President Miles’ Statement on Deferral of Two December Board Meeting Actions –
2010-2011 Tuition Vote, and Relocation of Hancher/Voxman/Clapp

Iowa’s public universities and special schools are continuing their extraordinary and very difficult response to the additional 10% across-the-board budget cut announced on October 8, just one day following projections of additional, significant decreases in State revenues by the State Revenue Estimating Conference (REC). This additional budget reduction, which significantly increases the total cuts to Iowa’s public universities to approximately 25% of their FY 2009 budgets, is resulting in severe challenges and hardships for our outstanding universities.

As illustrated with the 10% across-the-board budget reduction, the projections of the REC have become a critical tool in determining the fiscal direction of the State, which directly impacts the Board of Regents. In response, the Board of Regents, at its two subsequent October meetings, began consideration of a $100 student surcharge for the spring 2010 semester to restore a portion of the revenue that will be lost with the 10% funding reduction. The surcharge will be presented for Board action at its December 10 meeting.

The State’s financial climate, as measured by the REC, is also critical in determining the necessary tuition increases for each academic year; the Board has been scheduled to vote on 2010-2011 tuition rates at its December 10 meeting. However, in response to the State’s current financial uncertainties, the Board of Regents believes it is imperative to have available the most current economic projections for the State when considering tuition rates for the 2010-2011 academic year.

The next meeting of the REC is currently scheduled for December 11 (the day following the Board of Regents meeting). The Board would like to allow additional time to carefully consider the most current financial information for the State, to be provided by the December REC report, in the decision on 2010-2011 tuition rates. This is particularly important to ensure the Board is approving tuition rates that carefully consider all economic factors, as well as the
critical need to preserve the quality and affordability of Iowa’s public universities, particularly in response to the fundamental needs of Iowa students and their families.

Therefore, the Board will defer its vote on the 2010-2011 tuition increase until its February 2010 meeting.

In addition, the University of Iowa plans to present to the Board at the February 4, 2010, meeting its recommendations for relocating and rebuilding the Hancher/Voxman/Clapp facilities that were severely damaged in the flood of 2008. This action was originally anticipated to occur at the December 2009 meeting, but the telephonic format of the December meeting is not conducive to full Board consideration of the University’s recommendations on this very important issue. The February Board of Regents meeting, which is a face-to-face meeting scheduled at Iowa State University, will better accommodate a visual presentation and will allow the Board a much better opportunity to review, evaluate, and discuss the University’s recommendations relative to Hancher/Voxman/Clapp. This will also facilitate better communication of the University’s recommendations to University students, faculty, and staff, and all Iowa citizens.

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