

Cut and Reappropriate: Strategic Reinvestment in Utah

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UTAH
SYSTEM OF
HIGHER
EDUCATION

Some Policy Context

- Changing workforce demands
- Pressure on higher education budgets
- Increased need to align academic programs with labor market outcomes
- Growing concerns about the value and purpose of higher education

Legislative Trends in Utah

The 2024 Legislative Session

- HB 261, Equal Opportunity Initiatives Bill:
 - Prohibits institutions from operating offices with a primary DEI focus—deemed discriminatory. Had an impact beyond students services: student internships and academic research. Bill enacted.
- SB 226, Statewide General Education Bill:
 - New Gen Ed program for the University of Utah, designed by individuals outside of Utah, emphasizes Western Civilization-based courses. Held over to 2025 session.
- HJR3, Alternative Accreditation for Higher Education Institutions
 - Resolution passed, but did not result in changing accreditation agency

Legislative Trends in Utah

The 2025 Legislative Session

- SB 334, Utah State University Center for Strategic Excellence
 - Created a new center, not an existing academic unit, to administer Gen Ed at Utah State University. Focuses on workforce readiness and civic engagement. Supersedes SB 226 of 2024. Bill enacted.
- HB 265 Higher Education Strategic Reallocation Bill
 - Institutions required to identify low enrolled/low performing programs
 - Identify majors that align with workforce needs
 - 10% of budget cut from savings. Institutions can earn back the 10% if their plans for strategic reinvestment are approved.
 - Bill enacted.

HB265 – Strategic Reallocation in Higher Ed

Purposes

- Improve alignment between degree programs and workforce demand
- Encourage institutional prioritization of high-impact programs
- Promote efficiency and resource reallocation
- Strengthen accountability for state funding

HB265 – Strategic Reallocation in Higher Ed

Core Concept

- Institutions evaluate academic programs and administrative costs
- Lower-performing or low-demand areas identified
- Savings redirected into high-demand or high-impact programs
- Focus on reallocation rather than overall funding cuts

HB265 – Strategic Reallocation in Higher Ed

Funding Mechanism

- State redirected roughly \$60M into a strategic reinvestment pool
- Institutions regain funding through approved reinvestment plans
- Plans must demonstrate program prioritization and efficiency gains

HB265 – Strategic Reallocation in Higher Ed

Institutional Responsibilities

- Develop three-year strategic reinvestment plans
- Evaluate programs using defined evaluation framework
- Submit plans to Utah Board of Higher Education
- Provide annual progress reports

HB265 – Strategic Reallocation in Higher Ed

Evaluation Framework and Metrics

- Demonstrated Enrollment Data
- Completion and Time-to-Completion
- Discipline-Related Professional Outcomes
- Workforce Demand (Current and Projected)
- Program-Level Costs
- Institutional Mission Alignment
- General Education Safeguard

HB265 – Strategic Reallocation in Higher Ed

Implementation Timeline

- FY2026: ~30% reinvestment
- FY2027: ~70% reinvestment
- FY2028: Full implementation
- Legislative oversight and institutional reporting required

HB265 – Strategic Reallocation in Higher Ed

Academic Program Implications

- Potential consolidation or elimination of low-demand programs
- Expansion of high-demand workforce programs
- Increased scrutiny of credit-hour requirements
- Encouragement of accelerated or 3-year degree pathways

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Potential Benefits and Concerns

- Benefits:
 - Stronger workforce alignment, strategic use of funds
 - Encourages program-level data analysis
- Concerns:
 - Negative impact on humanities or small programs
 - Risk of overemphasizing short-term labor market signals

Reactions

Initial Responses from Faculty

- Why doesn't the legislature trust us?
- Why does the legislature hate us?
- The legislation is politically motivated!
- Can we meet with legislators?
- The legislature is denying student choice of majors!
- The legislature relies on specialists to inform them on human services, transportation, healthcare, etc., but on matters of higher ed, they think they know more than we do.
- Why isn't the Utah System of Higher Education and the Board fighting this?
- Where is the accreditor on this matter?
- Where is the U.S. Department of Education on this matter?
- Presidents and provosts are failing us!

Reactions

Addressing Challenges and Worries

- Legislators do not realize that many students major in modest-sized academic programs: between 20 and 25% of students
- The reallocation plan assumes STEM majors are the main drivers of the economy
- Cuts to traditional liberal arts programs will make it more difficult to teach durable skills, civic engagement
- Worries about creating a “hunger games” type of competition between programs
- When and where will cuts stop?

Reactions

Sentiments After the First Phase of the Reallocation

- Able to save most academic programs
- Some program cuts were very painful to departments where the number of majors were low
- Reallocation money spent not just on STEM, but other programs
- Departments have to do more to build attractive academic programs, market the programs, and increase completion rates
- Higher ed is in an ever-precarious situation

UTAH TECH UNIVERSITY



Dr. Christopher L. Guymon
Interim Provost and Vice President of Academic Affairs

About Utah Tech University

- St. George, UT
- Dual Mission – Both a community college and a regional university
- Certificates, Associates, Bachelors, Masters, and a Doctorate Degrees
- Open, Comprehensive, and Polytechnic University
- 13,188 students, including 4,271 high school concurrent enrollment students
- Annual Tuition and Fees: \$6,481.74



History

- 1911 – Founded
- 2000 – First Offered Bachelors' Degrees
- 2013 – Recognized as a University
- 2019 – Exploring becoming a polytechnic university
- 2022 – Renamed Utah Tech University, previously Dixie State University



Utah Tech's Recent Challenges

- Mission Change (2019–)
- Name Change (2022–)
- Presidential Resignation (December 21, 2023)
- Presidential Search (February 2024); Search Committee reformed (December 2024)
- Faculty No-Confidence Vote (November 21, 2024)
- Trustee No-Trust Resolution (Late 2024)
- Utah HB265 is approved by the Utah State Legislature (February 24, 2025) and signed by Governor Spencer Cox (March 26, 2025)



Utah Tech University HB 265 Experience



Other Institutional Experiences

Strategic Considerations for CAOs

- Program portfolio review and prioritization
- Balancing workforce alignment with academic mission
- Faculty governance and program evaluation processes
- Institutional communication and change management

Key Takeaways

- HB 265 represents a shift toward performance-informed reinvestment
- Requires institutions to reallocate internal resources strategically
- May influence higher education policy discussions in other states