



UTAH SYSTEM OF  
HIGHER EDUCATION

# MEMORANDUM

October 4, 2024

## Fiscal Year 2025-26 USHE Operating Budget Recommendation – Degree-granting Institution Growth Funding

The Fiscal Year 2025-26 USHE operating budget request for degree-granting institution growth funding was developed in consultation and discussion with degree-granting institutions' presidents, business vice presidents, and budget officers. The degree-granting growth funding budget request complies with Utah Code section [53B-7-101\(2\)\(iv\)](#) and the budget guidance adopted by the Board in its July 2024 meeting.

### Degree-granting Institution Growth

**\$885,000 Ongoing**

This growth formula is based on the net full-time equivalent (FTE) student enrollment change and associated average direct instructional costs stratified by type and size of institution.

The growth funding formula used for degree-granting institutions was first developed in 2020 and uses calendar year 2019 annualized budget-related (courses funded by tax fund appropriations) resident FTE as a baseline, with any funded growth in subsequent years added to create an adjusted baseline. For example, if an institution's baseline was 10,000 FTE and received growth funding for an additional 100 FTE, the adjusted baseline would be 10,100. The adjusted baseline by course level is then compared with the last available Fiscal Year data (in this case, FY 2023-24), with growth of at least 100 FTE students by course level qualifying for the net calculation. The net calculation then totals growth across all course levels to determine the eligible funding amount.

### Utah State University and Southern Utah University qualified for growth funding budget requests.

- **Utah State University, \$302,000** – Decreased 300 lower division course FTE and increased 300 in upper division. While FTE netted out, the difference in average course level costs between lower and upper divisions qualifies for a \$302,000 request. Funds will be used to hire three additional academic advisors.
- **Southern Utah University, \$583,000** – Increased 200 vocational course FTE, decreased 200 lower division, and increased 100 upper division. The net increase of 100 FTE combined with

the average course level costs qualifies for a \$583,000 request. Funds will be used to hire seven additional staff in academic advising, career advising, financial aid, admissions, and information technology.

**Commissioner's Recommendation**

The Commissioner recommends the Board approve a \$885,000 growth funding request as outlined for Utah State University and Southern Utah University.

**Attachment**

Attachment 1 – Degree-Granting Growth Funding Model