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**FY 2014 SPECIAL SCHOOL BUDGETS, FY 2014 UNIVERSITY BUDGET UPDATE,
AND FY 2013 AMENDED UNIVERSITY OPERATING BUDGETS**

Actions Requested: Consider:

1. Receipt of the FY 2014 budget development update for the universities.
2. Approval of the amended FY 2013 operating budgets for the University of Iowa and Iowa State University as provided in Attachments A and B.
3. Approval of the FY 2014 operating and restricted fund budgets for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School as shown in Attachments D and E.

Executive Summary:

Consistent with the Board's strategic plan to demonstrate public accountability and effective stewardship of resources, all institutional budgets are approved annually by the Board.

This memorandum incorporates several aspects of budgets for the Regent enterprise. This document contains budget planning updates for each university, amended FY 2013 operating budgets for SUI and ISU, and the final proposed FY 2014 budgets for the Special Schools. Final FY 2014 budgets for the universities and the Board Office are scheduled to be presented to the Board at the August meeting.

Universities - FY 2014 Budget Update

Iowa's public universities have identified primary FY 2014 operating budget developments related to anticipated revenue changes, compensation, and other unavoidable cost increases. The Regent universities have two basic types of funds within the budgets:

- General operating funds include operational appropriations, interest income, tuition revenues, reimbursed indirect costs, and sales and services revenues. Generally, appropriations are designated for specific operating uses and cannot be used for other purposes.
- Restricted funds are specifically designated or restricted for a particular purpose or enterprise and include capital and tuition replacement appropriations, gifts, sponsored funding from federal and private sources, athletics, as well as other auxiliary or independent functions such as residence, parking, and utility systems.

The two primary resource components providing general operating funds for Iowa's public universities include state appropriations and tuition revenues.

- The 2013 General Assembly approved FY 2014 general university operating appropriations totaling \$479.3 million, \$12.1 million higher than FY 2013. Each general university appropriation is increased 2.6% with additional incremental funding for UNI still under consideration. Note: Appropriation bills have not yet been signed by the Governor.
- The legislature also appropriated \$3.0 million from the Regent Innovation Fund to support economic development initiatives to be split 35/35/30 among SUI, ISU, and UNI respectively.
- Presently, the Board has approved a freeze on resident undergraduate tuition (0% increase) for the 2013-14 academic year. Non-resident tuition increases of 2.6% at SUI, 2.35% at ISU, and 2.6% at UNI were also approved at the December 2012 meeting. Enrollment fluctuations impact tuition revenue and the subsequent demands for academic and student support services which are fundamental to the budgeting process.

Salary and related costs comprise approximately 70% of the operating expenses and are one of the highest priorities for budget planning. The universities will adhere to the FY 2014 salary policies as considered by the Board in Agenda Item 6. The Board of Regents employs approximately 6,900 university employees in the Regent Merit System. Of this total, approximately 6,500 are in AFSCME bargaining units with the remainder being supervisory or confidential. The statewide collective bargaining agreement with AFSCME provides for no increase on July 1, 2013. Eligible employees (those not at the maximum of their pay grade) will receive a 4.5% step increase on their eligibility dates throughout the year. The attachments contain budget planning information related to salaries and other essential or unavoidable cost increases specific to each university.

The university restricted fund budgets will include the third year of capital funding (FY 2014) approved by the 2011 General Assembly for ISU's Biorenewables Complex-Agricultural and Biosystems Engineering Building, SUI's Dental Science Building Renovation, and UNI's Bartlett Hall Renovation. In addition, the 2013 General Assembly approved an approximate \$27.9 million tuition replacement appropriation to be allocated among the three Regent universities.

University FY 2013 Budget Amendments

Board policy requires approval of increases in the general operating budgets. Proposed FY 2013 operating budget amendments for SUI and ISU are contained in Attachments A and B respectively.

Special Schools – FY 2014 Budgets

The Board is asked to consider approval of the FY 2014 budgets for the Iowa School for the Deaf (ISD), and the Iowa Braille and Sight Saving School (IBSSS) as provided in Attachments D and E. Pending the Governor's signature, each of the special schools will receive a 2% increase in state operating funding for FY 2014.

FY 2014 Special School Budgets

	<u>Operating</u>	<u>Restricted</u>	<u>Total</u>
ISD	\$ 9,977,687	\$ 856,038	\$ 10,833,725
IBSSS	8,350,270	340,930	8,691,200

UNIVERSITY OF IOWA

SUI – FY 2014 Budget Update

The FY 2014 General Education Fund (GEF) budget is being developed based on the most current information available regarding revenue projections and an expenditure plan guided by the University's strategic plan - Renewing the Iowa Promise: "Great Opportunities - Bold Expectations". The plan identifies four complementary areas of investment: Student Success, Knowledge and Practice, New Frontiers in the Arts, and Better Futures for Iowans.

Pending the Governor's signature, the general university's FY 2014 state operating appropriation of \$222.0 million is \$5.6 million higher (2.6% increase) than FY 2013. Special purpose appropriated incremental funds include \$0.86 million for Hygienic Laboratory and \$2.0 million for the economic development entrepreneurship strategic initiative. All other special purpose operating appropriations for FY 2014 were flat-funded when compared to FY 2013.

In December 2012, the Board froze tuition (0% increase) for FY 2014 for undergraduate resident students and approved a 2.6% increase for nonresident undergraduates and for all graduate and professional students. The University anticipates an incoming freshman class consistent with Fall 2012 and projects larger returning classes, improved retention, and a higher number of resident students.

The University currently projects FY 2014 indirect cost recoveries to decline 3% when compared to the original FY 2013 budget. A complicating factor in projecting indirect cost recoveries for FY 2014 is the recent federal budget sequestration and its impact on federal research funding. The University has two programs which allow for indirect cost recoveries to be returned to those colleges engaged in research activities.

The University will implement the terms of the AFSCME, COGS (graduate assistants), and SEIU (health care workers at UIHC) collective bargaining agreements. The General Education Fund portion of the bargained salary cost increases is estimated at \$1.6 million. The cost increase includes annualization from the previous year and current year contract costs.

Budget preparation includes the proposed salary policies as included in Agenda Item 6. Funds equal to 2.0% of recurring faculty and non-bargained P&S staff salaries plus projected fringe benefit costs are expected to be allocated to General Education Fund supported budgetary units. The overall average salary increase within each college, vice presidential unit, or other major administrative unit will be between 2.0% and 3.0%. All individual increases will be based upon performance, competitive market factors, and equity issues.

The University completed negotiations with the Federal Department of Health and Human Services in March 2013 which established the FY 2014 fringe benefit rates. The rates are applied to salaries as they are paid to fund the employer's share of fringe benefit costs. For FY 2014, GEF fringe benefit costs related to merit staff are projected to decrease slightly when compared to the current year.

There are other unavoidable and/or essential cost increases that include utilities, opening new buildings, building renewal, and other expense categories that will be included in the final budget. The Pappajohn Biomedical Discovery Building is projected to open in Spring 2014.

SUI FY 2013 Amended Operating Budgets

The University of Iowa's proposed amended FY 2013 budgets for the General University, Specialized Children's Health Services, Family Practice Program, and the Iowa Online Advanced Placement Academy are provided on the following page.

General University

In October 2011, the Board approved the Library Student Commons capital project and budget (\$14.6 million) to be funded primarily from the General Education Fund. The University expensed approximately \$2.26 million for the project during FY 2012. The budget amendment includes anticipated FY 2013 expenses for this project of \$7.0 million (shown in building repairs) to be funded from \$6.5 million of advanced commitment revenues earned and reported in prior years and \$0.5 million in additional interest income in FY 2013 from higher than anticipated earnings. The remaining project costs are expected to occur in FY 2014.

Other incremental revenue adjustments include tuition revenue projected to be \$350,000 higher than originally budgeted due to slightly higher enrollment than originally budgeted and indirect cost recoveries of \$1,250,000 due to the timing of one-time federal research grant awards.

Specialized Children's Health Services (SCHS)

The SCHS amended budget includes sales/services revenue that supports their High Risk Infant program, which was not included in the original budget. This funding source is also expected to continue in FY 2014.

Family Practice Program

Interest income received by the Statewide Family Practice Training Program is expected to slightly exceed the budgeted amount by \$2,500. The funds would help offset travel costs and general expenses associated with University outreach activities at the sites of the community-based residency programs.

Iowa Online Advanced Placement Academy (IOAPA)

The 2011 General Assembly appropriated state funds for the first time to support IOAPA operations in FY 2012. The appropriation was made late in the legislative session resulting in delayed advertisement of the online courses. Approximately \$98,600 of the appropriation was not expended in FY 2012 due to the delay. In accordance with Section 8.62 of the Iowa Code, fifty percent of the unspent FY 2012 appropriation was carried forward into FY 2013 and was used for technology improvements in the IOAPA classrooms.

IOWA STATE UNIVERSITY

ISU FY 2014 Budget Update

Iowa State University's strategic plan, Meeting the Challenges of the 21st Century, is closely aligned with its land grant mission. Budget planning and development are grounded on the principles of educating and serving students; innovating and discovering through research; and extending their impact beyond campus to improve the lives and livelihoods of Iowans. ISU continues to conduct planning using the Resource Management Model, a responsibility-centered approach to budget development. The basic tenets of the model are to attribute revenues and fully allocate administrative costs to colleges and other major academic units. In doing so, the model provides incentives to maximize revenues, rewards cost efficiencies, and results in differentiated impacts for major budget units across the University.

Pending the Governor's signature, the general university's FY 2014 state operating appropriation of \$174.0 million is \$4.4 million higher (2.6% increase) than FY 2013. ISU's Cooperative Extension unit was appropriated an incremental \$0.33 million and the Veterinary Diagnostic Laboratory received an additional \$0.525 million. All other existing special purpose units were flat-funded compared to FY 2013. Beginning in FY 2014, the legislature established a new Iowa Nutrient Research Center (\$1.5 million appropriation) to evaluate and develop nutrient management strategies.

In December 2012, the Board froze tuition (0% increase) for FY 2014 for undergraduate resident students and approved a 2.35% increase for nonresident undergraduates. Increases of 1.19% for graduate resident student tuition and 2.35% for graduate nonresidents were also approved. The University projects the enrollment growth realized in recent years to continue in Fall 2013.

The University expects indirect cost recoveries to decrease in FY 2014, reflecting the reduction in expected federal sponsored funding awards for the upcoming year. Other revenue sources, including interest income, are projected to increase slightly.

Certain cost increases to the University resulting from contractual arrangements and other external cost drivers cannot be avoided. Budget preparation includes the proposed salary policies as included in Agenda Item 6. For FY 2014, the minimum salary increase for faculty and P&S staff with satisfactory performance is 1.5% for individuals with a salary of \$60,000 or less, and 1.0% for individuals with a salary of more than \$60,000. The P&S pay matrix is proposed to increase 1.25% at the minimums and maximums for each pay grade.

The University expects the incremental cost to the General University of the AFSCME contract for merit staff, including supervisory and confidential employees, to be \$1.1 million in FY 2014. This cost estimate includes the annualization of the step increases occurring in FY 2013 and an estimated 7% increase in the cost of medical and dental benefits.

Other unavoidable cost increases include library acquisition inflation, opening new buildings, utility rate increases, city bus and fire protection services, and insurance. The University will begin operating the new Troxell Hall during FY 2014 with the expansion and renovation of the Veterinary Medicine complex (opened in FY 2013) being in operation the entire year.

ISU FY 2013 Amended Operating Budget

Iowa State University's proposed amended FY 2013 budget for the General University is provided below.

Tuition revenues are higher than originally budgeted with another year of record enrollment for FY 2013 and interest income has also been increased to reflect greater earnings.

The enrollment increase necessitated additional hourly employees. Supplies/Services and utilities have also been adjusted to more accurately reflect current year-end projections.

Several colleges within the University have allocated additional funds for building renovations resulting in an increase in building repair expense projections. Examples include construction or improvements to Troxell Hall, McKay Hall Auditorium, Howe Hall, and an active learning classroom. The general university building repair budget has been increased \$12 million resulting from these projects.

	GENERAL UNIVERSITY		
	<u>Current Budget</u>	<u>Adjustments</u>	<u>Amended Budget</u>
REVENUES			
General Appropriations	169,577,342		169,577,342
Interest	140,000	660,000	800,000
Tuition and Fees	317,617,930	3,800,000	321,417,930
Reimb. Indirect Costs	19,890,000		19,890,000
Other Income	1,328,000		1,328,000
TOTAL REVENUES	508,553,272	4,460,000	513,013,272
EXPENDITURES			
Fac. & Inst. Off. Salaries	197,000,000		197,000,000
Prof. & Sci. Staff Salaries	87,000,000		87,000,000
General Service Staff Sal.	41,300,000		41,300,000
Hourly Wages	3,300,000	2,650,000	5,950,000
Subtotal - Salaries	328,600,000	2,650,000	331,250,000
Supplies and Services	52,088,122	(8,990,000)	43,098,122
Library Acquisitions	10,820,000		10,820,000
Rentals	1,600,000		1,600,000
Utilities	28,900,000	(1,200,000)	27,700,000
Bldg. Repairs	7,000,000	12,000,000	19,000,000
Auditor of State Reimb.	545,150		545,150
Equipment	4,000,000		4,000,000
Aid to Individuals	75,000,000		75,000,000
TOTAL EXPENDITURES	508,553,272	4,460,000	513,013,272

UNIVERSITY OF NORTHERN IOWA

UNI FY 2014 Budget Update

The two major revenue sources for the University are state appropriations and tuition revenue, each comprising approximately 49% of the FY 2013 general university operating budget. In addition, approximately 90% of the enrollment is resident students who pay significantly lower tuition rates than non-resident students. With the resulting high dependence on state appropriations, the state budget reductions implemented during FY's 2009-2012 have had a disproportionate impact to the operating budget (state appropriations were 58% of FY 2009 revenues). The Board's FY 2014 state funding request for UNI included a 2.6% increase to the base appropriation and the second of three \$4 million annual installments of supplemental funding.

Pending the Governor's signature, the general university's FY 2014 state operating appropriation of \$83.2 million is \$2.1 million higher (2.6% increase) than FY 2013. Additional incremental state funding for UNI's general fund is also currently being considered by the legislature. UNI's economic development funding was increased slightly less than \$0.5 million to support the University's regional business center and economic gardening program. All other special purpose operating appropriations for FY 2014 are flat-funded when compared to FY 2013.

In December 2012, the Board froze tuition (0% increase) for FY 2014 for all resident students and approved a 2.6% increase for nonresidents. The University has experienced a recent decline in enrollment which is expected to continue in FY 2014. The current FY 2014 enrollment projection is 473 students less than FY 2013 actuals and 1,050 fewer students than originally budgeted for FY 2013. Based on the projected enrollment and approved tuition rates, the University currently projects FY 2014 tuition revenue to be \$6.1 million less than the FY 2013 budget and \$2.5 million less than current FY 2013 estimates.

Indirect cost recoveries for FY 2014 are expected to decline slightly compared to FY 2013 due to reductions in federal grant funding; these are offset by a projected slight increase in other revenue sources.

University budget preparation includes the proposed salary policies which include the mandatory salary and related benefit increases for the faculty and merit employees. United Faculty salaries will increase 2% on July 1, 2013, and eligible AFSCME employees will receive a 4.5% step increase on their employment anniversary dates. Salary increases for non-bargained P&S staff average 2% which is comparable to the faculty increases. The projected increase in salary and direct salary related benefits, and fringe costs are expected to be \$5.2 million higher than the FY 2013 budget.

The University expects student financial aid for FY 2014 to decline with the projected enrollment. University support for Athletics is expected to decline \$125,000, which is the second reduction of the current three-year plan to reduce support by a total of \$0.5 million.

IOWA SCHOOL FOR THE DEAF

The proposed FY 2014 operating and restricted fund budgets for the Iowa School for the Deaf total \$10.8 million and are provided at the bottom of the following page.

ISD FY 2014 General Operating Budget

The Iowa School for the Deaf offers educational programs in compliance with federal and state laws to provide free and appropriate public education for deaf and hard of hearing children and youths. Each child's Individual Education Program (IEP) is designed to develop the student's educational potential. In its mission to provide this educational service, ISD has been accredited by the North Central Association of Schools and Colleges, and the Conference of Educational Administrators at Schools and Programs for the Deaf. The primary mission is to provide quality programs for students, enabling them to leave ISD with optimal academic, vocational, interpersonal and independent living skills. Budget development ties directly to the strategic plan and more specifically to the following Key Result Areas:

- Meet or exceed state academic standards in reading and math
- Identify and adopt additional tools/strategies to motivate
- Demonstrate that student outcomes assessment enhances teaching
- Demonstrate efficient and productive use of resources

The following educational programs are included in the FY 2014 operating budget:

- On-Campus – The primary on-campus educational program provides academic and vocational programming for 104 deaf and hard of hearing children from early childhood through high school graduation. The educational programming options must be comprehensive enough to meet each child's educational requirements specified in the IEP written for the student in conjunction with the parents and the School.
- 4Plus Program - This School-to-Work Transition Program involves students in grades eleven to 4-PLUS (18-21 yrs old). Students are involved in a systematic and developmental program designed to introduce them to on-the-job training in an area of career interest within the community.
- Reverse Mainstream – The program permits non-disabled peers to receive classroom instruction with deaf and hard of hearing students on the ISD campus and will serve approximately 10 students and families during FY 2014. Programming options include preschool classes for toddlers of deaf or hard of hearing parents or siblings, and academic and vocational classes at the Middle and High School levels.
- Parent/Infant Program– The Parent/Infant Program is a collaborative effort with the Green Hills AEA and offers year-round early childhood special education programming support to deaf and hard of hearing infants and toddlers, and their families. Each family's educational program is determined by their Individual Family Service Plan. It is estimated that this program will serve 45 families during FY 2014. The Program includes on-campus parent/infant instruction and home visits by professionals which gives parents an opportunity to see home-based instruction occurring with their child and gives staff an opportunity to review parent/infant educational interaction.

The 2013 General Assembly appropriated a 2% increase (approximately \$177,000) in state operating funding for FY 2014. An accounting change recommended by the State Auditor's Office, which includes School District payments to ISD for Teacher Aides as sales and services revenue (budgeted at \$464,800 in FY 2014) rather than as salary expense reimbursement, is being implemented in FY 2014. As a result, the proposed FY 2014 operating budget is 6.8% higher than the FY 2013 budget.

IOWA SCHOOL FOR THE DEAF - BUDGET COMPARISON

	FY 2013 <u>Budget</u>	FY 2014 <u>Proposed</u>	FY13 to FY14 <u>% Change</u>
Operating	\$ 9,339,802	\$ 9,977,687	6.8%
Restricted	1,859,301	856,038	-54.0%
Total	\$ 11,199,103	\$ 10,833,725	-3.3%

The FY 2014 budget incorporates the proposed salary policies as described in Agenda Item 6 and includes mandatory cost increases from the negotiated collective bargaining agreement (AFSCME), higher health insurance and workers compensation premiums, and retirement plan contributions. ISD continues to monitor all programs in an effort to provide for and promote efficiencies where fiscally and programmatically possible.

ISD FY 2014 Restricted Budget

On August 18, 2011, the Iowa School for the Deaf campus was impacted by severe weather. Each of the buildings on campus was affected to varying degrees, with the Lied Multipurpose Complex suffering extensive hail damage to its roof. Heavy rains occurred in the weeks following the hail storm, resulting in additional damage to the building. The School has property insurance on its facilities with a \$1 million deductible.

As reflected in the above table, the FY 2014 restricted budget is approximately \$1 million less than FY 2013. ISD's FY 2013 restricted budget included a \$1,000,000 capital appropriation to fund repairs from damage caused by the August 2011 storm up to the insurance deductible amount. The majority of these funds were used to replace the Lied Multipurpose Center roofing system and gymnasium floor and to repair the roof on Giangreco Hall (damage repairs were not eligible for FEMA assistance).

Revenue generated from students attending ISD from Nebraska is included in the restricted funds and is segregated from ISD's general fund appropriation. The FY 2014 budget anticipates 8 students attending from Nebraska. A portion of the Nebraska revenue will continue to provide for staffing expenses.

FY 2014 IOWA SCHOOL FOR THE DEAF PROPOSED BUDGET			
	Operating Budget	Restricted Budget	Total Budget
REVENUES			
General Appropriation	\$ 9,030,634	\$ -	\$ 9,030,634
Appropriations - Other	82,049		82,049
Federal Support	54,000	163,919	217,919
Interest	1,000	500	1,500
Sales and Services	798,088	688,619	1,486,707
Other Income (Princ. Demutualization)	11,916	3,000	14,916
TOTAL REVENUES	\$ 9,977,687	\$ 856,038	\$ 10,833,725
EXPENDITURES			
Salaries	\$ 8,207,314	\$ 598,748	\$ 8,806,062
Prof. & Scien. Supplies/Services	1,162,489	160,690	1,323,179
Library Acquisition	8,226	1,600	9,826
Utilities	315,520	30,000	345,520
Bldg. Repairs	181,442	35,000	216,442
Aud. of State Reimburse	35,000	3,000	38,000
Equipment	67,696	27,000	94,696
TOTAL EXPENDITURES	\$ 9,977,687	\$ 856,038	\$ 10,833,725

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The proposed FY 2014 operating and restricted fund budgets for the Iowa Braille and Sight Saving School total \$8.7 million and are provided on the following page.

IBSSS FY 2014 General Fund Operating Budget

The mission of the Iowa Braille and Sight Saving School (Iowa Educational Services for the Blind and Visually Impaired) has two primary components: to provide direct educational services to visually impaired children and youth of the state of Iowa, and to serve a leadership and resource role in statewide efforts to meet the needs of the visually impaired. The School's purpose is to enable Iowa's students, who are blind or visually impaired, to function as independently as possible in all aspects of life, by providing appropriate education opportunities, resources and support services.

A cooperative agreement between the Board of Regents, Area Education Agencies, the Department of Education, and the Department for the Blind committed to the goal to create a unified system for the delivery of vision services with the statewide system for vision services as the central agency to recruit, train, supervise, and deploy all teachers of visual impairments (TVIs) and certified orientation and mobility instructors (COMs) in the state.

The strategic initiatives of the Iowa Educational Services for the Blind and Visually Impaired supported by the budget proposal include:

- Through collaboration with other service providers, IBSSS shall increase the availability and participation in intense services in regions of the state.
- The development and implementation of a process for determining and meeting the full continuum of service needs, including the long term residential needs of students who are blind or visually impaired.
- Increase the percent of students, who by age 16, have transition plans for improved post-secondary outcomes.
- Meet or exceed state academic standards for performance in reading and mathematics.
- Demonstrate, in conjunction with other partners, that the student outcome assessment programs help students achieve identified learning goals.
- Be increasingly efficient and productive.

The goals of the Iowa Education Services for the Blind and Visually Impaired are:

- A. Provide equitable access to a continuum of high quality services for all students in Iowa who are blind and visually impaired, including those with multiple disabilities;
- B. Assure an adequate supply of highly trained TVIs and COMs;
- C. Assure adequate and professional supervision, ongoing professional development and equitable job assignments for professionals working with blind and visually impaired students;
- D. Eliminate duplication in service delivery by creating a seamless coordinated system of services to blind and visually impaired students across multiple funding sources and agencies responsible for this population;
- E. Maintain a center of excellence in Iowa for discipline specific expertise at the Vinton Campus.

IBSSS's proposed FY 2014 operating budget is 4.5% higher than the FY 2013 budget due to a 2% increase in state operating funding, an increase in federal funds allocable to operations, and additional sales/services revenue. Sales and service revenues are expected to increase 5.1% primarily from the increase in the AmeriCorps lease and service billing revenues from the Area Education Agencies. Note: Restricted fund budget details are provided below.

IBSSS - BUDGET COMPARISON

	FY 2013 Budget	FY 2014 Proposed	FY13 to FY14 % Change
Operating	\$ 7,992,679	\$ 8,350,270	4.5%
Restricted	3,949,386	340,930	-91.4%
Total	\$ 11,942,065	\$ 8,691,200	-27.2%

The FY 2014 budget incorporates the proposed salary policies as described in Agenda Item 6 and includes mandatory cost increases from the negotiated collective bargaining agreement (AFSCME). Including the projected increase in health insurance premiums, salary and benefit costs are expected to increase approximately 3.7% over FY 2013.

Other projected cost increases include updated utility projections due to Americorp usage and building repairs from HVAC upgrades.

FY 2014 IOWA BRAILLE & SIGHT SAVING SCHOOL PROPOSED BUDGET			
	Operating Budget	Restricted Budget	Total Budget
REVENUES			
General Appropriation	\$ 3,765,136	\$ -	\$3,765,136
Federal Support	413,854	251,530	665,384
Reimb. Indirect Costs	41,270		41,270
Sales and Services	4,130,010		4,130,010
Other Income	-	89,400	89,400
TOTAL REVENUES	\$ 8,350,270	\$ 340,930	\$ 8,691,200
EXPENDITURES			
Salaries	\$ 6,874,330	\$ 24,200	\$6,898,530
Prof. & Scien. Supplies/Services	934,990	260,330	1,195,320
Library Acquisition	2,000		2,000
Utilities	330,000	30,000	360,000
Bldg. Repairs	77,850		77,850
Aud. of State Reimburse	31,100		31,100
Equipment	100,000	26,400	126,400
TOTAL EXPENDITURES	\$ 8,350,270	\$ 340,930	\$ 8,691,200

IBSSS FY 2014 Restricted Budget

On July 11, 2011, the IBSSS campus was impacted by severe storm weather. Each of the buildings on campus was affected to varying degrees, with Old Main and Cottage suffering extensive damage. President Obama declared this storm, affecting a six county area, to be a Major Disaster for Public Assistance, qualifying the cleanup/repair/restoration of the facilities for federal assistance through FEMA. FEMA eligibility allows the recovery 75% of eligible costs outside the coverage of insurance, which does not cover debris removal. The School carries property insurance with a \$1 million deductible.

The current year's restricted fund budget included a \$1,000,000 capital appropriation to fund the deductibles on property insurance and other budgeted storm recovery revenues. These one-time funds were not applicable to the FY 2014 budget resulting in the significant decline (-91.4%) in restricted revenues.

IBSSS's FY 2014 restricted budget includes three federal pass-thru grants from the Iowa Department of Education and gifts/endowment funds. In addition to blind-deaf services, the federal grants also support training programs for the TVIs and COMs, assistive devices, and a summer institute. The endowment funds support activities/programs in conjunction with the strategic plan.