



UTAH SYSTEM OF  
HIGHER EDUCATION

March 27, 2025

# MEMORANDUM

## Fiscal Year 2026 Institutional Strategic Reinvestment Guidelines & Resources

In the 2025 General Session of the Utah State Legislature, [HB 265, Higher Education Strategic Reinvestment](#), was passed and subsequently signed into law by the Governor. Most notably, HB 265 requires Utah System of Higher Education degree-granting institutions to reallocate state funding and associated institutional resources corresponding to institutional base budget reductions found in Item 92 of [HB 1, Higher Education Base Budget](#). To recoup these reductions, institutions will develop and propose strategic reinvestment plans for the Utah Board of Higher Education and legislative approval. Upon securing these approvals, the Board will transfer the set-aside funds back to institutions.

First-year strategic reallocation amounts must represent at least 30% of institutional withheld base budget funding in FY 2026, increasing to 70% in FY 2027 and 100% in FY 2028 when the strategic reinvestment plan is fully implemented. The attached guidance is intended to provide institutional presidents and boards of trustees with direction and resources for strategic reallocation decision-making, form templates, timelines, and other information for consideration as institutions move forward in constructing strategic reinvestment plan proposals. By statute, the Board must review and approve initial institutional strategic reinvestment plans before June 30, 2025. As such, preliminary plan and form submissions must be received by the Office of the Commissioner of Higher Education by May 9, 2025, and final submissions must be received by May 23, 2025, for consideration in the June 6, 2025, Board meeting.

This guidance is a resource but is not comprehensive. The law intentionally preserved a level of discretion for each institution to develop a reinvestment plan that is unique to its mission and role, its service region, and its unique student body. Moreover, the law directs the Board and the institutions to collaborate on developing these plans—to work as partners for the success of the institutions individually and higher education broadly. That collaboration and partnership will continue to be the guiding principle of this initiative.

### Commissioner's Recommendation

The Commissioner recommends that the Board review and adopt the proposed FY 2026 Institutional Strategic Reinvestment Guidance.

**Attachments**

Attachment 1 – Fiscal Year 2026 Institutional Strategic Reinvestment Guidelines & Resources

Attachment 2 - USHE FY 2026 B-6 Strategic Reinvestment Plan Form Template