

Contact: Brad Berg

ALLOCATION OF MID-YEAR FY 2018 STATE FUNDING CUT

Action Requested:

Consider approval of the proposed allocation of the FY 2018 mid-year state funding reduction of \$10,933,070 approved by the 2018 General Assembly and the Governor.

Executive Summary:

As reflected in Senate File 2117, the 2018 General Assembly reduced the FY 2018 Regent appropriations by a total of \$10,933,070. The legislative language also exempted the University of Northern Iowa, the Iowa School for the Deaf, and the Iowa Braille and Sight-Saving School from the budget reductions. Provided below is the proposed total allocation by institution/entity of the mid-year funding cut.

FY 2018 State General Fund Operating Appropriations

| | <u>Original FY 2018</u> | <u>Proposed Cut Allocation</u> | <u>Final FY 2018</u> | <u>% Reduction</u> |
|-------------------------|-------------------------|------------------------------------|----------------------|--------------------|
| University of Iowa | 229,255,874 | (5,497,972) | 223,757,902 | -2.4% |
| Iowa State University | 225,201,304 | (5,400,736) | 219,800,568 | -2.4% |
| Regional Study Centers | 278,848 | (6,687) | 272,161 | -2.4% |
| Board of Regents Office | 794,714 | (19,059) | 775,655 | -2.4% |
| Iowa Public Radio | <u>359,264</u> | <u>(8,616)</u> | <u>350,648</u> | -2.4% |
| Total | 455,890,004 | (10,933,070) | 444,956,934 | -2.4% |

State support for Regent university general education funds have been reduced more than \$40 million since the beginning of FY 2017, a little over a year and a half ago. Looking farther back, state support for university general education funds totaled \$592.5 million at the beginning of FY 2009, over \$118 million more than it is today. When compared to FY 1998, state support in FY 2018 is \$7 million dollars less than it was twenty years ago. Since that time, the state general fund budget has grown roughly \$2.9 billion and enrollment has increased over 20% at the Regent universities.