is requested. This request does not alter any other aspect of the authorized financing structure.

The relevant parameters, as adopted in the March 2015 approving resolution, continue to be:

- Total principal amount not to exceed \$1,800,000,000
- Interest rates not to exceed 1M Libor + 1.0% for Senior Notes and 1M Libor + 2.0% for Subordinate Notes; in no event to exceed 25%
- Discount from par not to exceed 5% for Senior Notes and 15% for Subordinate Notes
- Maximum maturity (from date of issuance) not to exceed 40 years
- Underwriters discount not to exceed 0.60%

UHEAA requests the Board amend the March 27, 2015 Authorizing Resolution to extend the authorizing period by six months from March 27, 2017 to September 27, 2017. UHEAA staff, along with representatives of the Attorney General's Office and Bond Counsel, will be at the Board of Regents meeting on January 20, 2017 to review the proposed transaction and answer questions.

Commissioner's Recommendation

The Commissioner recommends that the Regents approve the attached amendment to the March 27, 2015 Authorizing Resolution.

David L. Buhler
Commissioner of Higher Education

DLB/DAF/DSS
Attachment

Salt Lake City, Utah

January 20, 2017

The State Board of Regents of the State of Utah (the “Board”) met in regular session (including by electronic means) at the University of Utah in Salt Lake City, Utah on January 20, 2017, commencing at 9:00 a.m. The following members were present:

Daniel W. Campbell	Chair
France A. Davis	Vice Chair
Ty Aller	Student Regent
Jesslie B. Anderson	Member
Nina Barnes	Member
Leslie Castle*	Member
Wilford W. Clyde	Member
Marlin K. Jensen	Member
Patricia Jones	Member
Steven J. Lund	Member
Robert S. Marquardt	Member
Steven R. Moore*	Member
Robert W. Prince	Member
Harris H. Simmons	Member
Spencer F. Stokes	Member
Mark R. Stoddard	Member
Teresa L. Theurer	Member
Joyce P. Valdez	Member
John H. Zenger	Member

Absent:

Also Present:

David L. Buhler	Commissioner of Higher Education
Loreen Olney	Secretary

* Non-voting member from State Board of Education

After the meeting had been duly convened and called to order by the Chair, the roll had been called with the above result and after other matters not pertinent to this Resolution had been discussed, the Chair announced that one of the purposes of the meeting was the consideration of an amendment of a resolution with respect to the issuance and sale of the State Board of Regents of the State of Utah, Student Loan Backed Notes.

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 (the "Resolution") is as follows:

RESOLUTION

A RESOLUTION OF THE STATE BOARD OF REGENTS OF THE STATE OF UTAH AUTHORIZING AN AMENDMENT TO A MARCH 27, 2015 STUDENT LOAN NOTE AUTHORIZING RESOLUTION.

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

WHEREAS, pursuant to Chapter 13, Title 53B, Utah Code Annotated 1953, as amended (the “Act”), the Board is empowered to make or purchase student loan notes and other debt obligations reflecting loans to students under its Student Loan Program; and

WHEREAS, in order to provide funds for such purposes, the Board is duly authorized to issue and sell bonds and notes pursuant to the provisions of the Act; and

WHEREAS, the Board has previously adopted a resolution on March 27, 2015 (the “2015 Authorizing Resolution”) authorizing its student loan backed notes in the aggregate principal amount of not to exceed \$1,800,000,000 (the “Notes”) and allowing for the issuance and sale of said Notes from time to time for a period of up to two years following the adoption of said 2015 Authorizing Resolution, so long as the amount outstanding did not at any time exceed the limit established by the 2015 Authorizing Resolution; and

WHEREAS, the Board desires to extend such two year authorizing period for the issuance of the Notes from March 27, 2017 to September 27, 2017.

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BOARD OF REGENTS OF THE STATE OF UTAH, AS FOLLOWS:

Section 1. The period of time for the issuance of the Notes is hereby extended from March 27, 2017 to September 27, 2017.

Section 2. 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 3. As amended by this Resolution, and except as provided herein, the 2015 Authorizing Resolution is in all respects ratified and confirmed, and this Resolution and the 2015 Authorizing Resolution shall be read, taken and construed as one and the same instrument.

Section 4. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE STATE BOARD OF REGENTS OF THE
STATE OF UTAH THIS 20TH DAY OF JANUARY, 2017.

STATE BOARD OF REGENTS OF THE
STATE OF UTAH

(SEAL)

Chair

ATTEST:

Secretary

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

(SEAL)

Chair

ATTEST:

Secretary

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Loreen Olney, do hereby certify that I am the duly qualified and acting Secretary of the State Board of Regents of the State of Utah.

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 January 20, 2017 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 20th day of January, 2017.

Secretary

(SEAL)

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

I, Loreen Olney, the undersigned, the duly qualified and acting Secretary of the State Board of Regents of the State of Utah, do hereby certify, according to the records of said State Board of Regents 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 January 20, 2017 public meeting held by the Members of the State Board of Regents 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 State Board of Regents at 60 South 400 West, Salt Lake City, Utah, on January ____, 2017, said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the State Board of Regents 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 State Board of Regents, and to each local media correspondent, newspaper, radio station or television station which has requested notification of meetings of the State Board of Regents;

(b) in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, public notice of the 2016-2017 Annual Meeting Schedule of the State Board of Regents was given, specifying the date, time and place of the regular meetings of the State Board of Regents scheduled to be held during the year, by causing a Notice of Annual Meeting Schedule for the State Board of Regents, in the form attached hereto as Schedule 2, to be (i) posted at the principal office of the State Board of Regents at 60 South 400 West, Salt Lake City, Utah in September 2015, (ii) provided in September 2015 to a newspaper of general circulation within the geographic jurisdiction of the State Board of Regents and (iii) published on the Utah Public Notice Website (<http://pmn.utah.gov>) during the current calendar year; and

(c) the State Board of Regents 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 State Board of Regents and to members of the public at least 24 hours before the meeting to allow members of the State Board of Regents and the public to participate in the meeting, including a description of how they could be connected to the meeting. The State Board of Regents 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 State Board of Regents of the State of Utah, this 20th day of January, 2017.

(SEAL)

Secretary

SCHEDULE 1

NOTICE OF PUBLIC MEETING

[See Transcript Document No. ____]

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

[See Transcript Document No. ____]

SCHEDULE 3

ELECTRONIC MEETING POLICY

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: University of Utah – Series 2016B General Revenue and Refunding Bond Results

Issue

Regent Policy R590, *Issuance of Bonds for Colleges and Universities*, requires the Office of the Commissioner to report the results of the final bond pricing to the Board in the next scheduled meeting after the closing. The University of Utah closed on Series 2016B General Revenue and Refunding bonds on November 29, 2016 with a true interest cost of 2.8 percent.

Background

In the January 2016 meeting the Board authorized the University of Utah (UU) to proceed with the sale of revenue bonds authorized by the 2010 Legislature to finance an Ambulatory Care Complex. The Board authorized the University, in the May 2016 meeting, to proceed with the sale of revenue bonds authorized by the 2016 Legislature for the David Eccles School of Business Executive Education Building. The Board also authorized the UU to refund portions of existing debt where financially justified. After a competitive bond sale on October 18, 2016 the 2016B General Revenue and Refunding bonds closed on November 29, 2016.

The bond sale conformed to the parameters approved by the Regents. The following is a brief summary of the results:

2016B Sources	Business School Exec. Education Bldg	Ambulatory Care Complex	Commercial Paper Paydown	Refunding 2008A Research	Total
Par Value	\$20,965,000.00	\$102,150,000.00	\$5,435,000.00	\$3,170,000.00	\$131,720,000.00
Premium	4,141,212.50	22,548,410.70	1,293,638.70	281,463.75	28,264,725.65
University Cash	0	0	10,305,000.00	0	10,305,000.00
	\$25,106,212.50	\$124,698,410.70	\$17,033,638.70	\$3,451,463.75	\$170,289,725.65

2016B Uses

Construction Account	\$25,000,000.00	\$113,161,268.00	\$0	\$0	\$138,161,268.00
Capitalized Interest	0	11,020,443.61	0	0	11,020,443.61
Commercial Paper Paydown	0	0	17,000,000.00	0	17,000,000.00
Escrow Account	0	0	0	3,422,843.12	3,422,843.12
Underwriter's Discount	47,992.38	237,858.08	12,655.49	7,381.40	305,887.35
Cost of Issuance	58,220.12	278,841.01	20,983.21	21,239.23	379,283.57
	\$25,106,212.50	\$124,698,410.70	\$17,033,638.70	\$3,451,463.75	\$170,289,725.65

- True Interest Cost (All-in TIC) 2.80%
- Maximum Coupon Rate 5%
- Maturity Date 20 years
- NPV Refunding Savings \$177,050 (5.46%)
- Additional details about the bond issue may be found in the attached Financing Summary prepared by the financial advisor with final pricing results in red type face.

Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment



RBC Capital Markets®

RBC Capital Markets, LLC
Municipal Finance
299 South Main Street, Suite 2000
Salt Lake City, Utah 84111

FINANCING SUMMARY

For

**State Board of Regents of the State of Utah
UNIVERSITY OF UTAH**

\$128,550,000

**General Revenue and Refunding Bonds
Series 2016B-1**

and

\$3,170,000

**General Revenue Refunding Bonds
Series 2016B-2**

(Final Pricing Information)

Purpose:

The purpose for the issuance of the Series 2016B-1 Bonds was three-fold: 1) To finance a portion of the cost of constructing an Ambulatory Care Complex (the “ACC Project”), 2) To finance a portion of the cost of constructing a School of Business Executive Education Building (the “Executive Education Project”), and 3) Refund certain outstanding obligations of the University. A portion of the bond proceeds will also pay costs of issuance associated with the Series 2016B-1 Bonds, including capitalized interest.

The purpose for the issuance of the Series 2016B-2 Bonds was to advance-refund, for savings purposes, \$3,245,000 of its Series 2008A Research Facilities Revenue Refunding Bonds and to pay costs of issuance associated with this series of Bonds.

Not-to-Exceed Par Amount: **ACC Project: Not-to-Exceed \$125 million** (The actual par amount was **\$102,150,000** million which, with premium, generated **\$113,161,268** to the Project Account and **\$11,020,443.61**, representing capitalized interest through 2/1/19).
Executive Education Building: Not-to-Exceed \$55 million (The actual par amount was **\$20,965,000** which, with premium, generated **\$25 million** to the Project Account, with no capitalized interest).

Not-to-Exceed Maturity: ACC and Executive Education Projects: **35-years**
(Final maturity for both projects was 20-years)

Security: The Series 2016B-1 and 2016B-2 Bonds are payable from and secured by a General Revenue pledge which consists of substantially all of the income and revenues of the University authorized to be pledged. (Note: The Series 2016B-2 Bonds do not have the moral obligation pledge of the Utah State Legislature).

Ratings: **'Aa1'** and **'AA+'** ratings were reaffirmed by Moody's Investors Service and Standard and Poor's Corporation, respectively.

Method of Sale: Negotiated public offering using the following underwriters:
Morgan Stanley & Co: 65% Senior Manager
Wells Fargo Securities: 35% Co-Manager

Bonds to be Refunded: **\$3,245,000** of remaining callable Series 2008A Research Facilities Revenue Refunding Bonds.
\$6,695,000 of Series 2013B Taxable Commercial Paper (refunded with Series 2016B-1 bond proceeds on a fixed-rate basis reflecting Series 2012A ACFS Bonds of the same par amount which were originally refunded as part of the Series 2013B Commercial Paper transaction).
\$10,305,000 of Series 2013B Taxable Commercial Paper (defeased with available University monies—totaling \$17 million of CP scheduled to be paid down on December 1, 2016)

NPV Refunding Savings: **\$234,953 of gross savings** for the Series 2016B-2 Bonds; **\$177,050 on a net-present-value** basis (or **5.46%** of refunded principal).

All-in True Interest Cost: All-in True Interest Costs achieved, per project, are as follows:

Ambulatory Care Complex Project: 2.827%

Executive Education Building Project: 2.944%

Series 2013B CP Refunding: 1.756%

Overall All-in TIC for Series 2016B-1/B-2 Bonds: 2.804%

Sale Date: October 18, 2016

Closing Date: November 29, 2016

Participating Regent: Chair Dan Campbell

Principal Payment Dates: August 1

Interest Payment Dates: August 1 and February 1, commencing August 1, 2017

Interest Basis: 30/360

Optional Redemption: **Optional redemption date: August 1, 2026 @100**

Other Not-to-Exceed Parameters:

Coupon: 6.00% (5.00% was highest coupon)

Discount from Par: 2.00% (No discount bonds were issued. 0.232% (\$2.32/\$1,000) was actual discount for underwriters)

University Contacts: Mr. John Nixon, Chief Administrative Officer
(801-585-0806)

Mr. Arnold Combe, Vice President for Administrative Services (801-581-6404)

Mr. Robert Muir, Director of Treasury Services
(801-585-5598)

Bond Counsel: Mr. Blake Wade, Ballard Spahr LLP (801-531-3000)

Municipal Advisor: Mr. Kelly Murdock, RBC Capital Markets (801-656-2928)

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Dixie State University – Sale of Property Follow-up

Issue

During the March 2015 Board of Regents meeting the Board approved allowing Dixie State University (DSU) to sell two properties to a private developer. The original developer was unable to complete the transaction, but another developer has since approached the University to purchase the land and build new student housing.

Background

In March 2015 DSU requested approval of the Board to sell approximately 0.42 acres of property along Tabernacle Street in St. George, Utah for an appraised value of \$230,000. DSU proposed to sell the land in conjunction with an adjoining 2.29 acres owned by the Dixie College Foundation to a private developer for construction of privately owned student housing. The Board approved the sale of property contingent on Board of Trustee and Foundation approval of the project, which were both subsequently obtained. However, the original developer could not complete the transaction and plans for additional student housing stalled.

A different developer has recently been in negotiations with DSU and the Dixie College Foundation to purchase the property and develop the land into student housing. The developer is currently under contract to purchase the property at a recently appraised value of \$255,000 (a \$25,000 increase in value) and the parameters of the development meet the same institutional objectives as approved in the March 2015 meeting. The University wishes to update the Board on this issue and will be available to respond to any questions.

Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Annual Report on Institutional Revenue Bond Indebtedness

Issue

Regent Policy R590, *Issuance of Bonds for Colleges and Universities*, requires the Office of the Commissioner to prepare and submit an annual report on institutional indebtedness for the USHE system to the Board. The attached report for 2016 fulfills this requirement.

Background

State statute allows the State Board of Regents to issue revenue bonds on behalf of USHE institutions after the bonds have been approved by the State Legislature. Seven of the eight USHE institutions had outstanding debt as of June 30, 2016. Salt Lake Community College paid its last principal payment in June, 2016 and no longer has debt outstanding. The following table summarizes the outstanding indebtedness of each institution:

Institution	Original Amount	Outstanding Balance as of June 30, 2016	% Outstanding
University of Utah	\$1,134,015,000	\$725,880,000	64%
Utah State University	\$204,940,000	\$175,975,000	86%
Weber State University	\$59,685,000	\$53,440,000	90%
Southern Utah University	\$28,730,000	\$15,590,000	54%
Snow College	\$16,810,000	\$14,885,000	89%
Dixie State University	\$26,510,000	\$23,860,000	90%
Utah Valley University	\$64,170,000	\$46,850,000	73%
Salt Lake Community College	No Debt Outstanding		
USHE Total	\$1,534,860,000	\$1,056,480,000	69%

The attached Annual Report on Institutional and Revenue Bonded Indebtedness provides additional information on each of the USHE revenue bonds that were outstanding as of June 30, 2016. All bonds are being retired on schedule with debt service requirements being met or exceeded in every case.

Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/RPA
Attachment

Utah System of Higher Education - Annual Report on Institutional and Revenue Bonded Indebtedness
Fiscal Year 2016



Institutional Bond System	Original Amount	Series	Purpose	Debt Service Coverage Requirement	Debt Service Coverage as of June 30, 2016	Maturity Date	Continuing Disclosure Submitted	Outstanding Balance as of June 30, 2016
University of Utah								
Auxiliary & Campus Facilities	\$ 120,240,000	1998A	Student Housing and Refunding	1.00	3.52	2029	15-Dec-2016	30,365,000
Auxiliary & Campus Facilities	23,515,000	2010A	Student Housing Refunding (1998A, 1999A, and 2001)	1.00	3.52	2020	15-Dec-2016	615,000
Auxiliary & Campus Facilities	42,525,000	2010C	Honors Housing and Guest House Expansion (taxable)	1.00	3.52	2036	15-Dec-2016	39,950,000
Auxiliary & Campus Facilities	46,235,000	2012A	Parking and Athletic Center	1.00	3.52	2022	15-Dec-2016	11,475,000
<i>Subtotal Auxiliary & Campus</i>	<i>232,515,000</i>							<i>82,405,000</i>
Hospital Revenue	77,145,000	2006A	Hospital West Pavilion Expansion and Refunding (2001)	1.10	17.07	2021	15-Dec-2016	11,315,000
Hospital Revenue	9,135,000	2009A	Neuropsychiatric Institute expansion (nontaxable)	1.10	17.07	2016	15-Dec-2016	2,240,000
Hospital Revenue	41,785,000	2009B	Neuropsychiatric Institute expansion (taxable)	1.10	17.07	2030	15-Dec-2016	41,785,000
Hospital Revenue	36,120,000	2010	Ambassador Building, Orthopaedic Center	1.10	17.07	2020	15-Dec-2016	11,200,000
Hospital Revenue	20,145,000	2011A	Hospital Revenue Refunding (2008A)	1.10	17.07	2026	15-Dec-2016	15,370,000
Hospital Revenue	66,480,000	2011B	South Jordan Health Center	1.10	17.07	2020	15-Dec-2016	14,990,000
<i>Subtotal Hospital Revenue</i>	<i>250,810,000</i>							<i>96,900,000</i>
Research Facilities	9,360,000	2008A	Research Facilities Refunding (2007A)	2.50	16.92	2022	15-Dec-2016	4,670,000
Research Facilities	19,080,000	2009A	USTAR Infrastructure (nontaxable)	2.50	16.92	2019	15-Dec-2016	6,350,000
Research Facilities	27,730,000	2009B	USTAR Infrastructure (taxable)	2.50	16.92	2029	15-Dec-2016	27,730,000
<i>Subtotal Research Facilities</i>	<i>56,170,000</i>							<i>38,750,000</i>
General Revenue	127,925,000	2013A	Law School, Student Life, Parking, Bball Training	N/A	13.77	2043	15-Dec-2016	127,925,000
General Revenue	100,000,000	2013B	Commercial Paper Refunding of Hospital and ACFS	N/A	13.77	2043	15-Dec-2016	60,000,000
General Revenue	32,785,000	2014A	Refunding of Hospital and Research Bonds	N/A	13.77	2027	15-Dec-2016	31,740,000
General Revenue	76,200,000	2014B	Lassonde, Infrastructure, Refunding of Hospital Bonds	N/A	13.77	2038	15-Dec-2016	74,740,000
General Revenue	45,330,000	2015A	MidValley Clinic, Refunding of Research and ACFS	N/A	13.77	2034	15-Dec-2016	39,765,000
General Revenue	91,570,000	2015B	Parking, Infrastructure, Refunding of Hospital and ACFS	N/A	13.77	2035	15-Dec-2016	91,570,000
General Revenue	68,210,000	2016A	Orson S. Hall, Orthopaedic Center, Refunding ACFS	N/A	13.77	2036	15-Dec-2016	68,210,000
<i>Subtotal General Revenue</i>	<i>542,020,000</i>							<i>493,950,000</i>
Certificates of Participation	42,450,000	2007	Central and Co-generation Plants and Refunding	N/A	N/A	2017	15-Dec-2016	4,090,000
Certificates of Participation	10,050,000	2015	Certificates of Participation Refunding (2007)	N/A	N/A	2022	15-Dec-2016	9,785,000
<i>Subtotal Cert. of Participation</i>	<i>52,500,000</i>							<i>13,875,000</i>
UU Total	\$ 1,134,015,000							\$ 725,880,000

Utah State University								
Student Fee & Housing	\$ 39,155,000	2007	Student Fee & Housing Refunding (2004)	1.10	2.93	2035	29-Feb-2016	37,955,000
Student Fee & Housing	24,455,000	2015	Student Housing Facility	1.10	2.93	2038	29-Feb-2016	24,455,000
<i>Subtotal Student Fee & Housing</i>	<i>63,610,000</i>							<i>62,410,000</i>
Research Revenue Bonds	22,000,000	2009	Early Childhood and Early Care Ed. and Bingham Bldgs.	2.50	7.63	2031	23-Dec-2015	2,725,000
Research Revenue Bonds	11,070,000	2010	Research Revenue Refunding (2009, 2003, 2002A)	2.50	7.63	2018	23-Dec-2015	4,500,000
Research Revenue Bonds	19,500,000	2015A	Research Facility	2.50	7.63	2047	23-Dec-2015	19,500,000
Research Revenue Bonds	13,145,000	2015B	Research Revenue Refunding (2009)	2.50	7.63	2031	23-Dec-2015	13,145,000
<i>Subtotal Research Revenue</i>	<i>65,715,000</i>							<i>39,870,000</i>
Student Building Fee Revenue	8,405,000	2013	Student Bldg. Refunding (2004: Stadium, Fieldhouse)	1.10	1.10	2026	29-Feb-2016	7,160,000

Institutional Bond System	Original Amount	Series	Purpose	Debt Service Coverage Requirement	Debt Service Coverage as of June 30, 2016	Maturity Date	Continuing Disclosure Submitted	Outstanding Balance as of June 30, 2016
Student Building Fee Revenue	43,310,000	2013B	Life & Wellness Cntr. and Athletic Complex/Training	1.10	1.10	2045	29-Feb-2016	42,635,000
Student Building Fee Revenue	23,900,000	2015	Football Stadium Renovations	1.10	1.10	2046	29-Feb-2016	23,900,000
<i>Subtotal Student Building</i>	<i>75,615,000</i>							<i>73,695,000</i>
USU Total	\$ 204,940,000							\$ 175,975,000

Weber State University								
Student Facilities	\$ 10,155,000	2007	Student Housing Refunding (2001A)	1.25	1.40	2031	1-Dec-2016	8,515,000
Student Facilities	14,015,000	2010A	Student Housing	1.25	1.40	2040	1-Dec-2016	12,890,000
Student Facilities	17,380,000	2012	Student Housing	1.25	1.40	2032	1-Dec-2016	14,830,000
Student Facilities	18,135,000	2015	Refunding (2005: Student Union Building)	1.25	1.40	2030	1-Dec-2016	17,205,000
WSU Total	\$ 59,685,000							\$ 53,440,000

Southern Utah University								
Auxiliary & Student Building Fee	\$ 12,025,000	2008	Student Housing	1.15	1.89	2033	16-Mar-2016	800,000
Auxiliary & Student Building Fee	8,285,000	2011	Student Housing	1.15	1.89	2023	16-Mar-2016	6,370,000
Auxiliary & Student Building Fee	8,420,000	2016	Student Housing Refunding (2008)	1.15	1.89	2033	24-Aug-2016	8,420,000
SUU Total	\$ 28,730,000							\$ 15,590,000

Snow College								
Student Fee & Housing	\$ 16,810,000	2011	Student Housing	1.10	1.48	2036	29-Jan-2016	14,885,000
Snow Total	\$ 16,810,000							\$ 14,885,000

Dixie State University								
Lease Revenue	\$ 5,195,000	2006	Refunding (1999A: Dixie Center)	N/A	N/A	2023	27-Dec-2016	2,545,000
General Revenue	21,315,000	2015	Student Housing	N/A	N/A	2046	27-Dec-2016	21,315,000
DSU Total	\$ 26,510,000							\$ 23,860,000

Utah Valley University								
Municipal Bldg. Auth. Ut. County	\$ 3,900,000	2004A	Baseball Stadium and Improvements	1.10	1.27	2019	18-Jan-2016	1,380,000
Student Cntr. Bldg. Fee & Unified	11,020,000	2004A	Refunding (2000 and 1995A: Student Center)	1.10	1.27	2020	18-Jan-2016	1,855,000
Student Cntr. Bldg. Fee & Unified	49,250,000	2012A	Student Life and Wellness Bldg. & Parking	1.10	1.27	2033	18-Jan-2016	43,615,000
UVU Total	\$ 64,170,000							\$ 46,850,000

Salt Lake Community College			No Debt Outstanding					\$ -
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USHE Total	\$ 1,534,860,000							\$1,056,480,000
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January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: USHE – 2017 Data Book

Issue

Annually, the Commissioner's Office produces a Utah System of Higher Education Data Book, which contains a comprehensive set of data tables covering a wide range of USHE topics.

Background

The 2017 version of the USHE Data Book has now been completed and is available in pdf format on the USHE web page www.Higheredutah.org under the Research and Data/ Data Books menu selection (<https://higheredutah.org/data/>).

Tabbed Sections in the USHE Data Book include the following topics:

Degrees & Awards (Tab B)	Budget History (Tab H)
Enrollments (Tab C)	Cost Study (Tab I)
Career and Technical Education (Tab D)	Salary Comparisons (Tab J)
Tuition and Fees (Tab E)	Salary Comparisons (Tab K)
Paying for College (Tab F)	Facilities (Tab L)
Financial Information (Tab G)	Comparable institutions (Tab M)

In most cases the data provided is summarized at both the institutional and system levels.

Commissioner's Recommendation

This is an information item; no action is required.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/JAC
Attachments

Tab A – Executive Summary



UTAH SYSTEM OF
HIGHER EDUCATION

Building a Stronger State of Minds

UTAH SYSTEM OF HIGHER EDUCATION
2017 DATA BOOK

The USHE Data Book is a compilation of reports on the Utah System of Higher Education and its eight component institutions. Some form of this book has been published each year since the creation of the Utah State Board of Regents and the Utah System of Higher Education in 1969. The book is intended to allow the Governor's Office, Legislators and legislative staff, USHE institutions, and the general public to query particular aspects of the Utah System of Higher Education.

Information available in the USHE 2017 Data Book covers twelve different subject areas:

- | | |
|--|---------------------------------|
| Degrees & Awards (Tab B) | Budget History (Tab H) |
| Enrollments (Tab C) | Cost Study (Tab I) |
| Career and Technical Education (Tab D) | Staffing (Tab J) |
| Tuition and Fees (Tab E) | Salary Comparisons (Tab K) |
| Paying for College (Tab F) | Facilities (Tab L) |
| Financial Information (Tab G) | Comparable institutions (Tab M) |

The USHE Data Book is designed to provide users the necessary information to perform data analyses on various data elements categorized in each of twelve tabs. If questions arise about any of the data included in this book, please contact the Office of the Commissioner of Higher Education, Department of Institutional Research and Analysis at (801) 321-7121.

Highlights include:

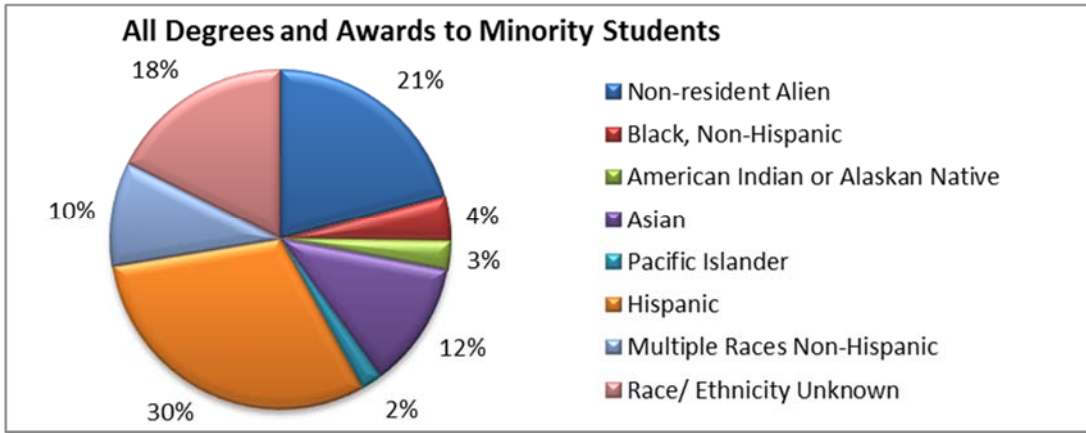
Tab B – Degrees & Awards
2015-16

	Cert. < 1yr	Cert > 1yr	Assoc.	Bacc.	Masters	Doct.	1st Prof	Total	1-yr % Change	5-yr % Change
UU		386		5,167	1,901	331	384	8,169	-0.2%	4.4%
USU		167	1,252	3,810	830	94	8	6,161	1.3%	7.3%
WSU	76	42	2,245	2,488	254			5,105	0.4%	13.3%
SUU	17	14	532	937	278			1,778	15.1%	10.7%
Snow		79	864	25				968	13.1%	-11.0%
DSU	286	13	974	646				1,919	-1.1%	-6.4%
UVU	89	89	1,929	2,903	97			5,107	0.5%	12.0%
SLCC	545	355	3,687					4,587	14.0%	9.5%
USHE	1,013	1,145	11,483	15,976	3,360	425	392	33,794	3.0%	7.1%

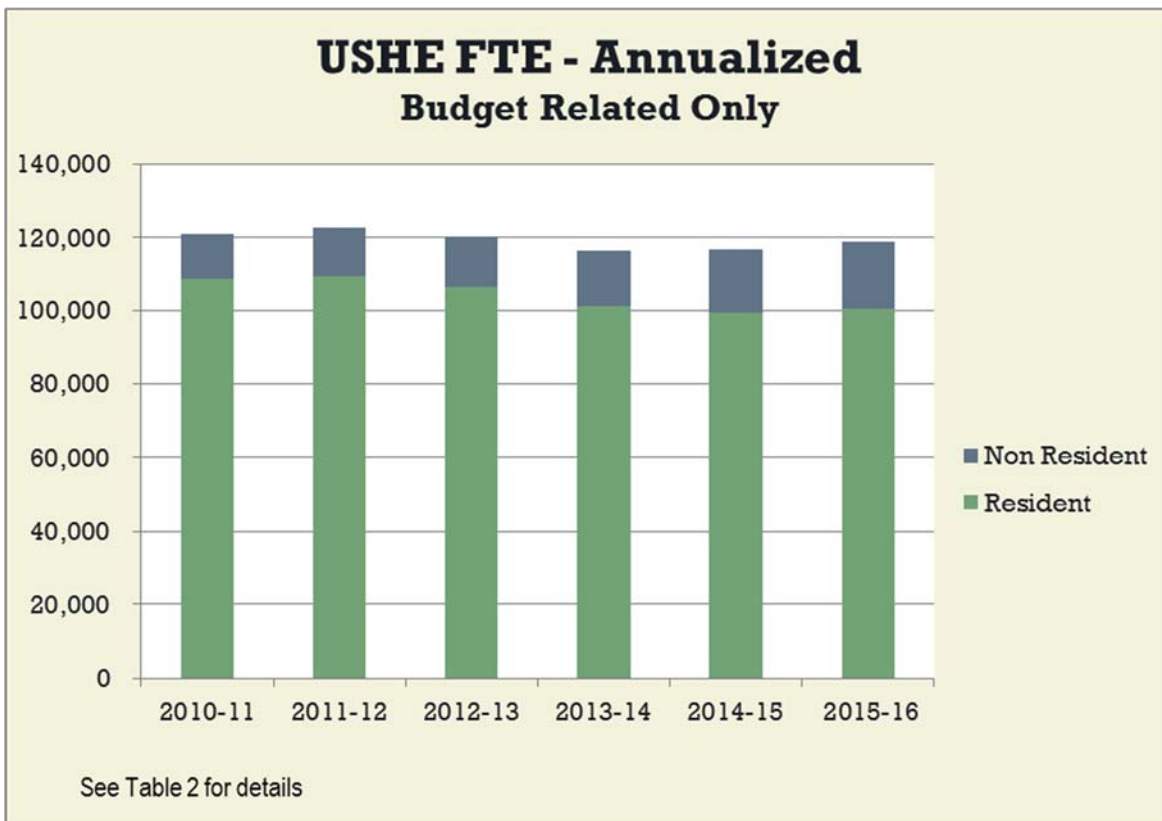
Cert.=Certificate, Short-term certificates, other awards; 1st Prof=first professional, e.g. MD, JD, etc.

Source: 2017 USHE Data Book Tab B Table 2 and Table 3

Source: Table 5 of Tab B – Degrees & Awards



Tab – C Enrollments

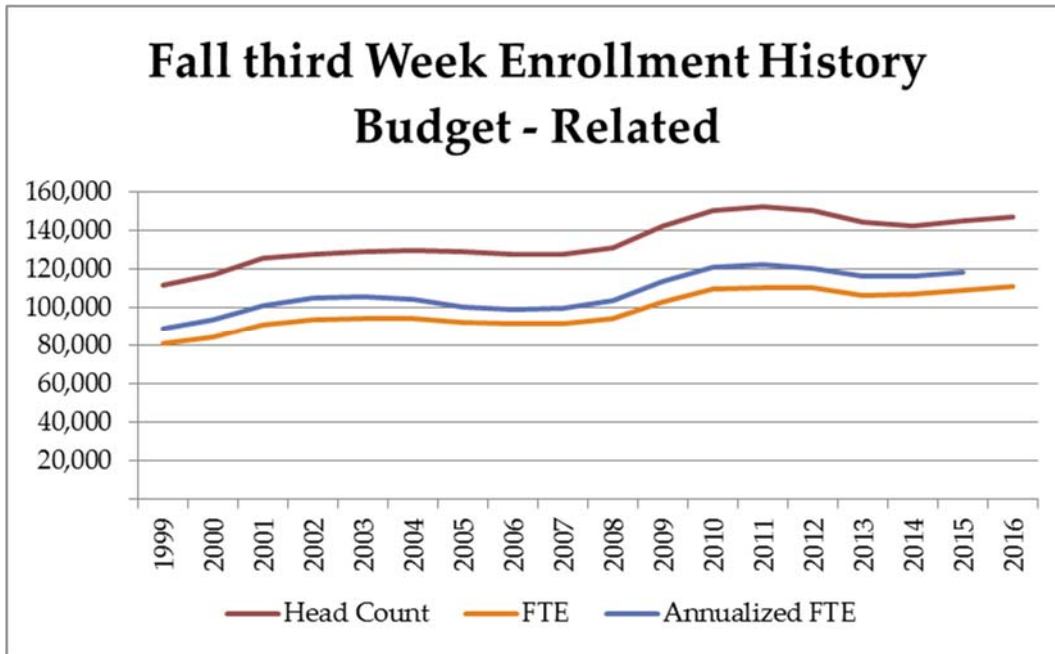


Source: Table 2 of Tab C – Enrollments

2016-17 Fall THIRD WEEK FTE (Budget-related and Self-Support)

	Resident	Nonresident	Total	1-yr change	5-yr change
UU	21627.54	5811.91	27439.45	1.96%	1.02%
USU	17601.74	4372.74	21974.48	-0.75%	5.81%
WSU	14921.37	1587.9	16509.27	2.89%	-0.91%
SUU	5793.47	1466.6	7260.07	4.78%	11.87%
Snow	3686.37	347.43	4033.8	3.19%	14.05%
DSU	5426.87	1424.63	6851.5	7.37%	4.78%
UVU	20548.07	3157.43	23705.5	4.93%	9.67%
SLCC	14564.95	1058.92	15623.87	0.46%	-5.95%
Total	104170.4	19227.56	123397.94	2.44%	3.36%

Source: Table 11 of Tab C – Enrollments



Source: Enrollment History – Fall Enrollment Third Week

Tab E – Tuition & Fees

2016-17 Annual Undergraduate ⁽¹⁾ Tuition and Fees

	Resident	Non-Resident	Resident 1-yr change	Resident 5-yr change
University of Utah	\$ 8,518	\$27,039	3.9%	19.3%
Utah State University	\$ 6,866	\$19,772	3.0%	15.8%
Weber State University	\$ 5,523	\$14,749	3.5%	15.8%
Southern Utah University	\$ 6,530	\$19,810	3.7%	17.1%
Snow College	\$ 3,592	\$12,070	3.1%	16.4%
Dixie State University	\$ 4,840	\$13,855	4.8%	18.4%
Utah Valley University	\$ 5,530	\$15,690	2.7%	15.5%
Salt Lake Community College	\$ 3,689	\$11,728	3.4%	16.4%
USHE Average Change			3.5%	16.8%

(1) Undergraduate Tuition and Centrally Administered Fees for 2 semesters at 15 credit hours.

Source: Table 3 of Tab E – Tuition & Fees

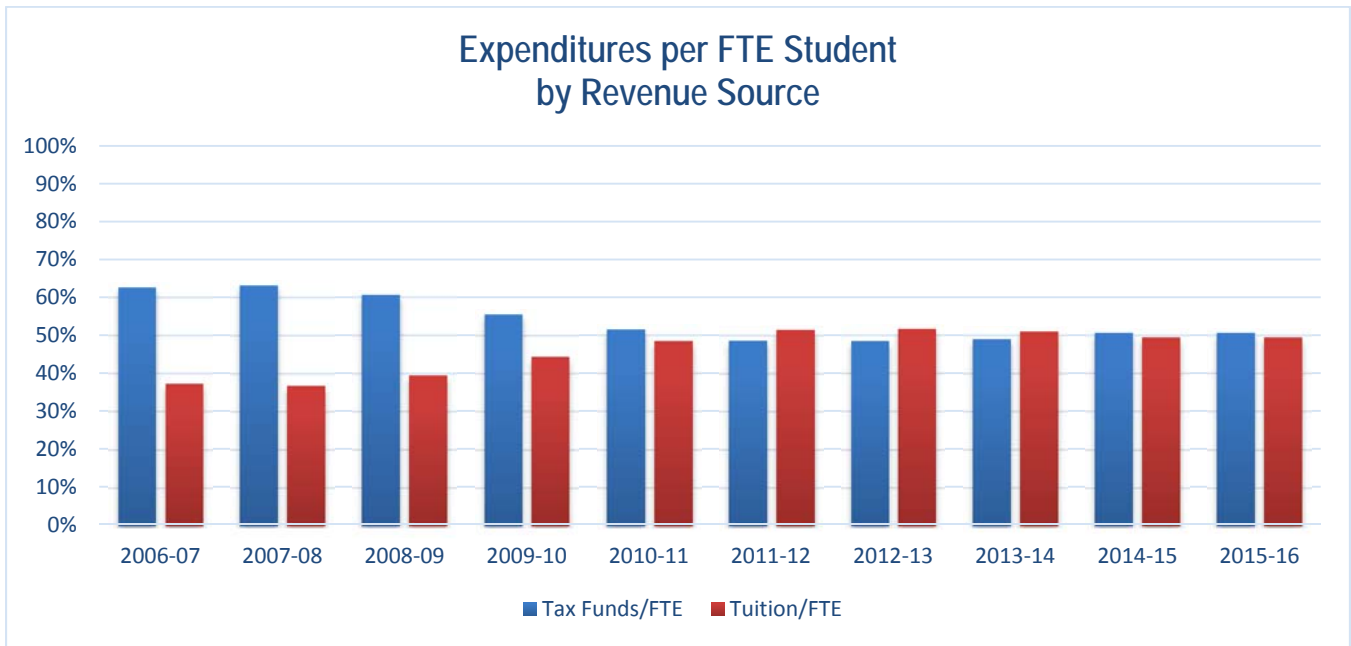
Tab F – Paying for College

Total Resident Waivers				
	2012-13	2013-14	2014-15	2015-16
UU	10,882,418	11,663,049	12,212,856	11,321,676
USU	7,030,600	6,969,785	7,327,943	7,802,251
WSU	5,550,345	5,831,172	6,311,111	6,984,527
SUU	2,847,351	2,907,251	2,970,786	3,239,305
Snow	882,159	906,420	992,630	1,148,741
DSU	2,111,147	2,094,632	2,200,243	2,252,030
UVU	7,178,641	7,461,121	7,627,392	8,040,452
SLCC	2,155,601	2,305,713	2,366,441	2,533,446
Total Resident	\$38,638,262	\$40,139,142	\$42,009,402	\$43,322,428

Total Non-Resident Waivers				
	2012-13	2013-14	2014-15	2015-16
UU	\$7,556,186	\$5,341,199	\$7,579,027	\$18,227,827
USU	17,808,972	23,239,304	27,416,713	33,773,083
WSU	4,735,972	5,284,318	5,543,999	6,179,691
SUU	2,937,133	4,093,132	5,808,640	10,035,106
Snow	572,224	736,613	1,143,863	1,129,915
DSU	2,658,638	3,566,299	4,473,437	5,090,197
UVU	2,897,408	5,393,222	8,581,779	12,397,305
SLCC	1,130,649	2,201,084	2,256,805	2,510,865
Total Resident	\$40,297,182	\$49,855,170	\$62,804,263	\$89,343,989

Source: Table 9 of Tab F – Paying for College

Tab H – Budget History



Source: Table 9 of Tab H - Budget History

Tab J – Staffing

USHE EMPLOYEE FTE COUNT FOR FALL 2016
TOTAL - UTAH SYSTEM OF HIGHER EDUCATION

EDUCATION AND GENERAL CLASSIFICATION											
Instruction	Research	Public Service	Academic Support		Student Services		Institutional Support	O&M Plant	Auxiliaries	Hospital	Total
			Libraries	Other	Athletics	Other					

III. TOTAL

Regular Faculty	4,171.83	450.75	98.86	33.11	49.13	0.00	3.11	2.95	0.21	0.00	6.85	4,816.80
Adjunct / Wage Rated Faculty	2,371.04	563.00	577.00	6.03	45.17	0.00	1.96	0.60	0.13	0.00	13.25	3,578.18
Teaching Assistants	570.54	781.91	100.93	0.44	33.17	1.97	6.84	1.74	0.78	1.04	0.00	1,499.36
Executives	16.85	12.92	2.19	7.00	91.22	3.85	24.43	104.23	7.00	1.37	2.00	273.05
Staff	1,729.86	887.07	1,561.93	430.98	1,094.73	329.58	1,292.28	2,012.68	1,149.27	755.08	5,541.00	16,784.47
Wage Payroll	1,341.20	362.35	1,034.02	128.05	672.95	102.53	908.40	905.58	647.05	1,153.35	1,637.25	8,892.73
TOTAL	10,201.32	3,058.00	3,374.93	605.61	1,986.37	437.94	2,237.01	3,027.78	1,804.44	1,910.84	7,200.35	35,844.58

Source: Table 1 of Tab J - Staffing

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Update on Institution Audit Reports to the Regents’ Audit Committee

Issue

Regent Policy R565, *Audit Committees*, requires that the Regent Audit Subcommittee provide an annual report to the Board detailing the committee’s activities and recommendations for the year.

Background

Annually, the Regent Audit Subcommittee meets with institution Trustees and audit staff in January to discuss each institution’s annual audit report, review institution internal audit effectiveness, and assess each institution’s control environment. It also affords the Regent Audit Subcommittee an opportunity to engage in conversation with the institutions’ internal auditors regarding assessment of internal controls, risk assessment, and risk management.

The Regent Audit Subcommittee met on January 10, 2017 with institution Trustee chairs, institution Trustee audit chairs, campus auditors, and other invited institution representatives. The chair of the Regent Audit Subcommittee will provide an oral report detailing the committee’s activities and recommendations during the January Board meeting.

Commissioner’s Recommendation

This is an information item only; no action is required at this time.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/DSP

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Annual Auxiliary Funds Report

Issue

Regent Policy R550, *Auxiliary Enterprises Operation and Accountability*, requires the Commissioner's Office prepare an analysis of the financial condition of auxiliary enterprises at each USHE Institution. The following information has been reviewed by independent auditors as part of the institutional financial statement audits, and has been consolidated by OCHE staff for the purpose of Regent review and monitoring.

Background

Auxiliary enterprises are business activities or other essential self-supporting activities (as distinguished from primary programs of instruction, research, public service, and intercollegiate athletics), the principal purpose of which is to provide specified services to students, faculty, staff, or guests of the institution.

Auxiliary enterprise operational revenue is important to an institution, where net income from operations is often used for various campus projects: such as, meeting revenue bond obligations, funding facilities repair and replacement needs, building reserves, and meeting other campus needs.

All institutional housing, food service, and campus store activities are classified and managed as auxiliary enterprises. These three auxiliaries are common amongst most of the campuses. The revenues and expenses for each of these auxiliaries are reported in the attachments. For the purpose of this report it should be noted that the University of Utah and Utah State University have other auxiliary services that are not individually reported, but reported in the aggregate. Further, Utah Valley University and Salt Lake Community College do not own campus housing and this is reflected in the related attachments.

At the aggregate level USHE auxiliary fund balances appear healthy. While housing and food service revenue has increased at all institutions (primarily a function of enrollment increases), textbook sales have declined at some college and university campus stores as additional options have become available for students to acquire course materials. Consequently, campus stores continue to explore other possible revenue sources and new methods of competitively offering textbooks to students.

Attachments include:

1. Report of Total Auxiliary Enterprise Operation Actual Revenues (FY16)
2. Report of Total Auxiliary Enterprise Operations Budgeted Revenues (FY17)
3. Auxiliary Enterprise Operations Comparisons (FY15 to FY16)
4. Campus Store Auxiliary Enterprise Operations Comparisons (FY15 to FY16)
5. Housing Auxiliary Enterprise Operations Comparisons (FY15 to FY16)
6. Food Services Auxiliary Enterprise Operations Comparisons (FY15 to FY16)

Commissioner's Recommendation

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

David L. Buhler
Commissioner of Higher Education

DLB/KLH/BLS
Attachments

UTAH SYSTEM OF HIGHER EDUCATION

Report of Total Auxiliary Enterprise Operations (2015-16 Actuals)

	<u>UU</u>	<u>USU</u>	<u>WSU</u>	<u>SUU</u>	<u>SNOW</u>	<u>DSU</u>	<u>UVU</u>	<u>SLCC</u>
Beg Fund Balance*	\$ 4,944,000	\$ 656,407	\$ 5,276,117	\$ 1,896,837	\$ 492,011	\$ 2,097,295	\$ 3,055,596	\$ 2,840,938
Revenues	115,729,000	42,694,575	19,796,165	8,654,633	4,423,527	6,829,629	17,530,899	10,520,105
Expenditures	<u>(110,587,000)</u>	<u>(34,421,594)</u>	<u>(17,390,918)</u>	<u>(5,406,610)</u>	<u>(3,448,396)</u>	<u>(6,520,204)</u>	<u>(17,477,886)</u>	<u>(11,656,571)</u>
Net Income	5,142,000	8,272,981	2,405,247	3,248,023	975,131	309,425	53,013	(1,136,466)
Transfers	<u>(3,865,000)</u>	<u>(8,300,461)</u>	<u>(1,847,934)</u>	<u>(3,262,934)</u>	<u>-</u>	<u>(95,079)</u>	<u>(53,013)</u>	<u>73,644</u>
Change in Fund Balance	<u>1,277,000</u>	<u>(27,480)</u>	<u>557,313</u>	<u>(14,911)</u>	<u>975,131</u>	<u>214,345</u>	<u>-</u>	<u>(1,062,822)</u>
End Fund Balance	<u><u>\$ 6,221,000</u></u>	<u><u>\$ 628,927</u></u>	<u><u>\$ 5,833,430</u></u>	<u><u>\$ 1,881,926</u></u>	<u><u>\$ 1,467,142</u></u>	<u><u>\$ 2,311,640</u></u>	<u><u>\$ 3,055,596</u></u>	<u><u>\$ 1,778,116</u></u>

* It should be noted that the Fund Balance includes cash, inventories, etc. related to running/maintaining Auxiliary Enterprise Operations.

UTAH SYSTEM OF HIGHER EDUCATION

Report of Total Auxiliary Enterprise Operations (2016-17 Budgets)

	<u>UU</u>	<u>USU</u>	<u>WSU</u>	<u>SUU</u>	<u>SNOW</u>	<u>DSU</u>	<u>UVU</u>	<u>SLCC</u>
Beg Fund Balance*	\$ 6,221,000	\$ 628,927	\$ 5,833,430	\$ 181,926	\$ 1,467,142	\$ 2,311,640	\$ 3,055,596	\$ 1,778,116
Revenues	118,129,000	42,924,754	20,130,919	8,171,892	4,435,000	8,015,000	17,797,779	9,994,100
Expenditures	<u>(117,526,000)</u>	<u>(35,899,177)</u>	<u>(18,127,510)</u>	<u>(5,630,354)</u>	<u>(3,796,500)</u>	<u>(6,725,000)</u>	<u>(17,322,978)</u>	<u>(9,424,100)</u>
Net Income	603,000	7,025,577	2,003,409	2,541,538	638,500	1,290,000	474,801	570,000
Transfers	<u>(669,000)</u>	<u>(6,748,577)</u>	<u>(1,763,934)</u>	<u>(2,541,538)</u>	<u>-</u>	<u>(1,016,900)</u>	<u>(474,801)</u>	<u>-</u>
Change in Fund Balance	<u>(66,000)</u>	<u>277,000</u>	<u>239,475</u>	<u>-</u>	<u>638,500</u>	<u>273,100</u>	<u>-</u>	<u>570,000</u>
End Fund Balance	<u><u>\$ 6,155,000</u></u>	<u><u>\$ 905,927</u></u>	<u><u>\$ 6,072,905</u></u>	<u><u>\$ 181,926</u></u>	<u><u>\$ 2,105,642</u></u>	<u><u>\$ 2,584,740</u></u>	<u><u>\$ 3,055,596</u></u>	<u><u>\$ 2,348,116</u></u>

* It should be noted that the Fund Balance includes cash, inventories, etc. related to running/maintaining Auxiliary Enterprise Operations.

UTAH SYSTEM OF HIGHER EDUCATION

Auxiliary Enterprise Operations Comparisons of Totals (FY 2015 to FY 2016)

	UU				USU				WSU			
	2014-15	2015-16	\$ Change	% Change	2014-15	2015-16	\$ Change	% Change	2014-15	2015-16	\$ Change	% Change
Revenues	\$ 113,705,299	\$ 124,348,000	\$ 10,642,701	9%	\$ 40,276,110	\$ 42,694,575	\$ 2,418,465	6%	\$ 19,884,513	\$ 19,796,165	\$ (88,348)	0%
Expenditures	(107,157,015)	(118,105,000)	(10,947,985)	10%	(33,113,974)	(34,421,594)	(1,307,620)	4%	(17,790,446)	(17,390,918)	399,528	-2%
Net Income	6,548,284	6,243,000	(305,284)	-5%	7,162,136	8,272,981	1,110,845	16%	2,094,067	2,405,247	311,180	15%
End Fund Bal	\$ 6,074,594	\$ 7,322,000	\$ 1,247,406		\$ 656,407	\$ 628,927	\$ (27,480)		\$ 5,276,116	\$ 5,833,430	\$ 557,314	

	SUU				SNOW				DSU			
	2014-15	2015-16	\$ Change	% Change	2014-15	2015-16	\$ Change	% Change	2014-15	2015-16	\$ Change	% Change
Revenues	\$ 8,145,449	\$ 8,654,633	\$ 509,184	6%	\$ 3,941,003	\$ 4,423,527	\$ 482,524	12%	\$ 6,865,270	\$ 6,829,629	\$ (35,641)	-1%
Expenditures	(5,366,054)	(5,406,610)	(40,556)	1%	(3,622,472)	(3,448,396)	174,076	-5%	(6,479,316)	(6,520,204)	(40,888)	1%
Net Income	2,779,395	3,248,023	468,628	17%	318,531	975,131	656,600	-206%	385,954	309,425	(76,529)	-20%
End Fund Bal	\$ 1,896,837	\$ 1,881,926	\$ (14,911)		\$ 472,606	\$ 1,467,142	\$ 994,536		\$ 2,097,295	\$ 2,311,640	\$ 214,345	

	UVU				SLCC			
	2014-15	2015-16	\$ Change	% Change	2014-15	2015-16	\$ Change	% Change
Revenues	\$ 17,021,904	\$ 17,530,889	\$ 508,985	3%	\$ 11,883,136	\$ 10,520,105	\$ (1,363,031)	-11%
Expenditures	(16,842,028)	(17,477,886)	(635,858)	4%	(12,575,001)	(11,656,571)	918,430	-7%
Net Income	179,876	53,003	(126,873)	-71%	(691,865)	(1,136,466)	(444,601)	64%
End Fund Bal	\$ 3,535,596	\$ 3,055,596	\$ (480,000)		\$ 2,840,938	\$ 1,778,116	\$ (1,062,822)	

Campus Store Auxiliary Enterprise Operations Comparisons (FY 2015 to FY 2016)

	UU			USU			WSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 23,303,136	\$ 25,115,000	8%	\$ 10,648,646	\$ 10,222,244	-4%	\$ 11,414,031	\$ 10,400,444	-9%
Expenditures	(23,296,727)	(25,114,000)	8%	(10,499,103)	(10,084,115)	-4%	(11,359,417)	(10,665,727)	-6%
Net Income	\$ 6,409	\$ 1,000		\$ 149,543	\$ 138,129		\$ 54,614	\$ (265,283)	

	SUU			SNOW			DSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 3,201,480	\$ 3,351,574	5%	\$ 254,198	\$ 234,621	-8%	\$ 3,806,182	\$ 3,653,609	-4%
Expenditures	(2,979,383)	(3,043,335)	2%	(221,711)	(192,645)	-13%	(3,688,995)	(3,599,811)	-2%
Net Income	\$ 222,098	\$ 308,239		\$ 32,487	\$ 41,976		\$ 117,187	\$ 53,798	

	UVU			SLCC		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 9,076,264	\$ 9,126,563	1%	\$ 7,539,528	\$ 6,276,496	-17%
Expenditures	(9,037,694)	(9,296,257)	3%	(7,595,972)	(6,769,177)	-11%
Net Income	\$ 38,570	\$ (169,694)		\$ (56,444)	\$ (492,681)	

Housing Auxiliary Enterprise Operations Comparisons (FY 2015 to FY 2016)

	UU			USU			WSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 27,291,365	\$ 28,364,000	4%	\$ 12,901,149	\$ 14,625,008	13%	\$ 4,734,670	\$ 5,560,488	17%
Expenditures	(25,577,102)	(26,951,000)	5%	(8,743,892)	(9,017,764)	3%	(2,919,339)	(3,138,705)	8%
Net Income	\$ 1,714,263	\$ 1,413,000		\$ 4,157,257	\$ 5,607,244		\$ 1,815,331	\$ 2,421,783	

	SUU			SNOW			DSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 2,476,204	\$ 2,479,198	0%	\$ 1,865,779	\$ 2,005,119	7%	\$ 834,094	\$ 910,085	9%
Expenditures	(914,389)	(886,388)	-3%	(1,786,003)	(1,161,239)	-35%	(566,517)	(697,417)	23%
Net Income	\$ 1,561,815	\$ 1,592,810		\$ 79,776	\$ 843,880		\$ 267,577	\$ 212,668	

	UVU			SLCC		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	no housing	no housing		no housing	no housing	
Expenditures	no housing	no housing		no housing	no housing	
Net Income	-	-		-	-	

Food Services Auxiliary Enterprise Operations Comparisons (FY 2015 to FY 2016)

	UU			USU			WSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 8,309,000	\$ 8,619,000	4%	\$ 9,782,645	\$ 10,559,498	8%	\$ 124,648	\$ 161,074	29%
Expenditures	(7,178,000)	(7,518,000)	5%	(8,653,648)	(9,533,849)	10%	(114,960)	(124,536)	8%
Net Income	\$ 1,131,000	\$ 1,101,000		\$ 1,128,997	\$ 1,025,649		\$ 9,688	\$ 36,538	

	SUU			SNOW			DSU		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 275,324	\$ 312,523	14%	\$ 1,268,825	\$ 1,472,694	16%	\$ 1,920,944	\$ 1,952,452	2%
Expenditures	(227,453)	(213,199)	-6%	(1,020,853)	(1,420,390)	39%	(1,904,133)	(1,912,671)	0%
Net Income	\$ 47,871	\$ 99,324		\$ 247,972	\$ 52,304		\$ 16,810	\$ 39,781	

	UVU			SLCC		
	2014-15	2015-16	% Change	2014-15	2015-16	% Change
Revenues	\$ 3,618,761	\$ 3,735,116	3%	\$ 2,537,406	\$ 2,555,195	1%
Expenditures	(3,867,699)	(4,012,208)	4%	(2,812,715)	(2,932,866)	4%
Net Income	\$ (248,938)	\$ (277,092)		\$ (275,309)	\$ (377,671)	

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: General Consent Calendar

The Commissioner recommends approval of the following items on the Regents' General Consent Calendar:

A. Minutes

1. Minutes of the Board Meetings: November 18, 2016, Utah Valley University, Orem, Utah; December 2, 2016, Conference Call, Board of Regents Building, Salt Lake City, Utah (Attachment).

B. Grant Proposals

1. University of Utah – State of Utah; “NIST MEP Center”; \$5,281,525. Bart Raeymaekers, Principal Investigator.
2. University of Utah – DOD Defense Advanced Research Projects Agency; “Multi-Functional Computational”; \$3,200,000. Rajesh Menon, Principal Investigator.
3. University of Utah – DHHS National Institutes of Health; “Deans Innovator”; \$2,285,000. Tara Lynn Deans, Principal Investigator.
4. University of Utah – NIH National Inst Allergy & Infectious Disease; “Bock Countermeasures”; \$2,229,243. Susan C Bock, Principal Investigator.
5. University of Utah - DOD Defense Advanced Research Projects Agency; “Advanced Calorimetry”; \$2,200,000. Azaree T Lintreure, Principal Investigator.
6. University of Utah – National Science Foundation; “Wildland Fire Modeling;’ \$2,021,163. Steven K Krueger, Principal Investigator.
7. University of Utah – NIH National Inst Child Hlth & Human Development; “Lightweight Powered Prosthesis;’ \$1,903,752. Tommaso Lenzi, Principal Investigator.
8. University of Utah – DOD Defense Advanced Research Projects Agency; “DREAM”; \$1,893,212. Richard F Riesenfeld, Principal Investigator.

9. University of Utah – National Science Foundation; “Resilience Eval and Prediction”; \$1,344,478. Gianluca Lazzi, Principal Investigator.
10. University of Utah – US Department of Defense; “MTEC-Vision Prosthetic”; \$1,332,000. Brittany Coats, Principal Investigator.
11. University of Utah – National Science Foundation; “Variable Precision:” \$1,200,000. Ganesh H Gopalakrishnan, Principal Investigator.
12. University of Utah – National Science Foundation; “Enabling the relational Idea”; \$1,166,342. William E Byrd, Principal Investigator.
13. University of Utah – NIH National Inst Diabetes Digest Kidney Disease; “Ceramide in the Adipocyte”; \$2,675,200. Scott Summers, Principal Investigator.
14. University of Utah – National Science Foundation; “NSF PIRE”; \$2,700,000. Manoranjan Misra, Principal Investigator.
15. University of Utah – NIH National Institute of Nursing Research; “Environmental Exposure”; \$2,495,261. Gwen A Latendresse, Principal Investigator.
16. University of Utah – US Department of Defense; “Innovation in Antibiotic Disco”; \$10,000,000. Argo Genevieve Haygood, Principal Investigator.
17. University of Utah – NIH National Cancer Institute; “Tumor Heterogeneity”; \$3,000,000. Andrea H Bild, Principal Investigator.
18. University of Utah – Utah Science Technology and Research; “USTAR UTAH CSTE@UTAH”; \$2,000,000. David W Grainger, Principal Investigator.
19. University of Utah – NIH National Cancer Institute; “Dual Targeted P53 Gene Therapy”; \$1,903,750. Carol Lim, Principal Investigator.
20. University of Utah – NIH national Cancer Institute; “Antibody-Drug Conjugate Lympho”; \$1,900,000. Jiyuan Yang, Principal Investigator.
21. University of Utah – Utah State University; “EPSCOR RII Track 1: IUTAH”; \$5,414,939. James R Ehleringer, Principal Investigator.
22. University of Utah – NIH National Center for Research Resrcs; “The Generation of Subtype”; \$2,758,335. Jon D Rainier, Principal Investigator.

23. University of Utah – DHHS National Institutes of Health; “Lipid Asymmetry”; \$2,638,431. Markus Babst, Principal Investigator.
24. University of Utah – DHHS National Institutes of Health; “MRNA Decay During ER Stress”; \$1,862,500. Julie Hollien, Principal Investigator.
25. University of Utah – DHHS National Institutes of Health; “The ISDF”; \$1,141,250. Jill Trehwella, Principal Investigator.
26. University of Utah – National Science Foundation; “Predicting Drought Impacts”; \$1,030,473. William Anderegg Love, Principal Investigator.
27. University of Utah – Howard Hughes Medical Institute; “Utah pathways to STEM”; \$1,000,000. Holly Suzanne Godsey, Principal Investigator.
28. University of Utah – NIH National Cancer Institute; “Hippest Trial”; \$5,738,277. N Jewel Samadder, Principal Investigator.
29. University of Utah – NIH National Cancer Institute; “Epigenetic Engineering”; \$5,707,380. Jason Gertz, Principal Investigator.
30. University of Utah – NIH National Cancer Institute; “Drosophila Gut”; \$2,773,796. Bruce A Edgar, Principal Investigator.
31. University of Utah – NIH National Cancer Institute; “Neural Crest Migration”; \$1,903,750. Rodney A Stewart, Principal Investigator.
32. University of Utah- Howard Hughes Medical Institute; “HHMI – Epithelial Cell Numbers”; \$1,200,000. Jody Rosenblatt, Principal Investigator.
33. University of Utah – National Science Foundation; “Connectomics Software”; \$3,950,285. Bryan W Jones, Principal Investigator.
34. University of Utah – DHHS National Institutes of Health; “18 Well”; \$3,573,453. Maureen Murtaugh, Principal Investigator.
35. University of Utah – DHHS National Institutes of Health; “Share 2016”; \$3,507,488. James Morris Hotaling, Principal Investigator.
36. University of Utah – NIH National Institute of Mental Health; “Zielinski R01 Oct 2016”; \$3,241,367. Brandon Anthony Zielinski, Principal Investigator.

37. University of Utah – NIH Inst Allergy & Infectious Disease; “Biochemistry of HIV-1 Budding”; \$2,779,526. Wesley I Sundquist, Principal Investigator.
38. University of Utah – NIH National Inst Child Hlth & Human Development; “Longo R01 Oct 2016”; \$2,762,442. Nicola Longo, Principal Investigator.
39. University of Utah – DHHS National Institutes of Health; “R01 Shcheglovitov”; \$2,677,433. Oleksandr Shcheglovitov, Principal Investigator.
40. University of Utah – DHHS National Institutes of health; “MCMV R01 Oct2016”; \$2,448,242. Albert H Park, Principal Investigator.
41. University of Utah – DHHS National Institutes of Health; “SDF-1 DNA R01”; \$2,285,893. Young-Wook Won, Principal Investigator.
42. University of Utah – NIH National Heart Institutes of Health; “Joss-Moore R01 Oct2016”; \$2,074,862. Lisa Anne Joss-Moore, Principal Investigator.
43. University of Utah – DHHS National Institutes of Health; “Oxygen Pulmonary Innate”; \$1,939,774. Robert Paine III, Principal Investigator.
44. University of Utah – NIH National Inst Diabetes Digest Kidney Disease; “FOXN3 IPOD”; \$1,903,750. Amnon Schlegel, Principal Investigator.
45. University of Utah – DHHS National Institutes of Health; “Novel Signaling mechanism”; \$1,903,750. Sungjin Park, Principal Investigator.
46. University of Utah – NIH National Heart Lung & Blood Inst; “Mitochondrial Dynamics”; \$1,903,950. Jesse W Rowley, Principal Investigator.
47. University of Utah – DHHS National institutes of Health; “Biology of Plasmodium Plastid”; \$1,903,750. Paul Andrew Sigala, Principal Investigator.
48. University of Utah – DHHS National Institutes of Health; “Cone Snail Insulin”; \$1,903,750. Hug-Chieh Chou, Principal Investigator.
49. University of Utah – DHHS National Institute of Health; “Mira R35 Nov2016”; \$1,902,207. Young-Wook Won, Principal Investigator.
50. University of Utah – NIH National Eye Institute; “SFLT Renewal-2016”; \$1,879,545. Balamurali Krishna Ambati, Principal Investigator.

51. University of Utah – Brigham Young University; “Barkmeier-Kraemer R01 Sub BYU”; \$1,444,736. Julie M Barkmeier-Kraemer, Principal Investigator.
52. University of Utah – University of Colorado at Boulder; “Reassessment of PTE Models”; \$1,090,931. Francis Edward Dudek, Principal Investigator.
53. University of Utah – DHHS Agency for Healthcare Research & Quality; “R18 DVT”; \$1,026,502. Christopher Pannucci, Principal Investigator.
54. University of Utah – Medical College of Wisconsin; “Mann MCQ Sub Aug2016”; \$1,016,160. Newell C Mann, Principal Investigator.
55. University of Utah – US Department of Defense; “DODPC150797 Impact”; \$1,000,105. Kathleen Ann Cooney, Principal investigator.
56. University of Utah – NIH National Cancer Institute; “Hepatic Cancer Screening”; \$2,500,000. Marc D Porter, Principal Investigator
57. University of Utah – US Department of Defense; “DOD PCRP HAMID and SI”; \$1,520,280. Hamidrezas Ghandehari, Principal Investigator.
58. University of Utah – DHHS National Institute of Health; “3D \$d Measure of Atrial Fib”; \$1,369,407. Joshua E Cates, Principal Investigator.
59. University of Utah – National Science Foundation; “Lagrangian Feature Sets”; \$1,199,713. Peer-Timo Bremer, Principal Investigator.
60. University of Utah – National Science Foundation; “EFRI Newlaw Preliminary Propos”; \$2,027,073. Rajesh Menon, Principal Investigator.
61. University of Utah – National Science Foundation; “Smart Community Pantry”; \$1,384,591. Carlos Mastrangelo, Principal Investigator.
62. University of Utah – DHHS Agency for Healthcare Resh & Quality; “AHRQ R01 Kneeo”; \$1,973,254. Julie Mae Fritz, Principal Investigator.
63. University of Utah – NIH National Inst Deaf & Other Comm Disorder; “Language Disorder and ADHD”; \$1,903,750. Sean M Redmond, Principal Investigator.
64. University of Utah – National Science Foundation; “IES Wasatch”; \$1,893,461. Paul D Brooks, Principal Investigator.

65. University of Utah – University of Southern California; “Leap Proposal”; \$1,484,727 Jan D Miller, Principal Investigator.
66. University of Utah – NIH National Inst Child Health & Human Development; “Resub ID HRQOL” \$3,331,474. Marjorie Anne Pett, Principal Investigator.
67. University of Utah – NIH National Cancer Institute; “TNBC Heterogeneity”; \$3,749,995. Andrea H Bild, Principal Investigator.
68. University of Utah – NIH National Cancer Institute; “PD-1 Nanoparticle”; \$2,009,038. Mingnan Chen, Principal Investigator.
69. University of Utah – DHHS National Institutes of Health; “ADC/ADE for Theranositics”; \$1,902,821. Shawn C Owen, Principal Investigator.
70. University of Utah – National Science Foundation; “Telescope Array operations 2016”; \$3,323,429. Gordon B Thomson, Principal Investigator.
71. University of Utah – National Science Foundation; “Baseline CR 2016”; \$2,780,897. Gordon B Thomson, Principal Investigator.
72. University of Utah – DHHS National Institutes of Health; “Wiring Logic Behind Learning”; \$2,284,500. Sophie Caron, Principal Investigator.
73. University of Utah – National Science Foundation; “Extending Composite Theory”; \$1,210,166. Graeme W Milton, Principal Investigator.
74. University of Utah – National Science Foundation; “Coupling Policy and Glaciers”; \$1,999,510. Summer Burton Rupper, Principal Investigator.
75. University of Utah – National Science Foundation; “Woodland-Human Systems in Utah”; \$1,799,814. Brian Frank Coddling, Principal Investigator.
76. University of Utah – NIH National Cancer Institute; “The-Omics ERA”; \$6,376,346. Nicola J Camp, Principal Investigator.
77. University of Utah – NIH National Cancer Institute; “Accelerating Translation”; \$6,320,844. Sean Vahram Tavgian, Principal Investigator.
78. University of Utah – NIH National Cancer Institute; “Low Risk Cancer Alleles”; \$3,458,596. Nicola J Camp, Principal Investigator.

79. University of Utah – NIH National Cancer Institute; “The PEP Study”; \$2,691,163. Cornelia Ulrich, Principal Investigator.
80. University of Utah – NIH National Inst of General Medical Science; “Nutrient Sensing”; \$2,363,512. Donald E Ayer, Principal Investigator.
81. University of Utah – NIH National Cancer Institute; “Transcriptional Regulation”; \$1,946,563. Eric Snyder, Principal Investigator.
82. University of Utah – NIH National Inst of General Medical Sci; “Novel Pathway”; \$1,903,750. Julie L Kadrmas, Principal Investigator.
83. University of Utah – NIH National Cancer institute; “Visualization Cancer Genomics”; \$1,369,500. Sunil Sharma, Principal Investigator.
84. University of Utah – US Department of Defense; “DOD Grant”; \$8,623,610. Jared P Rutter, Principal Investigator.
85. University of Utah – DHHS National Institutes of Health; “R01 – Susceptibility Genes”; \$4,802,958. Kathleen Ann Cooney, Principal Investigator.
86. University of Utah – DHHS National Institutes of Health; “R18 – Kawamoto + McAdams-Marx”; \$3,936,692. Kensaku Kawamoto, Principal Investigator.
87. University of Utah – DHHS National Institutes of Health; “Biological Patches Resub R01”; \$3,807,135. Amit N Patel, Principal Investigator.
88. University of Utah – DHHS National Institutes of Health; “Vitamin D Carotid”; \$3,725,387. Scott McNally, Principal Investigator.
89. University of Utah – DHHS National Institute of Health; “PRCA Predisposition Gene ident”; \$3,668,373. Lisa Anne Cannon-Albright, Principal Investigator.
90. University of Utah – DHHS National Institutes of Health; “R01 Resubmission (Myocardial)”; \$3,103,167. Ravi Ranijan, Principal Investigator.
91. University of Utah – NIH National Human Genome Research Inst; “Hotaling CSER2 R01 Oct 2016”; \$3,058,840. James Morris Hotaling, Principal Investigator.
92. University of Utah – NIH National Inst Diabetes Digest Kidney Dis; “Role of Renal (PRO) Renin”; \$3,041,201. Tianxin Yang, Principal Investigator.

93. University of Utah – DHHS National institutes of health; “Nerve Resub Nov 2016”; \$2,665,492. Jayant Agarwal, Principal Investigator.
94. University of Utah – National Multiple Sclerosis Society; “Microbial pathogenesis”; \$2,136,030. John D Kriesel, Principal Investigator.
95. University of Utah – DHHS National Institutes of Health; “Epigenetic Allelic Effects”; \$2,021,000. Christopher T Gregg, Principal Investigator.
96. University of Utah – NIH National Inst Diabetes Digest Kidney Dis; “Mole. Mech. Of WNK-SPAK/OSR1”; \$1,953,104. Aylin Rodan, Principal Investigator.
97. University of Utah – NIH national Inst Diabetes Digest Kidney Dis; “Liver X Receptors”; \$1,917,125. Amnon Schlegel, Principal Investigator.
98. University of Utah – NIH National Institute of Mental Health; “Bonkowsky R01 Resub 2016”; \$1,903,750. Joshua Leitch Bonkowsky, Principal Investigator.
99. University of Utah – DHHS National institutes of Health; “R01A1 Dr. Bass Adar RNA”; \$1,903,750. Brenda L Bass, Principal Investigator.
100. University of Utah – DHHS national Institutes of Health; “Dopaminergic Mechanisms”; \$1,903,950. Adam Douglass, Principal Investigator.
101. University of Utah – DHHS National Institutes of Health; “FTY720”; \$1,903,750. Thomas E Lane, Principal Investigator.
102. University of Utah – NIH National Inst Diabetes Digest Kidney Dis; “Purinergic Regulations”; \$1,902,816. Bellemkonda K Kishore, Principal Investigator.
103. University of Utah – NIH National Eye institute; “NEI Renewal”; \$1,893,750. David Krizaj, Principal Investigator.
104. University of Utah – DHHS National Institutes of Health; “Improved Cardiac MRI”; \$1,522,500. Ganeshsharma Adluru Venkata Raja, Principal Investigator.
105. University of Utah – Cincinnati Children’s Hospital Med Ctr; “CVDC Utah Genomic Data Sharing”; \$1,361,040. H Joseph Yost, Principal Investigator.
106. University of Utah – NIH National Inst Child Hlth & Human Dev; “Bruggers R12/R33 Resub Nov 2016”; \$1,332,625. Carol S Bruggers, Principal Investigator.

107. University of Utah – NIH National Inst of Child Hlth & Human Dev; “LAI R01 Resub Nov 2016”; \$1,141,250. Kent Lai, Principal Investigator.
108. University of Utah – NIH National Cancer institute; “Ghandehari R01 Resub Selp”; \$1,880,098. Hamidreza S Ghandehari, Principal Investigator.
109. University of Utah – Clemson University; “ACI-REF Phase II”; \$1,009,252. Thomas E Cheatham, Principal Investigator.
110. Utah State University – US National Science Foundation; “Collaborative Research: MSB-FRA: Modeling the determinants of lotic ecosystem biodiversity from local to continental scales and predicting vulnerability to environmental alteration”; \$1,302,434. Charles P Hawkins, Principal Investigator.
111. Utah State University – US National Aeronautics & Space Administration; “AWE-Atmospheric Waves Experiment”; \$3,122,870. Michael John Taylor, Principal Investigator.
112. Utah State University – US National Science Foundation; “Trace-Before-Define image Processing Pipeline for Small Targets in a Cluttered Environment”; \$1,036,322. Kohei Fujimoto, Principal Investigator.
113. Utah State University – US National Aeronautics & Space Administration; “Exploring Coupling Ionosphere-Thermosphere Electrodynamics and Dynamics”; \$54,986,619. Charles M Swenson, Principal Investigator.
114. Utah State University – US Department of Health and Human Services, NIH; “Sibling Socialization of Alcohol and Drug use from Early through Late Adolescence”; \$2,910,015. Shawn D Whiteman, Principal Investigator.
115. Utah State University – UT Department of Work Force Services; “Utah Food Sense (SNAP-ED)”; \$1,421,517. Heidi Reese LeBlanc, Principal Investigator, Casey Coombs, Co-Investigator.
116. Utah State University – Aperture Optical Sciences, Inc.; “Provide Conceptual Optical Telescope Assembly Design”; \$2,974,647.00. Trent Newswander, Principal Investigator.
117. Utah State University – NASA Jet Propulsion Laboratory; “Global Navigation Satellite System-Polarimetric Radio Occultations (GNSS-PRO)”; \$9,846,653. Amy Secrist, Principal Investigator.
118. Utah State University – NASA Jet Propulsion Laboratory; “Polar Radiant Energy in the Far Infrared Experiment (PREFIRE)”; \$4,546,021. Amy Secrist, Principal Investigator.

119. Utah State University – Aerospace Corporation; “Geostationary Hosted Observatory for Storm Tracking (GHOST)”; \$17,944,366. Jed Hancock, Principal Investigator.
120. Utah State University – Missile Defense Agency; “Missile Defense Agency (MDA) Director of engineering (DE) Staff Support – Task Order 2”; \$1,737,020.63. Bruce Guilmain, Principal Investigator.
121. Utah State University – Air Force Research Laboratory; “Task Order 09 Department of Defense Space Test Program Support”; \$1,197,735. Paul Stradling, Principal Investigator.

C. Awards

1. University of Utah – DOC National Inst of Standards and Tech; “NIST MEP Center”; \$1,912,622. Bart Raeymaekers, Principal Investigator.
2. University of Utah – National Science Foundation; “NSF CISE – Cloudlab”; \$1,000,000. Robert Preston Riekenberg Ricci, Principal Investigator.
3. University of Utah – NIH National Neurology Disorders Stroke; “Add Contact Renewal”; \$3,673,220. Karen S Wilcox, Principal Investigator.
4. University of Utah – NIH National Cancer Institute; “Colocare U01”; \$1,862,336. Cornelia Ulrich, Principal Investigator.
5. University of Utah – NIH National Center for Advancing Transl Sciences; “Dean U24 NCATS Sept 2015”; \$1,499,994. J Michael Dean, Principal Investigator.
6. University of Utah – Army Medical Research Acquisition Activity; “DO PC150797 Impact”; \$1,000,105. Kathleen Ann Cooney, Principal Investigator.
7. University of Utah – Utah State University; “Epscor RII Track1: Utah”; \$1,133,041. James R Ehleringer, Principal Investigator.
8. University of Utah – National Science Foundation; “Smart TBI Risk Reduction”; \$1,760,679. Mark Andrew Minor, Principal Investigator.
9. University of Utah – NIH National Cancer Institute; “CCSG”; \$2,235,000. Mary C Beckerle, Principal Investigator.
10. University of Utah – DOE National Energy Technology lab; “CLC Enabling Tech DOE 2016”; \$1,333,803. Kevin J Whitty, Principal Investigator.

11. University of Utah – DOD Office of Economic Adjustment; "Utah DIA – Initial Grant"; \$3,482,367. Gregory M Jones, Principal Investigator.
12. Utah State University – US Department of Health and Human Services - Office of Family Assistance; "Steps to Health Fatherhood"; \$1,574,870. Brian J Higginbotham, Principal Investigator.
13. Utah State University - US Department of Energy; "Transient Reactor (TREAT) Experiments to Validate MBM Fuel Performance Simulations"; \$4,000,000. Ryan B Berke, Ling Liu, Co-Principal Investigators.
14. Utah State University – Misc Federal Sponsors; "Pelican"; \$1,475,000. Adam Shelley, Principal Investigator.
15. Utah State University – Department of Defense; "Bluebird Cubesat Component Study"; \$1,317,374. Amy Secrist, Principal Investigator.

D. Academic Items Received and Approved

1. New Programs

- University of Utah – Emphasis in Applied Physics within the BA/BS in Physics
- University of Utah – Emphasis in Biomedical Physics within the BA/BS in Physics
- University of Utah – Emphasis in Business Economics & Analytics within the BA/BS in Economics
- Utah State University – Emphasis in Aquatic Habitats within the BS in Management and Restoration of Aquatic Ecosystems
- Utah State University – Emphasis in Geomorphology within the BS in Management and Restoration of Aquatic Ecosystems
- Utah State University – Emphasis in Human Dimensions within the BS in Management and Restoration of Aquatic Ecosystems
- Utah State University – Emphasis in Hydrology and Water Resources within the BS in Management and Restoration of Aquatic Ecosystems
- Utah State University – Emphasis in Water Quality within the BS in Management and Restoration of Aquatic Ecosystems
- Utah State University – Graduate Certificate in Archiving and Public Programming
- Utah State University – Graduate Certificate in Geographic Information Science
- Utah State University – Minor in Applied Economics/Small Firm Management
- Utah State University – Minor in Residential Landscape Design
- Utah State University – Minor in Native American Studies
- Utah State University – Minor in Yoga Studies
- Utah State University – Specialization in Climate Adaptation Science within the following programs:

Master of Science

Applied Economics
Biology
Civil and Environmental Engineering
Climate Science
Ecology
Economics and Statistics
Environment and Society
Geography
Industrial Mathematics
Sociology
Watershed Sciences

Doctor of Philosophy

Biology
Civil and Environmental Engineering
Climate Science
Ecology
Economics
Environment and Society
Mathematical Sciences
Sociology
Watershed Sciences

- Utah State University – Specialization in Forest Ecology within the MS and PhD in Ecology
- Dixie State University – Emphasis in Applied Leadership within the BS in Communication Studies
- Dixie State University – Minor in Accounting

2. Out-of-Service Area Delivery of Programs

- Southern Utah University – Bachelor of Science in General Studies delivered in partnership with Hanseo University (Korea and Chino, CA) and IEEA Global Campus (Korea)

3. Program Restructure

- University of Utah – BA/BS in Geography with Emphases in Climate Change; Ecology and Biogeography; Geographic Information Science; Geomorphology and Hydrology; Global Development, Population, and Sustainability; Hazards, Resources, and Human Security; Remote Sensing of the Environment; and Urban Systems, Location, and Resilience to BA/BS in Geography with Emphases in Climate Change and Landscape Dynamics; Geographic Information Science; Hazards, Resilience, and Human Security; Population, Development, and Sustainability; and Remote Sensing of the Environment

4. Administrative Unit Name Change
 - Southern Utah University – Department of Physical Education and Human Performance to Department of Kinesiology and Outdoor Recreation
 - Dixie State University – Department of Family and Consumer Sciences to Department of Family Studies and Human Development
 3. Name Change
 - Utah State University – AAS in Business Administration to AAS in Small Business Operations
 - Utah State University – BA/BS in Literary Studies to BA/BS in Literature
 - Utah State University – BS in Agricultural Economics to BS in Applied Economics
 - Utah State University – BS in Forestry to BS in Forest Ecology and Management
 - Utah State University – BS in Rangeland Resources to BS in Rangeland Ecology and Management
 - Utah State University – BS in Wildlife Science to BS in Wildlife Ecology and Management
 - Utah State University – PhD in the Theory and Practice of Professional Communication to PhD in Technical Communication and Rhetoric
 - Utah State University – Emphasis in Geographical Analysis and Bioregional Planning to Emphasis in Geographic Information Science within the BS in Geography
 4. Discontinuation
 - University of Utah – Master of Philosophy in Neurobiology and Anatomy
 - University of Utah – BA/BS in Social Science Composite Teaching
 - Utah State University – Emphasis in Physical Geography within the BS in Geography
 - Dixie State University – Certificate of Completion in Surgical Technology
 5. Five-Year Review
 - Southern Utah University – School of Business
 6. Program Transfer
 - Utah State University – BS in Geography from Department of Environment and Society and Department of Watershed Science (joint) to Department of Environment and Society (sole)
 6. Correction
 - University of Utah – Educational Specialist in School Psychology to Educational Specialist in Education Psychology with an Emphasis in School Psychology
- E. Finance and Facilities
1. Revision of Policy R601, Board of Directors of the Utah Higher Education Assistance Authority
The director of UHEAA has requested a minor revision of the UHEAA board membership as constituted in Regents Policy R601-3.5. First, the change will remove the Associate

Commissioner for Financial Aid and the Associate Commissioner for Finance and Facilities as ex officio members of the Board; the remaining ex officio members are the Chair of the Board of Regents Finance and Facilities Committee and the Commissioner of Higher Education or the Commissioner's designee.

Second, the change removes the requirement that two if the board members be senior-level administrators in Utah institutions of postsecondary education, and increases the number of citizen members from four to six. This reflects UHEAA's decreasing role from a primary issuer and originator of student loans to a servicer of existing loans.

David L. Buhler
Commissioner of Higher Education

DLB/LO
Attachment

STATE BOARD OF REGENTS
UTAH VALLEY UNIVERSITY, OREM, UTAH
SORENSEN CENTER
FRIDAY, NOVEMBER 18, 2016

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USHE – Institutional Residences Annual Report	
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USHE – Annual Contracts and Grants Report	
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STATE BOARD OF REGENTS
UTAH VALLEY UNIVERSITY, OREM, UTAH
SORENSEN CENTER
FRIDAY, NOVEMBER 18, 2016

COMMITTEE OF THE WHOLE
MINUTES

Regents Present

Daniel W. Campbell, Chair
Nina R. Barnes
Jessellie B. Anderson
Ty B. Aller
Leslie Brooks Castle
Wilford W. Clyde
Marlin K. Jensen
Patricia Jones
Steve Lund
Robert S. Marquardt
Steve Moore
Robert W. Prince
Harris H. Simmons
Mark R. Stoddard
Teresa L. Theurer
John H. Zenger

Regents Absent

France A. Davis, Vice Chair
Spencer F. Stokes
Joyce P. Valdez

Office of the Commissioner

David L. Buhler, Commissioner of Higher Education
Kimberly L. Henrie, Associate Commissioner for Planning, Finance and Facilities

Institutional Presidents Present

David W. Pershing, University of Utah
Stan L. Albrecht, Utah State University
Scott L. Wyatt, Southern Utah University
Gary L. Carlston, Snow College
Matthew S. Holland, Utah Valley University
Richard B. Williams, Dixie State University
Clifton Sanders on behalf of Deneece G. Huftalin, Salt Lake Community College

Other Commissioner's Office and institutional personnel were also present. The signed role is on file in the Commissioner's Office.

Chair Campbell called the meeting to order at 11:47 p.m. Chair Campbell welcomed the Board and thanked UVU for allowing them to participate in their 75th celebration.

Resolutions

Regent Jensen read a resolution of appreciation for former Regent Eugene Hansen

Regent Prince read a resolution of appreciate for Phyllis "Teddi" Safman of the Commissioner's office. Dr. Safman responded and thanked everyone for their support over the years.

Regent Barnes read a resolution of appreciation for Regent Leslie Castle. Regent Castle addressed the Board and talked about history and equality. She said she is honored to have worked with the Regents and is thankful for their kindness.

Regent Theurer read a resolution of appreciation President for Stan L. Albrecht. President Albrecht thanked the Regents and said it has been an honor and privilege to have gotten to know them. He also said it has been an honor and privilege to work with each of the Presidents. He noted this past September marked the 54th September he has been on campus at Utah State University and he has enjoyed his many years serving.

General Consent Calendar (TAB T)

On a motion by Regent Zenger, and seconded by Regent Barnes, the Resolutions and the following items were approved on the Regents' General Consent Calendar:

- A. Minutes – Minutes of the Board meeting September 15-16, 2016, Utah State University, Logan Utah; October 18, 2016, Conference Call, Board of Regents Building, Salt Lake City, Utah.
- B. Grant Proposals
- C. Awards
- D. Academic Items Received and Approved

Reports of Board Committees

Academic and Student Affairs Committee

Weber State University – Bachelor of Science in Biochemistry (TAB A) **Regent Prince noted this was unanimously approved in committee and moved to approve as outlined in Tab A. The motion was seconded by Regent Stoddard and the motion carried.**

Snow College – Bachelor of Science in Software Engineering with Emphases in Entrepreneurship, Digital Media Design, and Web Development (TAB B) **Regent Prince moved to approve as outlined in Tab B. The motion was seconded by Regent Simmons and the motion carried.**

Revision of Policy R315, Service Area Designations and Coordination of Off-Campus Courses and Programs; Repeal Regent Policy R430, Continuing Education/Community Service (TAB C) **Regent Prince noted this was unanimously approved in committee and motioned to approve as outlined in Tab C. The motion was seconded by Regent Jensen and the motion carried.**

Utah Valley University Completion Report (TAB D) Regent Prince noted this was a wonderful report received in committee. This is information only; no action was taken.

Regents' Scholarship Report (TAB E) This is information only; no action was taken.

Finance and Facilities

USHE – Information Technology Presentation (TAB F) Regent Marquardt noted Steve Hess, CIO, UU gave an update on the issues in IT within USHE, particularly in the areas of security, money savings and safety. He presented a strategic plan which highlighted: Strength and Security, Aligning IT services throughout USHE, Transform student access and completion.

USHE – Discussion of Institutional Branch Campuses and Other Significant Centers (TAB G) Regent Marquardt noted Associate Commissioner Kimberly Henrie and Rich Amon have put in a lot of work to compile a list of branch campuses and instructional sites etc. across the state.

USHE – Discussion of Property Transaction and Leasing Requirements Policy (R710) Revisions (TAB H) Regent Marquardt noted this policy, as currently written, is cumbersome and work is being done to repeal and replace with other policies. This will be brought to the Regents at the January meeting for final approval.

Utah Valley University – Campus Master Plan (TAB I) Regent Marquardt noted the plan includes significant changes. He also noted over two years of work have gone into the plan. Several community members joined the meeting and expressed concerns. Regent Marquardt stated Regents and UVU would continue to work with community as UVU continues to grow. **Regent Marquardt moved to approve as outlined in Tab I. The motion was seconded by Regent Zenger and the motion carried.**

Utah State University – Investment Policy and Guidelines (TAB J)

Utah State University – Non-State Funded Dairy Barn Project Approval (TAB K)

Southern Utah University – Property Acquisition (TAB L)

Weber State University – Refunding Bond Issue (TAB M)

Regent Marquardt very briefly described Tabs J, K, L, M and noted details are found in the agenda packet. **Regent Marquardt moved to approve items as outlined in Tab J, Tab K, Tab L, and Tab M. The motion was seconded by Regent Barnes and the motion carried.**

Salt Lake Community College – Herriman Land Purchase Follow-up (TAB N) Regent Marquardt noted SLCC has decided not to proceed with the Herriman land purchase. This is information only; no action was taken.

USHE – Fiscal Health Dashboard (TAB O) Regent Marquardt noted this item will be brought to the Regents at the January meeting for approval. This is information only; no action was taken.

USHE – Institutional Residences Annual Report (TAB P) This is information only; no action was taken.

USHE – Annual Report on Leased Space (TAB Q) This is information only; no action was taken.

USHE – Annual Contracts and Grants Report (TAB R) This is information only; no action was taken.

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USHE – Fall 2016 Third-week Enrollment Report (TAB S) This is information only; no action was taken.

It was moved by Regent Lund and seconded by Regent Anderson to adjourn meeting.

The Committee of the Whole adjourned at **12:18 p.m.**

Loreen Olney, Executive Secretary

Date Approved: January 20, 2017

STATE BOARD OF REGENTS MEETING
BOARD OF REGENTS BUILDING, COMMISSIONER'S OFFICE
CONFERENCE CALL
FRIDAY, DECEMBER 2, 2016

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STATE BOARD OF REGENTS MEETING
BOARD OF REGENTS BUILDING, COMMISSIONER'S OFFICE
CONFERENCE CALL
FRIDAY, DECEMBER 2, 2016

EXECUTIVE COMMITTEE MEETING
MINUTES

Regents Present

Daniel W. Campbell, Chair
France A. Davis
Jessellie B. Anderson
Robert W. Prince
John H. Zenger

Office of the Commissioner

David L. Buhler, Commissioner of Higher Education*
Kimberly L. Henrie, Associate Commissioner*
Rich Amon, Assistant Commissioner for Business Operations*
Loreen Olney, Executive Secretary to the Board of Regents*

Institutional Staff

Dencee Huftalin, Salt Lake Community College
Dennis Klaus, Salt Lake Community College
Bob Askerlund, Salt Lake Community College

* Those who appeared in person.

Chair Campbell called the Executive Committee to order at **12:02 p.m.** Roll was called and a quorum established.

Salt Lake Community College – Jordan Student Center and Property Purchase Non-State Funded Project
(TAB A)

President Huftalin stated she was approached by an agent to purchase property adjacent to the school just after the Capital Facilities Projects were approved. She would like to move forward with a bond to purchase this property and gave a brief description of the property and building. This will allow the college to renovate, instead of build new, and will also allow for more square footage. She also noted this was the students' preference over building new. Chair Campbell noted this building has a history of issues with Semiconductor, including contaminated water. President Huftalin also has concerns and the contract is being negotiated to include environmental due diligence. In addition, the college will have 120 days to walk away from the purchase and is prepared to do so if needed. Chair Campbell stated the consultant doing the due diligence needs to have experience in monitoring and testing these types of issues. President Huftalin added, if this sale does not happen SLCC would not pursue an additional non-state funded project this year. Chair Campbell clarified this request is to substitute Salt Lake Community College's previous approved plan. President Huftalin stated due diligence would begin immediately and she will give an update to the Regents at their board meeting on January 20, 2017.

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It was moved by Vice-chair Davis to approve as outlined in TAB A. The motioned was seconded by Regent Zenger. The motion was unanimously approved and carried.

The meeting adjourned at 12:23 p.m.

Loreen Olney, Executive Secretary*

Date Approved: January 20, 2017

January 11, 2017

MEMORANDUM

TO: State Board of Regents
FROM: David L. Buhler
SUBJECT: Board of Regents Strategic Plan – 2017 Progress Report

Utah's public institutions comprise the primary workforce pipeline for the state. Over the next ten years, that pipeline will face a number of significant issues including a projected increase of over 52,000 new students by 2025. To address this issue, on January 23, 2015, the Board of Regents adopted updated strategic objectives for the Utah System of Higher Education: Affordable Participation, Timely Completion, and Innovative Discovery. On January 22, 2016, the Board adopted a new long-range higher education strategic plan based on these strategic objectives: *Utah: A State of Opportunity, Utah State Board of Regents Strategic Plan 2025*.

This plan outlines specific goals and metrics, the progress of which is to be regularly reported to the Board of Regents:

Affordable Participation

Goal: Increase the number of Utahns who decide to access, are prepared for, and succeed in higher education.

Metric: Increase the percentage of Utah high school graduates enrolling in college within 5 years to 75% by 2024-25.

Timely Completion

Goal: Increase the percentage of students who persist in and graduate from higher education.

Metric: Increase degree productivity to 28 awards per 100 FTE by 2024-25.

Innovative Discovery

Goal: Encourage innovation as a core value at each USHE institution, in keeping with its distinct mission.

Metric: Regularly assess student involvement in high impact learning practices.

The Strategic Plan also estimated the needed annual investment in higher education to fund new enrollment growth and student support, compensation, operation and maintenance of facilities, program development, and information technology needs. This investment would be the result of a combination of tax fund increases, new student growth, and tuition rate adjustments.

Throughout 2016, the Board of Regents laid the framework for specific initiatives to ensure the three objectives were addressed. There are numerous efforts underway at all USHE institutions in support of these objectives; the focus of this update is on the Commissioner's Office and its efforts to advance the Board's priorities.

The Commissioner's Office has developed a 2017 Progress Report that:

1. Provides an update on the metrics of the strategic objectives and the investment in higher education.
2. Summarizes the progress on the three strategic objectives.
3. Outlines next steps of the Commissioner's Office for 2017 in support of the Strategic Plan 2025.

A copy of the 2017 Progress Report will be provided at the meeting of the Board of Regents on January 20.

Commissioner's Recommendation

1. Endorse the next steps defined in the 2017 Progress Report of the Board of Regents Strategic Plan.
2. Direct the Commissioner to work with USHE institutions to implement the next steps of the 2017 Progress Report during 2017.
3. Provide an updated Progress Report to the Board of Regents Strategic Plan in January 2018.

David L. Buhler
Commissioner of Higher Education

DLB/SJ

January 11, 2017

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Legislative Priorities for 2017

The 2017 Session of the Utah State Legislature will commence on Monday, January 23, continuing through Thursday, March 9. According to the consensus revenue estimates prepared by the Governor's Office of Management and Budget and Office of Legislative Fiscal Analyst, the combined General Fund and Education Fund surplus from FY 2017 and projected revenue growth in FY 2017 and FY 2018 provide a total decrease of \$6 million in one-time funds and an increase of \$273 million in new ongoing funds.

The Governor has recommended \$40.7 million in new on-going funds and \$6.9 million in one-time funds for the Utah System of Higher Education (USHE). The Governor recommended the following items from the priorities approved by the Board of Regents in September 2016: a 2% merit-based salary increase, and \$11 million (\$9 million one-time, \$2 million ongoing) for the Regents' Scholarship. The Governor recommended one capital development project: \$3 million (one-time) towards the University of Utah's Medical Education & Discovery (MED)/Rehabilitation Hospital.

Although there are limited new revenues and many competing priorities that surface during the legislative session, I am optimistic there is an opportunity for increased funding of Higher Education. The Commissioner's Office is working closely with institution Presidents and their staffs, and student leaders to ensure consistent messaging and strategy during the 2017 legislative session.

Legislative Preview Events

The Board of Regents, along with USHE presidents, held six regional legislative briefings at USHE institutions attended by Regents, Presidents, Trustees, the Commissioner's Office, and Legislators. At these briefings the Regents' budget priorities and other issues were discussed. **Regents, Trustees and Presidents are also invited to attend the annual Higher Education Day luncheon with Legislators in the Capitol Rotunda on Friday, February 17 at noon.** Advocacy will continue throughout the legislative session in coordination with the institutions.

The Commissioner's Office, Presidents and their staffs, will be closely monitoring legislation that could impact the Utah System of Higher Education throughout the legislative session. During the legislative session, the Commissioner will provide weekly updates on the status of higher education priorities and other issues of interest for distribution to Regents, Presidents, and Trustees.

Commissioner's Recommendation

1. Endorse the budget and capital facilities priorities of the Utah System of Higher Education for the 2017 Session of the Utah State Legislature as adopted by the Board on September 16, 2016, and any subsequent updates adopted by the Board.
2. The Regents, Commissioner and staff, Presidents and institutional representatives unite behind the system budget and capital development priorities in their advocacy with the Legislature.
3. Authorize the Commissioner, in consultation with the Presidents, to monitor, support, or oppose on a case-by-case basis, other legislation that may be introduced during the 2017 legislative session.
4. Request the Commissioner's Office provide the Board with regular reports during the legislative session regarding items of interest to the Utah System of Higher Education.

David L. Buhler
Commissioner of Higher Education

DLB/SJ