

Contact: Brad Berg

**FY 2017 AMENDED UNIVERSITY OPERATING BUDGETS**

**Action Requested:**

Consider approval of the proposed FY 2017 amended operating budgets for each university adjusted for the mid-year appropriation reductions approved by the 2017 General Assembly and the Governor as shown on the following page.

**Executive Summary:**

As reflected in Senate File 130, the 2017 General Assembly reduced the FY 2017 general university appropriations by a total of \$18 million. The legislation also directed the Department of Management to further reduce state agency budgets by \$11.5 million. As a result, the Department of Management reduced the university appropriations by an additional \$2.75 million. The proposed amended budgets containing the \$20.75 million appropriations reduction and other budget updates are provided on the following page. The mid-year reductions allowed less than six months to implement budget strategies to fully absorb the cuts.

The University of Iowa's operating appropriation was reduced by \$9,237,500. SUI's expense reduction plan includes spending less on non-recurring investments in university systems (software/hardware) and institutional efficiency efforts, and reducing building repair expenditures originally dedicated to support flood recovery projects. In addition, the university reduced student aid expense projections to reflect scholarship reductions for students that did not meet minimum grade requirements.

Iowa State University's operating appropriation was reduced by \$8,990,000. The funding reduction has resulted in the delay of deferred maintenance projects and enhancements to academic facilities including the library, lecture halls and classrooms. Faculty/staff searches have been delayed resulting in larger class sizes and longer wait times for services and delay efforts that enhance the university's research profile. Expense reduction plans to professional and scientific supplies/services such as professional development, technology upgrades and research database acquisitions were also implemented to balance the budget.

The University of Northern Iowa's operating appropriation was reduced by \$2,522,500. The amended budget also includes an adjustment to tuition revenue based on a lower than budgeted enrollment and the inclusion of one-time advanced commitment revenues earned in prior years. The funding reductions were addressed by eliminating adjunct faculty positions, savings from phased retirements, open positions that will remain unfilled during FY 2017, and a reduction in supplies/services expenses.

FY 2017 GENERAL UNIVERSITY AMENDED BUDGETS

	University of Iowa		Iowa State University		University of Northern Iowa		Total	
	Current Budget	Amended Budget	Current Budget	Amended Budget	Current Budget	Amended Budget	Current Budget	Amended Budget
APPROPRIATIONS								
General	232,223,005	222,985,505	184,399,852	175,409,852	97,057,732	94,535,232	513,680,589	492,930,589
RESOURCES								
Interest	1,267,995	1,267,995	1,889,150	1,889,150	400,000	400,000	3,557,145	3,557,145
Tuition and Fees	459,794,000	459,794,000	430,507,000	430,507,000	80,588,715	79,388,715	970,889,715	969,689,715
Reimb. Indirect Costs	42,648,000	42,648,000	18,525,600	18,525,600	1,399,649	1,399,649	62,573,249	62,573,249
Sales and Service	125,000	125,000	1,375,850	1,375,850	505,393	505,393	1,500,850	1,500,850
Other Income/Adv Commit								
TOTAL REVENUES	736,058,000	726,820,500	636,697,452	627,707,452	179,951,489	176,785,959	1,552,706,941	1,531,313,911
EXPENDITURES								
Fac. & Inst. Off. Salaries	267,640,000	267,640,000	239,500,000	238,707,658	75,655,138	73,730,646	582,795,138	580,078,304
Prof. & Sci. Staff Salaries	145,138,000	145,138,000	114,500,000	112,566,649	36,135,659	35,873,788	295,773,659	293,578,437
General Service Staff Sal.	62,086,000	62,086,000	40,200,000	40,200,000	26,893,032	26,837,278	129,179,032	129,123,278
Hourly Wages	5,700,000	5,700,000	6,000,000	5,999,000	1,884,375	1,882,375	13,584,375	13,581,375
Subtotal - Salaries	480,564,000	480,564,000	400,200,000	397,473,307	140,568,204	138,324,087	1,021,332,204	1,016,361,394
Supplies and Services	60,875,375	58,375,375	58,265,452	57,160,431	12,183,865	11,262,452	131,324,692	126,798,258
Library Acquisitions	19,287,325	19,287,325	12,200,000	12,170,195	1,992,009	1,992,009	33,479,334	33,449,529
Rentals	5,400,000	5,400,000	3,000,000	3,000,000	827,578	827,578	9,227,578	9,227,578
Utilities	36,328,000	36,328,000	31,500,000	31,500,000	6,383,290	6,383,290	74,211,290	74,211,290
Bldg. Repairs	24,000,000	19,062,500	20,000,000	15,167,519	1,400,000	1,400,000	45,400,000	35,630,019
Auditor of State Reimb.	735,000	735,000	722,000	722,000	334,110	334,110	1,791,110	1,791,110
Equipment	2,267,000	2,267,000	8,000,000	7,704,000	496,467	496,467	10,763,467	10,467,467
Aid to Individuals	106,601,300	104,801,300	102,810,000	102,810,000	15,765,966	15,765,966	225,177,266	223,377,266
TOTAL EXPENDITURES	736,058,000	726,820,500	636,697,452	627,707,452	179,951,489	176,785,959	1,552,706,941	1,531,313,911