

January 13, 2016

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: Adoption of Board of Regents Strategic Plan 2025

Background

A core purpose of the State Board of Regents as provided by statute is “to provide a high quality, efficient, and economical public system of higher education through centralized direction and master planning” (Utah Code Annotated, 53B-1-101). 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*. The Board further directed the Commissioner during 2015 to prepare a new long-range higher education strategic plan based on these strategic objectives. Also in 2015, Governor Gary Herbert and the Governor’s Commission on Educational Excellence began a strategic planning process for all of education, PK-16+ to include the plan adopted by the Board of Regents.

During 2015 several drafts of a new plan have been shared with Regents and Presidents. A draft of the plan was also disseminated to the public and higher education stakeholders on November 17, 2015, and an opportunity was provided for their comment and suggestions. The purposes of the updated plan are:

- To articulate the importance of higher education to benefit the state of Utah and individual Utahns.
- To focus on key challenges and issues facing Utah higher education.
- To set goals and metrics to measure progress over the next decade.
- To show the increase in funding needed from the state in order to achieve these objectives.

A copy of the draft ten-year strategic plan is attached.

Issue

The Utah State Board of Regents Strategic Plan 2025, *Utah: A State of Opportunity*; addresses the following:

Utah is at a crossroads. It is in the midst of developing a strong technology and start-up sector, and continually ranks as the top state for business, career opportunity and economic competitiveness. But Utah’s workforce demands are rapidly changing and today’s jobs require an increasing amount of postsecondary education and training. And the benefits of a higher education are well-documented: increased wages; less poverty and unemployment; increased health and volunteerism; and increased overall quality of life.

In order for the state to maintain its upward trajectory, postsecondary education is critical.

Higher education in Utah is facing key issues:

- USHE needs to increase capacity to serve 50,000+ new students by 2025; and
- USHE needs to increase the educational attainment of Utahns to meet workforce demand.

In January 2015, the Board of Regents adopted the following long-term objectives for higher education in Utah to provide a strategic and intentional focus on USHE priorities, programs, and initiatives to address the aforementioned key higher education issues:

- Affordable Participation
- Timely Completion
- Innovative Discovery

To measure improvement in these areas, USHE is setting ambitious ten-year goals, the progress of which will be measured through specific metrics and will be reported to the Board of Regents annually:

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.

In order to meet these goals, it is estimated that a consistent annual investment of 5.2% in appropriated state funds is needed. (This is 30% above the ten-year historical average of 4%.) This investment in higher education would have a large return for the state: USHE graduates will contribute more than \$150 billion to Utah’s economy over the next decade.

The path forward is clear: Utah must make higher education a funding priority in order for the state to become a prosperous leader in the economy of tomorrow.

Commissioner’s Recommendation

The Commissioner recommends the Board of Regents approve the Utah State Board of Regents Strategic Plan 2025, *Utah: A State of Opportunity*.

David L. Buhler
Commissioner of Higher Education

DLB
Attachment

DRAFT as of January 11, 2016



Utah: A State of Opportunity

Utah State Board of Regents Strategic Plan 2025

Board of Regents

Daniel W. Campbell, Chair

France A. Davis, Vice Chair

Jessie B. Anderson

Nina Barnes

Bailey Bowthorpe

Leslie Castle

Wilford Clyde

Marlin K. Jensen

Patricia Jones

Steven J. Lund

Robert S. Marquardt

Steven R. Moore

Jefferson Moss

Robert W. Prince

Harris H. Simmons

Mark Stoddard

Teresa L. Theurer

Joyce Valdez

John H. Zenger

Commissioner of Higher Education

David L. Buhler

USHE Institutional Presidents

David W. Pershing, University of Utah

Stan L. Albrecht, Utah State University

Charles A. Wight, Weber State University

Scott L. Wyatt, Southern Utah University

Gary L. Carlston, Snow College

Richard B. Williams, Dixie State University

Matthew S. Holland, Utah Valley University

Deneece G. Huftalin, Salt Lake Community College

Utah is at a crossroads.

With the youngest population in the nation and a quickly growing economy, Utah is full of opportunity. The state is in the midst of developing a strong technology and start-up sector¹, and continually ranks as the top state for business, career opportunity², and economic competitiveness.³

In order for the state to maintain its upward trajectory, postsecondary education is critical.

There was a time when well-paying jobs were plentiful for high school graduates. No more. The workplace demand for a high school diploma has plummeted⁴ as today's jobs require an increasing amount of postsecondary education and training.⁵ Employers value a talent force that is not only technologically savvy but also adept at the soft skills critical to workplace success, such as communication, critical thinking, and social awareness. Both the hard and soft skills learned in college are more important than ever.⁶

Utah's workforce demands are changing rapidly. While recent accolades demonstrate how Utah has effectively responded to these economic changes, challenges still loom for the state to successfully prepare and educate the workforce of the future:

- The state's labor supply is ranked third in the country as part of its recent recognition as the #1 Best State for Business by *Forbes* Magazine.⁷
- The Provo-Orem area is among the top three regions that have led the country in percentage of job growth in both healthcare and IT jobs requiring community college training since 2001.⁸
- By 2017, an estimated 2.5 million new middle-skill jobs—requiring some type of postsecondary training—will be added to the workforce in the United States, accounting for nearly 40% of all job growth. The Salt Lake Metropolitan area is one of four regions in the country where livable-wage, middle-skill jobs requiring postsecondary training will be the primary driver for overall job growth.⁹ These middle-skill jobs are expected to account for nearly half of all new jobs.
- The Georgetown Center on Education and the Workforce projected by 2018, 66% of all jobs in Utah would require some type of postsecondary training.¹⁰ This led to the state of Utah setting an aspirational attainment goal of 66% of Utah adults having a degree or certificate by the year 2020.

Higher education improves the lives of Utahns.

Benefits of Higher Education

In addition to economic benefits, a college education is the primary factor that leads to a high quality of life, vibrant communities, and stable family life for Utah's population. And Utahns believe in the benefits of higher education as well: Envision Utah, a Utah-based public-private partnership focused on long-term growth strategies, recently concluded from its statewide survey of 50,000 respondents that "Utahns believe education allows them and their children to have more opportunities, earn a better living, and achieve a higher quality of life. They also view education as a key to developing a better, safer community with better citizens."¹¹

Economic Stability

Utahns with a bachelor's degree will earn 40% more annually, with estimated lifetime earnings \$830,000 higher¹² than those with a high school diploma—an approximate 33% return on investment for a college education.

Quality of Life

A more educated population improves the overall quality of life through reduced crime, reduced dependence on public assistance programs, increased volunteerism,¹³ and increased family stability. According to the Utah Department of Workforce Services, 74% of adults living in intergenerational poverty lack an education beyond high school.¹⁴ A college certificate or degree is a critical stepping-stone to helping families break the cycle of intergenerational poverty.

Individual and Public Health

Education is now considered "a key element of U.S. health policy, and a major concern for current and future physicians."¹⁵ Such benefits are not only good for the individual, but result in an overall benefit to a state's economy by reducing costs to public assistance programs and costs related to incarceration.¹⁶ Put simply, the higher the level of education, the greater the individual income. With that income, there is an increased likelihood of accessing quality healthcare, more time to address health-related needs, and greater knowledge and ability to monitor one's health.



ECONOMIC ROI

Utahns with a bachelor's degree will earn 40% more annually (\$830,000 more lifetime earnings) over those with only a high school diploma. That's a 33% return on investment for a college education.



ECONOMIC MOBILITY

Education is one of the primary factors that help break the cycle of intergenerational poverty and reduce reliance on public assistance programs.



QUALITY OF LIFE

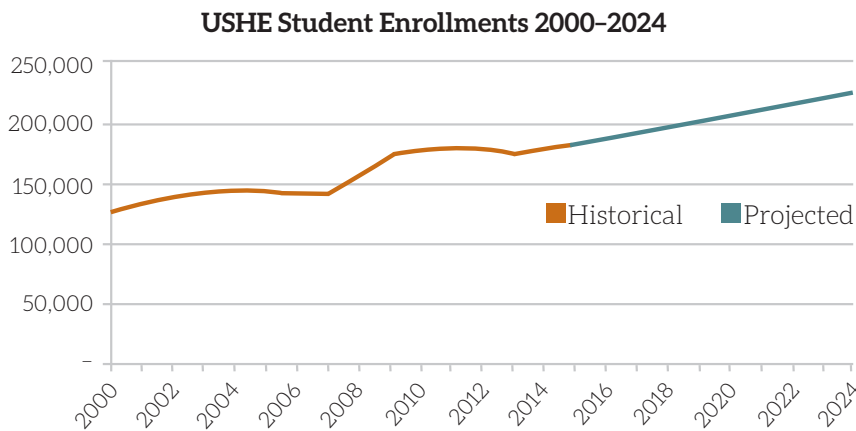
Those who are more educated have higher rates of volunteerism and are able to spend more time with their family.

Key Issues in Utah Higher Education

Eight out of ten Utah high school graduates who go to college attend one of Utah’s public colleges or universities, making the Utah System of Higher Education (USHE) the primary workforce pipeline in the state. Utah’s economic vitality and quality of life rests heavily on the ability of USHE institutions to support their students in earning a degree or certificate.

Increasing capacity to serve 50,000+ new students by 2025

The number of students enrolling at Utah’s public colleges and universities is projected to increase by an estimated 50,000 by 2025¹⁷—the equivalent of the 2014-15 student bodies at the University of Utah, Southern Utah University, and Dixie State University combined. It will be a significant challenge to grow capacity academically (faculty, course sections, and support staff), physically (capital facilities, infrastructure), and virtually (information technology resources) to keep pace with such rapid enrollment growth over the next decade.



Increasing educational attainment of Utahns to meet workforce demand

A recent analysis by the Utah Foundation reported the educational attainment of Utah’s labor pool is below the national average.¹⁸ Moreover, the report found over two-thirds of companies surveyed experienced some level of difficulty finding enough skilled or qualified employees. Currently, there is a stark higher education achievement gap¹⁹ between income groups²⁰ and also between majority/minority communities in Utah.²¹ As more first generation college students come to college campuses in the coming years, these students will generally require greater engagement and support to prepare for, progress through, and complete college. And continued attention is needed to ensure Utah women have the same opportunities and support as men to achieve higher educational attainment, specifically graduate degrees.²²



By 2025, USHE student growth is expected to surpass the number of students in the 2014-15 student bodies at the University of Utah, Southern Utah University, and Dixie State University combined.

Critical Questions for Utah's Future

State and higher education leaders must address two critical questions:

Will Utah build upon recent successes and more fully become a state of opportunity and a prosperous leader in the global economy?

Or, is Utah satisfied with being in the middle of the pack among states in the percent of its population with a college education?

How state and higher education leaders answer these questions will define the role of public higher education in helping Utahns realize their dreams of a prosperous future for generations to come.

Strategic Objectives

In January 2015, the Board of Regents adopted the following long-term objectives for higher education in Utah, to provide a strategic and intentional focus on USHE priorities, programs, and initiatives to address these key higher education issues:



Affordable Participation

Increase the number of Utahns who decide to access, are prepared for, and succeed in higher education.



Timely Completion

Increase the percentage of students who persist in and graduate from higher education.



Innovative Discovery

Encourage innovation as a core value at each USHE institution, in keeping with its distinct mission.



Affordable Participation

Access and Participation

As a percent of population, Utah has a larger share of young people under age 18 than any other state, at 30.9% compared to 23.3% for the U.S. Utah has the highest birth rate in the nation, is the fourth-fastest growing state in population,²³ and has the seventh-fastest growing economy.²⁴ Approximately two-thirds of Utah high school graduates attend college within five years of graduation.²⁵ Assuming just the current college participation rate, the number of students seeking a higher education in USHE is expected to grow by nearly 50,000 students in the next ten years,²⁶ if there is the capacity to serve them.

There is a gap, however, in participation between ethnic/racial majority and minority students, as well as between low-income students and those who are not low-income:

- While enrollment of Latino students in USHE institutions has increased 231% in the past decade—making it the fastest growing minority—overall college participation among Utah Latino high school students consistently lags the state average by approximately 20%.²⁷
- In Utah, the college completion rate among ethnic/racial minority students is approximately half that of white students.²⁸
- The percentage of K-12 students on free and reduced student lunch has increased from 33.2% in 2000-01²⁹ to 59% in 2012-13.³⁰ The college participation rate of students on free and reduced lunch is approximately 20% lower than for those not on free and reduced lunch.³¹

Unless a larger percentage of the rapidly growing minority segment of the state's population participates in higher education, the state educational attainment levels will fall in relation to other states, with severe consequences for the state's economy. Increasing college participation rates, especially among underserved, first-generation and non-traditional students, requires greater investment in student support.

In addition to the challenges of engaging and assisting students without prior family knowledge of college, USHE institutions are already dealing with capacity challenges, having added almost 60,000 new students since 2000. It will be a significant challenge to substantially grow capacity academically, physically, and virtually to maintain this expected enrollment growth.

2/3

Of Utah high school graduates attend college within five years of graduation

231%

Increase in Latino student enrollment at Utah's public colleges and universities in the last decade. College participation among these students still lags the state average by 20%.



College Preparation

In recent years, the Utah State Board of Education, responsible for K-12 education, has increased learning standards to better prepare students for college, career, and life in an increasingly complex world. Preparation for college, particularly in math and English, enables students to progress through their college work without spending time “catching-up” in remedial courses.

The Board of Regents has developed outreach partnerships with K-12 via its StepUp to Higher Education initiative to encourage K-12 students to see themselves as college material and prepare for higher education academically and financially. StepUp programs include the legislatively-funded Regents’ Scholarship, the Utah Scholars Initiative, concurrent enrollment, a statewide conference for school counselors, and events throughout the state for Utah parents and students. So far, StepUp to Higher Education has partnered with 27 of the 41 state school districts.

In addition, in 2014, the Board of Regents adopted specific math recommendations³² for high school students preparing for college to help set clear expectations for success. The Board of Regents and the Utah System of Higher Education support and encourage further efforts in K-12 to increase college level academic preparation.

Affordability

Tuition at Utah’s four-year public institutions is the third-lowest in the nation.³³ Even so, affordability is an issue of concern, particularly for Utahns, given larger family sizes (3.12 persons per household, compared with 2.63 nationally)³⁴ and thus the likelihood of more students attending college from the same family.

State spending per student in USHE decreased since 2008, reflecting the revenue shortfalls during the 2009-11 recession at the same time enrollments surged. As a result, more of the cost of a higher education is now paid through student tuition. Since the recession, state support has increased, but as enrollments and costs also increase it will be crucial that state support keeps pace.



StepUp to Higher Education has partnered with

27

school districts (out of 41 total).

3rd lowest tuition

Tuition at Utah’s four-year public institutions is the third-lowest in the nation.



Timely Completion

Currently two out of five USHE students complete a four-year degree within six years; half complete within eight years. National data are clear that the longer it takes to complete a degree, the more expensive completion becomes and the less likely the student is to finish.³⁵

Increasing the number of students who successfully complete a degree or certificate in a timely manner has been an explicit goal of the Board of Regents for nearly a decade. In July 2013, the Board passed a College Completion resolution, identifying five specific strategies proven to increase college success and graduation rates. USHE presidents and their administrations and faculty have taken the Board's charge seriously and have been implementing these strategies and annually updating goals for each. The five completion strategies are:

1. Establish 30 credits per year (15 per semester) as the normal full-time course load for students.
2. Maintain plateau tuition levels with a focus on 12 to 15 credit hours to help students maximize their tuition dollars and their time.³⁶
3. Create semester-by-semester degree program maps with specific recommended courses each semester through a guided pathways initiative that defines meta-major clusters, appropriate math early in college, and block scheduling to make courses more accessible.
4. Encourage students to enroll in an appropriate math course their first year in college. Transition students from remedial to credit-bearing math within three semesters. Emphasize Math 1030/1040/1050 as a preferred concurrent enrollment option for high school students who are prepared to succeed in college math.
5. Implement reverse transfer/stackable credentials where feasible.³⁷

Great progress has been made in implementing these strategies, but continued work needs to be done around completion and guided pathways for students.

Utah leads the nation in the percentage of its population with "some college, no degree,"³⁸ but Utah should aspire to lead the nation, as it once did, in the percentage of its population *with* a college degree. Wage data and numerous state and national studies are clear: The greatest economic return comes from completing a certificate or degree, rather than amassing college credits alone.



About 50% of USHE students graduate with a bachelor's degree after eight years, less than the national average of 59% in six years.



Innovative Discovery

As a “knowledge enterprise,” higher education provides students an opportunity to discover and learn—and become lifelong learners. At its core is the creation and dissemination of knowledge for the benefit of its students and society as a whole.

Employers are highly focused on innovation, and employees need a broader set of skills than in the past, prioritizing critical thinking, communications, and complex problem solving skills.³⁹ Each USHE institution seeks to help students on a journey of discovery as they learn more about themselves, their individual potential, the society in which they live, how to be productive and contributing members of society, specific skills and knowledge, and critical analytical skills. Practically speaking, these skills have never been more important than they are today in 21st century America and the globally competitive economy.

Utah is fortunate to have among its public higher education institutions two Research I universities that emphasize discovery and its application for the advancement of society. In 2014-15, USHE institutions received \$656 million in outside grants, primarily for research purposes at the University of Utah and Utah State University. These funds reflect the critical role research plays in the state’s economy, as well as in the quality of instruction and experiential opportunities for students.

USHE institutions with open-access missions provide students at all levels of preparation an opportunity to better their lives through education and training. Open-access institutions embrace a community college role and provide career and technical education to help prepare students for entry-level employment.

In this changing and competitive world, higher education must also be innovative to leverage state and student resources. This includes continuing to find ways to provide a quality higher education efficiently and effectively. Innovation is evident at each institution in changes to delivery methods, placing new emphasis on student engagement and experiential learning, as well as keeping current in new developments in a myriad of academic disciplines.

While USHE has a well-articulated general education curriculum with common course numbering and annual meetings of faculty leaders from the general education disciplines, continued efforts are needed. These include encouraging innovative instructional design and pedagogy, maintaining consistency in quality of general education courses, and embracing technological opportunities to improve student learning.

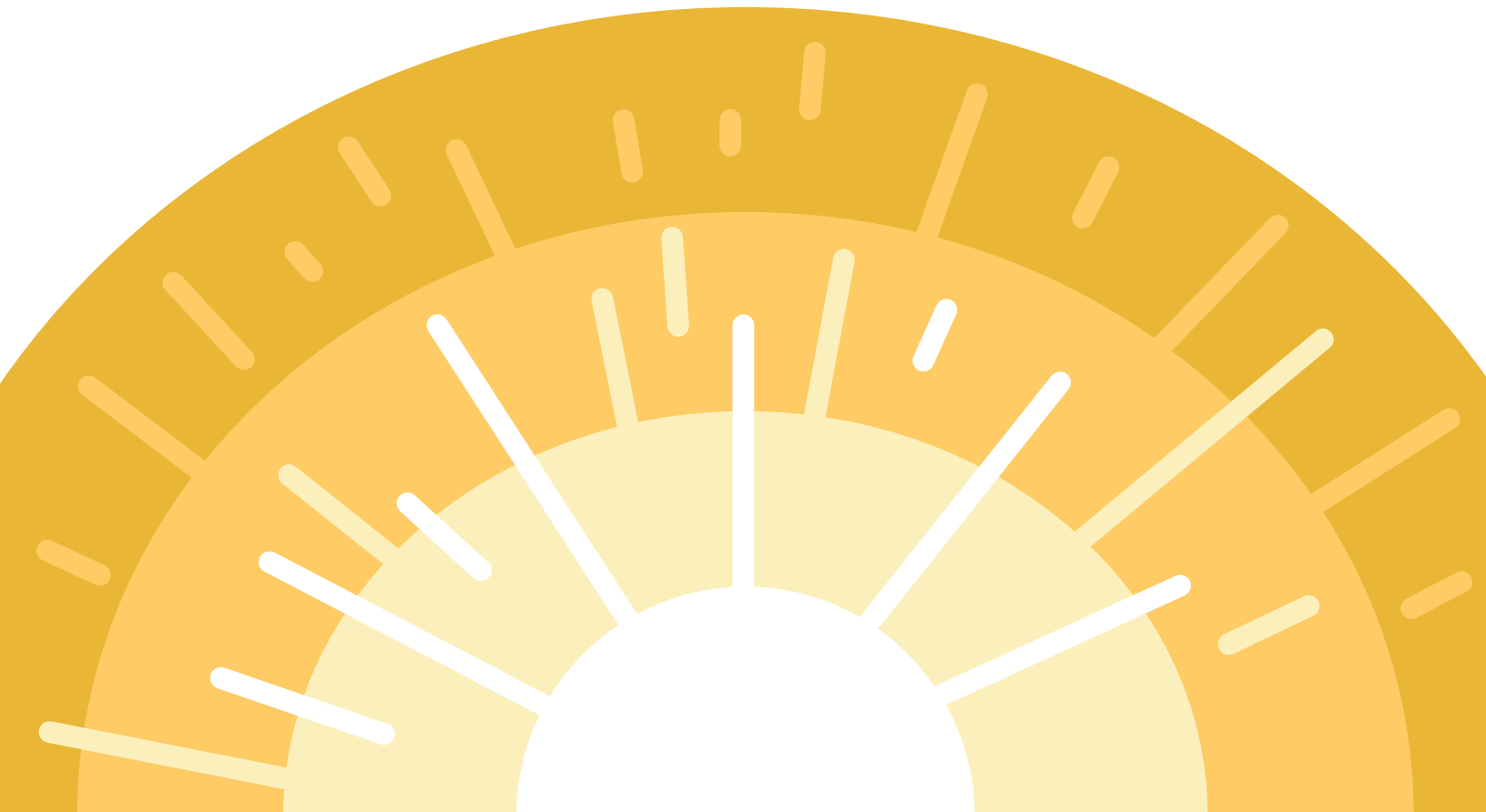
\$656
million

USHE institutions brought \$656 million to the state in research and other grant funds in 2014-15.

The Plan: A Statewide Strategy to Maximize Opportunity, Improve Results and Ensure Quality

Clearly, Utah must increase the proportion of its population with a college education to build state prosperity into the future. This can only be accomplished by ensuring higher education remains accessible and affordable for Utahns; guiding students toward graduating in a timely manner; and giving students the opportunity to discover, learn, and engage with their communities, employers, and the world around them through state-of-the-art technology and instructional design.

Recognizing these crucial crossroads and the role higher education can play in ensuring Utah sets a path for a successful tomorrow, the Board of Regents and the Utah System of Higher Education have developed a ten-year strategic plan, which focuses on measurable results, action needed to achieve those results, and necessary investments in higher education to support those strategies.





Measuring Progress: Goals and Metrics of the Plan

The Utah System of Higher Education measures progress in key areas by tracking and reporting on proven metrics. As part of performance funding, enacted by the Utah Legislature in 2015, USHE reports on degrees and certificates granted, services provided to traditionally underserved populations, responsiveness to workforce needs as measured by degrees in areas of high market demand, graduation efficiency, and graduate research for the research universities.

In addition to the performance funding metrics, USHE is setting ambitious ten-year goals, the progress of which will be measured through specific metrics and will be reported to the Board of Regents annually.



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 five years to 75% by 2024-25.*

In order for Utah to continue its upward trajectory, more Utah high school graduates need to enroll in college. This metric measures students' ability to access higher education, which encompasses affordability and preparation and requires a continued focus on underserved, first-generation and non-traditional students in order for USHE students to reflect the population of Utah as a whole.

The most recent data available shows that, on average, two-thirds of Utah high school graduates have attended college within five years post-graduation. By 2025, USHE will increase the percentage of Utah high school graduates enrolling in college within five years to 75%. This represents a nearly 14% increase by the end of the decade. This metric is extended to five years post-high school graduation to account for any graduates serving a mission soon after high school for the Church of Jesus Christ of Latter-day Saints.

TAKING ACTION to increase the number of Utahns who decide to access, are prepared for, and succeed in higher education:

Improve student financial support.

- Encourage family financial planning and saving for college, especially in taking advantage of the benefits offered by the Utah Educational Savings Plan—one of the top-ranked 529 college savings plans in the nation.
- Increase efforts to inform students and parents of the opportunities for financial aid including the Free Application for Federal Student Aid (FAFSA).
- Encourage prudent use of student loans to support timely completion and more rapid integration into the workforce at higher wage levels.
- Continue support of effective institutional need-based aid and assistance programs as well as strategic use of scholarships and tuition waivers.
- Continue expansion of the StepUp to Higher Education initiative through programs that improve college preparation among K-12 students.



- Maintain strong state funding support from the Governor and State Legislature as a primary funding source for higher education, maintaining or improving on the current inverse relationship to tuition.⁴⁰

Increase capacity and quality improvement.

- Expand academic, technological, and physical infrastructure within USHE to meet the needs of anticipated growth in demand for postsecondary education, which cannot be met with the current infrastructure.
- Leverage outside support from education advocacy groups, business leaders, and elected officials to advocate for the needed expansion to meet student demand and maintain quality of the educational experience.

Encourage college readiness with the goal that every Utah high school graduate is prepared for college.

- Support K-12 leaders, administrators, and teachers to create a college-going culture in their schools:
 - Improve support to first-generation, underserved, and non-traditional students with targeted outreach efforts and partnerships with organizations focused on improving college access for these communities.
 - Implement specific K-16 partnership initiatives that: encourage college readiness in key subjects, especially math; inform K-12 administrators and counselors of the USHE course recommendations that lead to college readiness; and reinforce effective college access and preparation initiatives in high schools and junior high schools.
 - Improve “college knowledge” and ease of access among K-12 students through on-campus experiences, concurrent enrollment, and transferability. Streamline transition to college through the admissions and onboarding processes at USHE institutions.



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.

Degrees and certificates awarded per 100 FTE (full-time equivalent) is a metric used nationally to measure institutional efficiency. Measuring this outcome simultaneously accounts for student growth and capacity, year-to-year retention of students, and overall success in degree completions. USHE's output in this metric has improved over the last decade: in 2004-05, USHE institutions awarded 22 degrees and certificates per 100 FTE students; by 2014-15, the rate had increased to 25. However, the top states produce 28-30 degrees and certificates per FTE.

USHE is committed to increasing its efficiency to 28 degrees per FTE (a 12% increase) by 2025. This will be accomplished by continued implementation of strategies resulting in more timely completion of degrees and certificates. When achieved, Utah will rank among the top ten states in higher education efficiency.

TAKING ACTION to increase the percentage of students who persist in and graduate from higher education:

Continue to review and report USHE institutions' long-term completion goals. Support institutional strategies proven to improve timely student completion.⁴¹

Set goals for guided pathways that assist students in selecting a broad career pathway tied to foundational courses through collaborative work within USHE.

Ensure consistent articulation and transferability of credit earned in prior learning assessments, competency-based education, concurrent enrollment, and general education.

Provide ease of access to financial aid opportunities and appropriate course taking options, and facilitate student experiences that encourage academic rigor, peer-to-peer support, and workforce opportunity.

NOTE: Increasing degree efficiency while improving the rate of student participation is difficult to achieve—especially for a single institution where improvements in one area can come at the detriment of another. However, a system of eight institutions with a variety of missions—from open-access to expanded research—can create a complementary mix of strategies that support the spectrum of student success.



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.

Completion and access measurements over the next decade are balanced by a third qualitative metric: high impact educational practices. The Association of American Colleges and Universities (AAC&U) has established ten research-based high impact practices⁴² proven beneficial for college students from many backgrounds. These practices contribute to the overall essence of a postsecondary education: innovative discovery. The outcomes of these qualitative metrics are effective instruction, utilization of innovative technologies, and high-end research that, together, improve the student experience, ensure a quality talent force with transferrable skills, and strengthen the entire state.

The Board of Regents will assess the use of these qualitative practices by USHE institutions annually to evaluate progress in meeting student learning.

TAKING ACTION to encourage innovation as a core value at each USHE institution, in keeping with its distinct mission:

Implement best practices in models of teaching and learning. This assures a clear definition of learning outcomes that foster a culture of innovation, discovery, collaboration, and lifelong learning beyond the college realm.

Emphasize the mission of the USHE research universities in the transformative role of cutting-edge research and knowledge creation, recruiting of top research talent, and research focused on outcomes that improve society, attempt to solve major issues, and encourage innovative commercialization of research efforts.

Leverage efforts of USHE institutions to meet the workforce demands of Utah's economy through applied research, industry partnerships, and degree programs explicitly established to meet workforce needs.



Investing in the Strategic Objectives of the Utah System of Higher Education

As public higher education institutions, USHE receives substantial support from state taxpayers as appropriated by the Utah Legislature. Like colleges and universities across the nation, over the past twenty years more of the cost burden has shifted from state taxpayers to students, in the form of tuition. Continued state support to prevent further cost shifts is critical to keeping higher education affordable for Utahns. As the number of students grows, additional resources will be needed just to keep the current balance in place.

These state investments will protect affordable access by building capacity, minimizing tuition increases, and increasing the quality of the student experience.

Each year as required by state law, the Board of Regents approves a unified budget request for the Utah System of Higher Education and recommends this budget to the Governor and Legislature. This section details a ten-year projection of the estimated costs to implement this plan, knowing the actual budget recommendation will vary from year to year based on the most critical needs. These projections include the following elements:

- Annual increases in employee compensation and benefits to maintain competitiveness for talent based on the Higher Education Price Index (HEPI). (More than 80% of USHE costs are personnel-related.)
- Accommodating the projected increase in student enrollments estimated over ten years without increasing reliance on tuition.
- Accommodating capacity increases as participation increases.
- Increases in utilization of information technology equipment and support.
- Increases in operations and maintenance, utilities, and other mandatory costs.
- Capital development to replace aging facilities and for expansion of new facilities.
- Performance funding.
- Growth in the number of students receiving the Regents' Scholarship.
- A deduction in projected costs for increased operational efficiency within USHE.



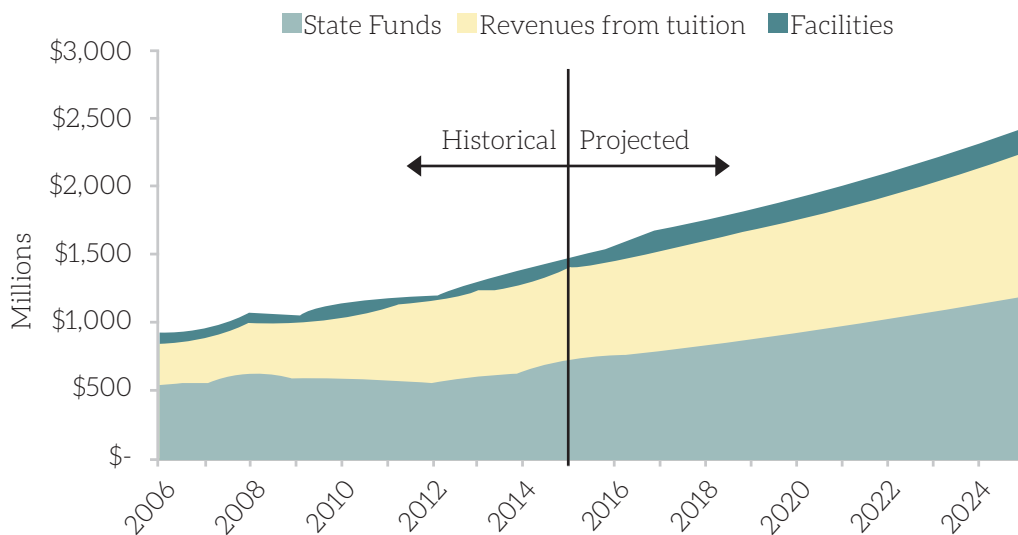
Using the approved USHE enrollment forecasts of the next ten fiscal years, costs associated with an average 2.8% annual increase in students would be sustained via three primary sources:

1. Appropriated state funds for ongoing operations.
2. Tuition paid by those additional students enrolled at a USHE institution due to growth.
3. Appropriated state tax funds for expansion, replacement, and maintenance of facilities.

The following chart shows the required annual budgetary increases to sustain projected growth after factoring in a 5% overall cost reduction due to efficiencies achieved through areas such as enhanced use of technology, improved program delivery, and increased rates of students completing a degree or certificate.

30% increase
in annual investment above the ten-year average needed.

Historical & Projected Required Budget Increase, 2000–2025



Over the next decade, the USHE overall budget would need an annual average increase of:

- 5.2% in appropriated state funds for operations, including capacity for enrollment growth, compensation, increased participation in statewide scholarships, operation and maintenance of facilities, and information technology. This calls for a consistent annual investment at 30% above the ten-year historical average increase of 4% and minimizes the need for tuition rate increases.
- 4.8% in overall revenues related to tuition (combination of enrollment growth and minimal tuition rate increases).

- Continued state investment in capital facilities averaging \$150.5 million per year.
 - Over the past twenty years, the Legislature has provided on average \$82 million per year for updated or new capital facilities (2015 dollars). To meet the needs of a growing population of students and replace and update old infrastructure, it is estimated that an average of \$150.5 million per year will be needed over the next decade.

These estimates are based on the 2015-16 proportion of state tax funds for operations, tuition revenues, and the state funds requested for 2015-16 capital development needs projected over time.

The Return on Investment of the Strategic Objectives of the Utah System of Higher Education

Higher Education and Economic Development

A college education is the primary factor that increases wages and improves economic mobility, making higher education one of the most important policy considerations for economic development. Increased wages that come with attainment of a degree or certificate beyond high school—and the resulting retention and attraction of businesses and industry due to a more educated populace—are the most significant economic contributions higher education provides to the state. Increases in educational attainment beyond high school are associated with increases in GDP and wages throughout entire communities.⁴³ USHE graduates earning a college degree or certificate over the next decade will contribute more than \$150 billion to the state's economy:

- \$132 billion in increased wages: 2014-15 USHE graduates who earned a bachelor's degree will earn 55% more in their first year than those with just a high school diploma (according to U.S. Census data). Collectively, that is more than \$370 million in increased wages for Utahns in a single year.⁴⁴ By the end of 2025, USHE graduates will earn more than \$4 billion in increased first year wages alone, above those with only a high school diploma—resulting in \$132 billion in increased wages over 30 years.
- \$17 billion increase in contributions to Utah's tax base: 2014-15 graduates will contribute an estimated \$47.5 million in state taxes with their newfound earnings their first year working⁴⁵—approximately half of the year's estimated growth in the state tax base.⁴⁶ By the end

\$150
billion

USHE graduates will contribute more than \$150 billion to Utah's economy over the next decade



of 2025, total taxes from the first year of just the increased portion of wages earned by USHE graduates will exceed \$560 million—resulting in \$17 billion in contributions to Utah’s tax base over 30 years.

- \$26 billion increase in indirect economic activity: Increased wages will generate an additional \$26 billion in economic activity in Utah’s economy.

Conclusion

The path forward is clear: Utah must make higher education a funding priority in order for the state to become a prosperous leader in the economy of tomorrow. A higher education is necessary for individuals to succeed in the 21st century workforce, and having an educated population is necessary for Utah to continue on its trajectory of economic growth and prosperity. Increasing college attainment in Utah will ensure individual Utahns not only have more successful economic outcomes and a higher quality of life, but also will help provide ongoing funding for state burdens such as transportation, healthcare, and air quality.

In order for more Utahns to access and complete a college degree or certificate, USHE must have the resources to keep the cost of college affordable, to increase capacity for the necessary jump in student enrollment, and to provide the student support needed to engage and advise students.

So, will Utah realize its potential as a state of opportunity?

By making key investments in higher education, the future for Utah in every metric—economic, well-being, health, prosperity—is bright.

Endnotes

- ¹Richardson, Vanessa and Villano, Matt. "9 Hot Startup Cities That Aren't San Francisco or New York." *Entrepreneur*, August 4, 2015. <http://www.entrepreneur.com/slideshow/248148>
- ²Badenhausen, Kurt. "Utah Heads The Best States for Business 2014." *Forbes*, November 12, 2014. <http://www.forbes.com/sites/kurtbadenhausen/2014/11/12/the-best-states-for-business-2014/>
- ³Laffer, Arthur B; Moore, Stephen; and Williams, Jonathan. *Rich States, Poor States*. American Legislative Exchange Council. 8th edition: 2015. <http://www.alec.org/publication/rich-states-poor-states/>
- ⁴*The Rising Cost of Not Going to College*. Pew Research Center. February 11, 2014. <http://www.pewsocialtrends.org/2014/02/11/the-rising-cost-of-not-going-to-college/>
- ⁵Carnevale, Anthony P. and Rose, Stephen J. *The Economy Goes to College*. Center on Education and the Workforce, Georgetown University. 2015. <https://cew.georgetown.edu/report/economygoestocollege/>
- ⁶Smith, Julia Llewellyn. "Why 'soft skills' are more important than a great CV." *The Telegraph*, January 9, 2015. <http://www.telegraph.co.uk/women/womens-business/11326058/Forget-the-CV-Why-soft-skills-are-more-important.html>
- ⁷"Best States for Business". *Forbes*, October 21, 2015. Utah topped the list for the second time in a row in 2015, and the fifth time since 2010. <http://www.forbes.com/places/ut/>
- ⁸*Middle-skill Spotlight: An analysis of four in-demand sectors with a community college focus*. Economic Modeling Specialists Intl., 2014. <http://www.economicmodeling.com/cc-report2014/>
- ⁹Webster, Mary Jo. "Where the jobs are: The new blue collar." *USA Today*, September 30, 2014. <http://www.usatoday.com/story/news/nation/2014/09/30/job-economy-middle-skill-growth-wage-blue-collar/14797413/>
- ¹⁰Carnevale, Anthony P.; Smith, Nicole; and Strohl, Jeff. *Help Wanted: Projections of Jobs and Education Requirements through 2018*. Center on Education and the Workforce, Georgetown University. June 2010. <https://cew.georgetown.edu/wp-content/uploads/2014/12/State-LevelAnalysis-web.pdf>
- ¹¹"Your Utah. Your Future." Envision Utah, October 2015. <https://envisionutah.org/projects/your-utah-your-future/item/346-results>
- ¹²Daly, Mary C. and Bengali, Leila. "Is It Still Worth Going to College?" *Economic Letter*, Federal Reserve Bank of San Francisco, May 5, 2014. <http://www.frbsf.org/economic-research/files/el2014-13.pdf>
- ¹³Curtin, J. *Building Utah's Future through Higher Education*. Utah System of Higher Education, May 2014. http://higheredutah.org/pdf/reports/building_utahs_future.pdf
- ¹⁴*2015 Utah Report on Intergenerational Poverty, Welfare Dependency and the Use of Public Assistance*. Utah Department of Workforce Services, October 2015. <http://jobs.utah.gov/edo/intergenerational/igp15.pdf>
- ¹⁵Krueger, Patrick M.; Tran, Melanie K.; Hummer, Robert A.; and Chang, Virginia W. "Mortality Attributable to Low Levels of Education in the United States." *PLOS | One*, 10.1371. July 8, 2015. <http://journals.plos.org/plosone/article?id=10.1371/journal.pone.0131809>
- ¹⁶Curtin, J. *Building Utah's Future through Higher Education*. Utah System of Higher Education, May 2014. http://higheredutah.org/pdf/reports/building_utahs_future.pdf
- ¹⁷*USHE Enrollment Forecasts*. Utah System of Higher Education, May 2015. <http://higheredutah.org/pdf/agendas/20150507/TABU.pdf>
- ¹⁸*Is this the Place? A Survey of Utah Employers*. Utah Foundation, December 2015. <http://www.utahfoundation.org/uploads/rr736.pdf>
- ¹⁹Bailey, Martha J. and Dynarski, Susan M. "Gains and Gaps: Changing inequality in US college entry and completion." NBER Working Paper Series, December 2011. <http://www.nber.org/papers/w17633.pdf>
- ²⁰Reardon, Sean F. *The Widening Academic Achievement Gap between the Rich and the Poor: New Evidence and Possible Explanations*. Stanford University, July 2011. [https://cepa.stanford.edu/sites/default/files/reardon whither opportunity - chapter 5.pdf](https://cepa.stanford.edu/sites/default/files/reardon%20whither%20opportunity%20-%20chapter%205.pdf)
- ²¹"The Condition of College and Career Readiness—Utah." ACT, 2015. <http://www.act.org/newsroom/data/2015/states/pdf/Utah.pdf>
- ²²2013-14 data from Utah System of Higher Education: graduates by institution, degree level, and gender.
- ²³"Annual Estimates of the Resident Population for the United States, Regions, States, and Puerto Rico: April 1, 2010 to July 1, 2014". United States Census Bureau, 2014. <http://www.census.gov/popest/data/state/totals/2014/tables/NST-EST2014-01.xls>
- ²⁴Frohlich, Thomas C.; Stebbins, Sam; and Sauter, Michael B. "States with the Fastest (and Slowest) Growing Economies." *24/7 Wall Street*, June 24, 2015. <http://247wallst.com/special-report/2015/06/24/states-with-the-fastest-and-slowest-growing-economies/>

- ²⁵ Ma, David. *College Participation Rates and Completion of Utah High School Graduates, Cohorts 2007-2012*. Utah System of Higher Education, 2014.
- ²⁶ USHE Enrollment Forecasts. Utah System of Higher Education, May 2015. <http://higheredutah.org/pdf/agendas/20150507/TABU.pdf>
- ²⁷ Ma, David. *College Participation Rates and Completion of Utah High School Graduates, Cohorts 2007-2012*. Utah System of Higher Education, 2014.
- ²⁸ Ma, David. *College Participation Rates and Completion of Utah High School Graduates, Cohorts 2007-2012*. Utah System of Higher Education, 2014.
- ²⁹ *Digest of Education Statistics*. National Center for Education Statistics, 2012. https://nces.ed.gov/programs/digest/d12/tables/dt12_046.asp
- ³⁰ Rich, Motoko. "Percentage of Poor Students in Public Schools Rises." *New York Times*, January 16, 2015. <http://www.nytimes.com/2015/01/17/us/school-poverty-study-southern-education-foundation.html>
- ³¹ Ma, David. *College Participation Rates and Completion of Utah High School Graduates, Cohorts 2007-2012*. Utah System of Higher Education, 2014.
- ³² *Recommendations on High School Mathematics Preparation for Students Enrolling in Utah System of Higher Education Institutions*. Utah System of Higher Education, March 19, 2014. <http://higheredutah.org/wp-content/uploads/2014/03/TAB-C-2014-3-28.pdf>
- ³³ *Trends in Higher Education: Tuition and Fees by Sector and State over Time*. College Board, 2015. <http://trends.collegeboard.org/college-pricing/figures-tables/tuition-fees-sector-state-time>
- ³⁴ "Persons per Household, State and County Quickfacts." United States Census Bureau, 2014. <http://quickfacts.census.gov/qfd/states/49000.html>
- ³⁵ Rosenbaum, James; Ahearn, Caitlin; Becker, Kelly; and Rosenbaum, Janet. *The New Forgotten Half and Research Directions to Support Them*. William T. Grant Foundation, January 2015. <http://wtgrantfoundation.org/newforgottenhalf>
- ³⁶ "Plateau Tuition: How can it help Students?" Utah System of Higher Education, June 16, 2015. <http://higheredutah.org/plateau-tuition-how-can-it-help-students/>
- ³⁷ "Utah College Completion Focus: Reverse Transfer." Utah System of Higher Education, July 28, 2015. <http://higheredutah.org/utah-college-completion-focus-reverse-transfer/>
- ³⁸ *A Stronger Nation through Higher Education*. Lumina Foundation, 2015. <http://strongernation.luminafoundation.org/report/#utah>
- ³⁹ *Key Findings from 2013 Survey of Employers*. Association of American Colleges & Universities, 2013. <https://www.aacu.org/sites/default/files/files/LEAP/KeyFindingsfrom2013SurveyofEmployers.pdf>
- ⁴⁰ Hiltonsmith, Robert. *Pulling up the Higher-Ed Ladder: Myth and Reality in the Crisis of College Affordability*. Demos, May 5, 2015. <http://www.demos.org/publication/pulling-higher-ed-ladder-myth-and-reality-crisis-college-affordability>
- ⁴¹ *USHE Institutional Completion Goals*. Utah System of Higher Education, January 2015. <http://higheredutah.org/pdf/agendas/201501/TABEv3.pdf>
- ⁴² Kuh, George D. *High-Impact Educational Practices*. Association of American Colleges & Universities, 2008. <https://www.aacu.org/leap/hips>
- ⁴³ DeVol, Ross; Shen, I-Ling; Bedroussian, Armen; and Zhang, Nan. *A Matter of Degrees: The Effect of Educational Attainment on Regional Economic Prosperity*. Milken Institute, February 2013. <http://www.milkeninstitute.org/publications/view/564>
- ⁴⁴ Wage estimate based on the degrees awarded by USHE combined with the Utah wage and job placement information from American Communities Survey of the U.S. Census Bureau (B23006 Educational Attainment by employment status for the population 25 to 64 years, 2014 ACS 1-Year Estimates)
- ⁴⁵ Utah tax and fee contributions are based on the Utah Taxpayer's Associations most recent estimate of percent of wages paid in taxes and fees December 2014 Report (2012 fiscal year data). <http://www.utahtaxpayers.org/wp-content/uploads/2014/12/2014-HUC-Website-Reduced.pdf>
- ⁴⁶ "Revenue Update, Part A: Tax Collections." Utah Legislature, Executive Appropriations Committee, October 20, 2015. <http://le.utah.gov/interim/2015/pdf/00004595.pdf>

Board of Regents

The Board of Regents oversees the governance of the Utah System of Higher Education (USHE). The Board is responsible for statewide planning, appointment of institutional presidents, approval of academic programs, prioritization of facilities requests, and submission of a unified budget request to the Governor and state legislature. There are 19 total Regents, 16 of whom are appointed by the Governor.

Commissioner of Higher Education

The Commissioner of Higher Education is the chief executive officer of USHE and is appointed by the Board of Regents. The Commissioner provides statewide leadership, makes policy recommendations to the Board of Regents, and executes Board of Regents policies and programs.

The Utah Higher Education Assistance Authority (UHEAA) and the Utah Educational Savings Plan (UESP) are also under the oversight of the Board of Regents, and both organizations help to guide Utahns through the higher education financial planning process.

Utah System of Higher Education

The Utah System of Higher Education is comprised of the eight public colleges and universities in the state:

Research universities:

University of Utah (flagship; medical school, dental school, pharmacy school, law school, etc.)

Utah State University (land grant; 33 regional campuses statewide)

Regional universities:

Weber State University

Southern Utah University (arts & sciences emphasis)

Dixie State University

Utah Valley University

Community colleges:

Salt Lake Community College

Snow College

