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**FY 2010 SALARY POLICIES, FY 2010 SPECIAL SCHOOL BUDGETS,
AND REGIONAL STUDY CENTER OPERATING APPROPRIATIONS**

Actions Requested: Consider approval of:

1. FY 2010 salary policies for the Regent institutions and Board Office effective July 1, 2009, as provided in the executive summary and the attachments.
2. FY 2010 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 beginning on page 12.
3. Distribution of the regional study centers FY 2010 operating appropriations as follows:
 - Quad Cities Graduate Study Center \$149,628
 - Southwest Iowa Regents Resource Center \$100,851
 - Tri-State Graduate Study Center \$ 76,789

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 numerous aspects of budgets for the Regent enterprise. There is a separate attachment for each institution which includes specific budget and salary policy information. This document contains the final proposed FY 2010 budgets for the Special Schools and budget planning updates for each University. The Universities' FY 2010 budgets for general operating, athletic systems, residence systems, and restricted funds are scheduled to be submitted for Board approval at its August meeting.

Preliminary budget information for Iowa Public Radio is also included in this docket with the final FY 2010 IPR budgets scheduled to be presented to the Board at the August meeting.

FY 2010 Salary Policies

The proposed FY 2010 institutional and Board Office salary policies for each entity are included in the attachments. Regent Merit System salary information is included in the executive summary and not in the attachments since all institutions are affected by the same policy.

In March 2009, the Board passed a resolution directing the heads of each Regent institution to hold salaries flat for non-bargaining unit employees for FY 2010. Individual exceptions may be allowed if it is determined that such salary adjustment is of great importance to the institution. Exceptions are to be approved solely by the University Presidents or Special School Superintendents upon consultation with the Board Office.

The collective bargaining agreement between AFSCME and the State of Iowa provides bargaining unit merit staff with a general hourly wage increase of zero percent (0%) on July 1, 2009. The anticipated annual work hours remain at 2,088 for FY 2010. Merit staff members will continue to receive a step increase of four and one half percent (4.5%) at their next scheduled merit increase date, until they reach the maximum of their pay scale.

The pay policy for non-organized supervisory and confidential staff in the Regent Merit System will mirror that negotiated for AFSCME covered merit staff. The pay matrix is located on pages 4-5.

Universities - FY 2010 Budget Update

The Regent universities have two basic types of funds within the budgets:

- General operating funds include operational appropriations, interest income, tuition and fee revenues, reimbursed indirect costs, and sales and services revenues. Some 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.

Historically, the three key resource components providing general operating funds for Iowa's public universities have included state appropriations, tuition revenues, and university reallocations. For FY 2010, the 2009 General Assembly approved an allocation of one-time federal state stabilization stimulus funds to the Regent institutions.

- The Regents FY 2009 General Fund operating appropriation reductions totaled \$17.5 million. The reductions were comprised of a 1% cut to the university appropriations at the Governor's request and an additional 1.5% across-the-board cut applied to all appropriated units. For FY 2010, the 2009 General Assembly approved general university operating appropriations that were an aggregate 12.7% less than final FY 2009 state funding levels. State operating funding reductions for the special purpose units ranged from 7.4% to 8.3% when compared to current FY 2009 levels.
- The 2009 legislature appropriated approximately \$80.3 million in State Fiscal Stabilization Funds under the American Recovery and Reinvestment Act of 2009 (ARRA) to be distributed to the Regent institutions. The one-time ARRA funds will be used to backfill cuts in state funding for FY 2010 and will provide additional time to make strategic budget decisions affecting future fiscal years.
- The Board approved a resident undergraduate tuition increase of 4.2% for the 2009-10 academic year at its December 2008 meeting. Non-resident tuition increases of 7.6% at SUI, 2.8% at ISU, and 2.0% at UNI were also approved last December.
- The Universities will internally reallocate funds to address state funding reductions in FY 2010 and beyond, and to partially fund unavoidable cost increases. Budgeted reallocation amounts will be included in the final proposed budgets.

The restricted fund budgets will include FY 2010 capital appropriations approved by the 2007 General Assembly for ISU's Biorenewables Research Laboratory. In addition, the restricted fund budgets will include Grow Iowa Values Fund and tuition replacement appropriations allocated to the three Regent universities.

The 2009 General Assembly authorized the sale of \$100 million in academic building revenue bonds for the University of Iowa and modified prior bonding authorizations to allow academic building revenue bond proceeds to be used for flood recovery. The 2009 General Assembly also funded \$38 million for Phase II of the ISU Veterinary Medicine project (Small Animal Hospital Renovation and Addition) through a combination of bonding and capital appropriations.

Special Schools – FY 2010 Budgets

The Board is asked to consider approval of the FY 2010 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. The FY 2010 base operating appropriations are 4.3% less than final FY 2009 state funding levels. The general operating budgets also include an aggregate \$0.9 million in ARRA funding allocated to the special schools.

FY 2010 Special School Budgets			
	<u>General Operating</u>	<u>Restricted</u>	<u>Total</u>
ISD	\$ 10,726,670	\$ 1,045,806	\$ 11,772,476
IBSSS	\$ 9,518,100	\$ 445,978	\$ 9,964,078

Regional Study Centers

The regional study centers are publicly funded consortia of colleges and universities that offer undergraduate and graduate degree programs, graduate non-degree courses, and continuing professional education opportunities to area residents. The three regional study centers that serve Iowans include:

- Quad Cities Graduate Study Center in Rock Island
- Southwest Iowa Regents Resource Center in Council Bluffs
- Tri-State Graduate Center in Sioux City

The legislature appropriates funds to the Board of Regents for distribution to the Regional Study Centers. The FY 2010 appropriations to the study centers are 8.3% less than current FY 2009 state funding levels and are 13.7% less than that received for FY 2001. The study centers report the reduced funding level has inhibited their ability to effectively promote offered programs.

State of Iowa Funding to Study Centers

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Amount	379,168	349,589	349,786	341,916	341,041	341,041	341,041	349,971	357,015	327,268
% Change		-7.8%	0.1%	-2.2%	-0.3%	0.0%	0.0%	2.6%	2.0%	-8.3%

Iowa Public Radio

In December 2004, the Board approved the creation of Iowa Public Radio, which includes WSUI-AM and KSUI-FM at the University of Iowa (KSUI Radio Group); WOI AM and FM, KTPR-FM, KOWI-FM, and KWOI-FM at Iowa State University (WOI Radio Group); and KUNI-FM and KHKE-FM at the University of Northern Iowa (KUNI Radio Group).

In May 2007, the Board approved the Public Service Operating Agreement between Iowa Public Radio and the Board of Regents. Under the operating agreement, Iowa Public Radio manages the operations of the Radio Groups.

For FY 2010, the 2009 General Assembly appropriated \$451,465 (8.3% less than FY 2009) to the Board of Regents for Iowa Public Radio operations. The Iowa Public Radio budgets are currently scheduled to be presented to the Board at its August meeting.

Board of Regents, State of Iowa
Regent Merit System Pay Plan
July 1, 2009 (based on 2088 work hours)

Grade	Pay Basis	7/1/2009 Minimum	7/1/2009 Maximum
1	Hourly	8.15	15.00
2	Hourly	8.96	15.67
3	Hourly	11.01	16.37
	Semi-Monthly	957.87	1,424.19
	Monthly	1,915.74	2,848.38
	Annual	22,988.88	34,180.56
4	Hourly	11.51	17.12
	Semi-Monthly	1,001.37	1,489.44
	Monthly	2,002.74	2,978.88
	Annual	24,032.88	35,746.56
5	Hourly	12.02	17.88
	Semi-Monthly	1,045.74	1,555.56
	Monthly	2,091.48	3,111.12
	Annual	25,097.76	37,333.44
6	Hourly	12.57	18.69
	Semi-Monthly	1,093.59	1,626.03
	Monthly	2,187.18	3,252.06
	Annual	26,246.16	39,024.72
7	Hourly	13.13	19.53
	Semi-Monthly	1,142.31	1,699.11
	Monthly	2,284.62	3,398.22
	Annual	27,415.44	40,778.64
8	Hourly	13.72	20.41
	Semi-Monthly	1,193.64	1,775.67
	Monthly	2,387.28	3,551.34
	Annual	28,647.36	42,616.08
9	Hourly	14.35	21.32
	Semi-Monthly	1,248.45	1,854.84
	Monthly	2,496.90	3,709.68
	Annual	29,962.80	44,516.16
10	Hourly	14.99	22.28
	Semi-Monthly	1,304.13	1,938.36
	Monthly	2,608.26	3,876.72
	Annual	31,299.12	46,520.64
11	Hourly	15.66	23.30
	Semi-Monthly	1,362.42	2,027.10
	Monthly	2,724.84	4,054.20
	Annual	32,698.08	48,650.40

Board of Regents, State of Iowa
Regent Merit System Pay Plan
July 1, 2009 (based on 2088 work hours)

Grade	Pay Basis	7/1/2009 Minimum	7/1/2009 Maximum
12	Hourly	16.37	24.33
	Semi-Monthly	1,424.19	2,116.71
	Monthly	2,848.38	4,233.42
	Annual	34,180.56	50,801.04
13	Hourly	17.10	25.42
	Semi-Monthly	1,487.70	2,211.54
	Monthly	2,975.40	4,423.08
	Annual	35,704.80	53,076.96
14	Hourly	17.88	26.57
	Semi-Monthly	1,555.56	2,311.59
	Monthly	3,111.12	4,623.18
	Annual	37,333.44	55,478.16
15	Hourly	18.68	27.77
	Semi-Monthly	1,625.16	2,415.99
	Monthly	3,250.32	4,831.98
	Annual	39,003.84	57,983.76
16	Hourly	19.52	29.00
	Semi-Monthly	1,698.24	2,523.00
	Monthly	3,396.48	5,046.00
	Annual	40,757.76	60,552.00
17	Hourly	20.40	30.33
	Semi-Monthly	1,774.80	2,638.71
	Monthly	3,549.60	5,277.42
	Annual	42,595.20	63,329.04
18	Hourly	21.31	31.69
	Semi-Monthly	1,853.97	2,757.03
	Monthly	3,707.94	5,514.06
	Annual	44,495.28	66,168.72

UNIVERSITY OF IOWA

SUI – FY 2010 Budget Update

The University created six strategic task forces to produce a series of recommendations that are expected to lead to transformational changes within the University. The separate task forces focus on undergraduate education, graduate and professional education, research and creative work, internationalization and diversity, civic engagement and outreach, and strategic budgeting. The recommendations will be infused in the FY 2010 budget execution and will be integral to FY 2011 budget planning.

State appropriations are a major portion of the University's budgeting considerations, as are the supplemental ARRA grants appropriated for FY 2010. Integrated into all budget planning is the combination of these two revenue sources and the transition to FY 2011 without ARRA funding support.

The general university's FY 2010 state operating appropriation of \$235.5 million is \$34.0 million less (12.6% reduction) than the final FY 2009 appropriation. The special purpose operating appropriations for FY 2010 were reduced \$1.5 million (7.4%) compared to the final FY 2009 amounts.

For FY 2010, the University of Iowa has been allocated \$35.4 million of ARRA funds. Use of this funding must be considered non-recurring and a means to make strategic budget decisions for FY 2010, FY 2011, and beyond without the abrupt displacement of valued educational programs or University faculty and staff. These funds will be managed outside of the University's General Education Fund, but will be directly aligned with the educational needs supported by the General Education Fund.

The University proposes to utilize the ARRA funding in two ways. First, funds totaling approximately \$19 million will be directed to supplement General Education Fund (GEF) budgets to avoid FY 2010 layoffs and furloughs within GEF supported units and for selected other appropriated budget units – e.g. University Hygienic Lab. Second, approximately \$16 million will be distributed within the University based upon a competitive process. Successful applications must promote recurring change that can be sustained through revenue enhancements, cost reductions, or reallocations of other resources available in FY2011 and beyond. Applications must also qualify under federal guidelines for use of ARRA funds and achieve one or more of several guidelines outlined by the University.

The Board approved tuition increases for FY 2010 of 4.2% for resident and 7.6% for nonresident undergraduates. With level enrollments and a stable resident/non-resident ratio of students, the University projects approximately \$17.6 million in incremental tuition revenue prior to offsets for student financial aid. The Board also approved professional school and upper division undergraduate tuition supplements for corresponding programmatic improvements that are expected to yield an additional \$4.2 million in FY 2010.

The University is anticipating substantial internal reallocations to partially fund unavoidable cost increases and to enable the budget to bridge the significant adjustments of the state's appropriation levels in FY 2010 and FY 2011 for higher education. Additional reallocations by individual collegiate units and administrative departments are occurring as well to manage the earlier FY 2009 \$7.0 million reduction in appropriations.

The University will execute the Board-approved early retirement program and a phased retirement program; each to be established July 1, 2009. The programs will offer pre-described incentives to interested and approved employee participants, while providing colleges and divisions an effective cost-saving tool to be used in reaching budget reduction targets in FY 2010 and beyond. The programs will be for a defined time period only and approvals of applications will be selective based upon savings achieved.

The current estimated General Fund salary cost increase for the step increases resulting from the AFSCME collective bargaining agreement is \$1.1 million.

In September 2008, the Board approved the University's phased plan to modify its faculty and staff flex benefit system. The changes to the flex benefit system result in an estimated University-wide reduction in the cost increase of \$2 million. The General Education Fund portion of this cost avoidance is \$0.5 million. The net increase in fringe benefit rates on the existing General Education Fund compensation base is \$0.6 million.

Other unavoidable and/or essential cost increases include \$5.3 million for student financial aid, \$4.1 million for utilities and opening new buildings, \$1.1 million for insurance premiums, \$0.7 million for library acquisitions, \$0.5 million to improve campus safety, and \$0.4 million for faculty promotions.

SUI - FY 2010 Salary Policies and Schedules

For FY 2010, merit-based salary increments for faculty will be 0% except for promotional increases. The Office of the Provost will consider a very limited number of exceptions to the 0% faculty salary increment policy for counter offers, equity adjustments, and compression. In addition, the Colleges of Medicine, Dentistry, Pharmacy, and Nursing, who pay variable compensation to faculty based on productivity as previously approved by the Board, will continue to be authorized to do so in FY 2010 subject to individual plan reviews and approvals by the Office of the Provost and University Human Resources. The Office of the Provost is currently performing a comprehensive review of the at-risk variable compensation plans for faculty to ensure that these plans continue to achieve programmatic goals and objectives and are financially linked to revenue enhancements.

The non-bargaining professional and scientific staff is expected to be given a 0% pay adjustment on July 1, 2009, in accord with the Board of Regents policy on salary increases for FY 2010. The University proposes that units be allowed, on a case-by-case basis, to provide reclassification increases, equity and acute market adjustments, and counter offers. The University will continue to utilize the exceptional pay policy approved by the Board in 2006 for non-bargaining P&S staff and will be both selective and reflective of current economic circumstances. Achievements recognized by the awards include activities such as completion of a major project, sustained exceptional performance, outstanding productivity and revenue generation. The 2009-2010 P&S Salary Schedule shown below remains the same as the 2008-2009 schedule.

Professional and Scientific Salary Schedule 2009-2010

Grade	Minimum	1st Quartile	Midpoint	3rd Quartile	Maximum
1	\$21,684	\$27,021	\$32,358	\$37,695	\$43,032
2	\$23,456	\$29,236	\$35,016	\$40,796	\$46,576
3	\$25,373	\$31,627	\$37,881	\$44,135	\$50,389
4	\$27,459	\$34,227	\$40,995	\$47,762	\$54,530
5	\$29,716	\$37,110	\$44,503	\$51,897	\$59,290
6	\$32,157	\$40,151	\$48,145	\$56,139	\$64,133
7	\$34,782	\$43,355	\$51,928	\$60,501	\$69,074
8	\$37,624	\$46,900	\$56,177	\$65,453	\$74,729
9	\$40,708	\$50,744	\$60,779	\$70,815	\$80,850
10	\$44,037	\$54,898	\$65,759	\$76,619	\$87,480
11	\$47,652	\$59,400	\$71,148	\$82,896	\$94,644
12	\$51,565	\$64,275	\$76,984	\$89,694	\$102,403
13	\$55,767	\$69,523	\$83,278	\$97,034	\$110,789
14	\$60,347	\$75,228	\$90,110	\$104,991	\$119,872
15	\$65,288	\$81,389	\$97,490	\$113,591	\$129,692
16	\$70,627	\$88,055	\$105,484	\$122,912	\$140,340
17	\$76,424	\$95,271	\$114,118	\$132,964	\$151,811
18	\$82,693	***	***	***	OPEN

SUI – Tertiary Health Care Bargaining Unit – SEIU

The collective bargaining agreement contains the following salary provisions:

1. Bargaining unit employees employed on April 30, 2009 will receive a 1.75% salary increase on the employee's base salary effective July 1, 2009.
2. Staff members employed in the Staff Nurse classification in the Department of Nursing and assigned to units that require twenty-four (24) hour staffing on site, seven days a week, as well as those nurses assigned to the Main Operating Room and the Post Anesthesia Care Unit (PACU), will continue to receive an additional differential of \$1,000 per year, based upon a full time equivalent. Those staff employed less than full time will receive a prorated differential. Nurses that transfer out of the Department of Nursing units receiving the differential will have the amount removed from their base salary upon transfer.

SUI - Graduate Assistants – COGS

The minimum salaries for Graduate Assistants, both Teaching Assistants and Research Assistants, under the collective bargaining agreement between the Board of Regents and UE Local 896/COGS will remain unchanged for FY 2010:

Academic Year (50% Appointment):	\$16,575
Fiscal Year (50% Appointment):	\$20,258

Appointments at a different percent time will receive no less than the prorated minimum salary rate. Returning bargaining unit employees will not receive a minimum salary increase under the terms of the contract and will remain unchanged under the Board of Regents salary policy.

Fiscal year appointments are effective July 1, 2009. Academic year appointments are effective with the start of the fall term, typically one week prior to the starting of classes or August 17, 2009. Summer Session Teaching Assistant appointments are based upon the prior academic year salary.

The minimum tuition scholarship provided to all bargaining unit graduate teaching and research assistants appointed for a total of 25% or more for the entire semester, academic year or fiscal year, will be \$2,615 for each semester (fall and spring), based upon full time enrollment (nine semester hours or more). The minimum tuition scholarship is prorated for a lesser number of credit hours enrolled.

IOWA STATE UNIVERSITY

ISU - FY 2010 Budget Update

Iowa State conducted its budget planning using the newly-developed 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 administrative units. In doing so, the Model provides incentives to maximize revenues and rewards cost efficiencies. The FY 2010 budget represents the first year of fully developing the operating budget using the new principles.

The general university's FY 2010 state operating appropriation of \$185.0 million is \$27.2 million less (12.8% reduction) than the final FY 2009 appropriation. The special purpose operating appropriations for FY 2010 were reduced an additional \$4.5 million (7.4%) when compared to final FY 2009 amounts.

Iowa State will utilize ARRA funds totaling approximately \$31.6 million to allow for a more orderly transition to projected reduced FY 2011 state funding. Approximately 70% of the funds are being distributed for:

- Salary and fringe benefits for lecturers and other temporary instructors to permit a more orderly review of how some curricula are offered to students and to restore classes that would otherwise not be provided.
- Salary and fringe benefits costs for positions that are part of a unit's plan to reduce expenditures but the planned elimination of the position has been deferred or will not occur on July 1, 2009.
- Costs for individuals selecting the Retirement Incentive Option.
- Continued support for student employment and expanded work study opportunities for students
- Continued funding for activities that are undergoing transformation and for which additional planning time will allow a smoother transition to different levels of service or alternate funding sources.

The remaining ARRA funds will be distributed in the fall when more information is available about the number of employees selecting the Retirement Incentive Option, when final student enrollments are known, and when the transitions resulting from the reduced funding are further along.

The Board approved undergraduate tuition increases for FY 2010 of 4.2% for residents and 2.8% for nonresidents. The tuition increases coupled with the higher projected enrollment is expected to generate approximately \$15 million in incremental tuition revenue prior to offsets for student financial aid when compared to current FY 2009 estimates. Tuition revenue will be committed for college and institutional priorities that include funding increased student financial aid, funding unavoidable cost increases and offsetting, in part, the reduction in state appropriations.

The University reports all reallocated funds will be directed to meeting reductions in state funding.

The current estimated General Fund cost increase resulting from the step increases of the AFSCME collective bargaining agreement is approximately \$450,000. Medical and dental insurance costs for the General Fund are projected to increase \$2.5 million.

The University has committed an additional \$5.5 million for financial aid to maintain its commitment to accessibility and to address the growing numbers of need-based students applying for admission.

Budget planning also includes an estimated General Fund utility cost increase of \$3.3 million.

ISU - FY 2010 Salary Policies and Schedules

Iowa State will implement the Regents directive to maintain salaries for faculty and Professional and Scientific staff at FY 2009 levels. The exceptions to this policy will be increases for faculty promotions, P&S staff reclassifications, and retention of key faculty and staff.

The reductions in state funding and the unavailability of state appropriations for salary increases has lead to the decision to defer implementing previously considered changes to the P&S pay plan. The proposed P&S salary matrix shown below remains unchanged from FY 2009.

**IOWA STATE UNIVERSITY
PROFESSIONAL & SCIENTIFIC
2009/2010 PAY MATRIX**

PAY GRADE	GRADE MINIMUM	FIRST THIRD	GRADE MIDPOINT	GRADE MAXIMUM
<u>HIRING RANGE</u>				
11	\$28,468	\$34,571	\$37,622	\$46,776
12	\$30,448	\$37,300	\$40,726	\$51,004
13	\$33,255	\$41,088	\$45,005	\$56,755
14	\$36,686	\$45,720	\$50,237	\$63,787
15	\$40,906	\$51,411	\$56,664	\$72,422
16	\$46,516	\$58,960	\$65,183	\$83,849
17	\$52,950	\$67,676	\$75,040	\$97,129
18	\$61,439	\$79,180	\$88,050	\$114,661
19	\$71,995	\$93,548	\$104,324	\$136,653
20	\$85,946			

UNIVERSITY OF NORTHERN IOWA

UNI – FY 2010 Budget Update

Budget preparation for FY 2010 and beyond includes the establishment of two committees to review and recommend cost containment measures and revenue enhancement strategies. The supplemental ARRA funding received in FY 2010 provides the University time to strategically plan and transition into future years.

The general university’s FY 2010 state operating appropriation of \$83.8 million is \$12.0 million less (12.5% reduction) than the final FY 2009 appropriation. The special purpose operating appropriations for FY 2010 were reduced \$0.4 million (8.3%) when compared to the final FY 2009 amounts.

For FY 2010, the University of Northern Iowa has been allocated \$12.4 million of ARRA funds which will assist divisions within the University to transition through FY 2010 and into FY 2011. The federal stimulus funds have been targeted for faculty professional development, educational technology efforts, building repair projects, the student information system, and implementation costs of recommendations from the Revenue Enhancement and Cost Containment committees. All projects and initiatives utilizing ARRA funding will require approval from the UNI Cabinet.

Undergraduate tuition increases for FY 2010 of 4.2% for residents and 2.0% for nonresidents were previously approved by the Board. The actual fall 2008 enrollment exceeded the FY 2009 budget by 425 students; UNI’s fall 2009 enrollment projection reflects a decline of 234 students when compared to the actual fall 2008 enrollment. The projected enrollment decline coupled with the tuition increase is expected to generate incremental tuition revenue of \$1.9 million when compared to the current FY 2009 budget.

Indirect cost recovery, interest income, and sales and service revenues are projected to net a \$0.1 million decrease when compared to the current FY 2009 budget.

The University is planning for reallocations to address the reduction in state funding and to replace the one-time ARRA funding in future years. Reallocations are required for this transitional period for cuts to divisional base budgets and changes resulting from the early retirement program.

The current estimated General Fund cost increase resulting from the AFSCME agreement is \$0.2 million. In addition, faculty will receive promotional increases per the bargaining agreement totaling approximately \$0.1 million.

The University plans to commit an additional \$0.7 million for student financial aid and currently plans to commit up to \$1.0 million in additional student scholarships from advanced commitment funds.

Budget planning also includes an estimated utility cost increase for the General Fund of \$0.4 million.

UNI – FY 2010 Salary Policies and Schedules

The United Faculty negotiated pay plan allows for a 0% increase on July 1, 2009. Merit increases for P&S staff have also been frozen for FY 2010. In light of current budget constraints, the University recommends an adjustment of 0% at the minimum and 0% at the maximum for all eight P&S pay grades in FY 2010.

University of Northern Iowa
FY 2010 Professional & Scientific Salary Matrix

Pay Grade	Minimum	First Quartile	Midpoint	Third Quartile	Maximum
I	\$24,120	\$31,240	\$38,360	\$45,480	\$52,610
II	\$27,610	\$35,870	\$44,130	\$52,400	\$60,660
III	\$31,770	\$41,520	\$51,270	\$61,020	\$70,760
IV	\$36,850	\$48,870	\$60,890	\$72,900	\$84,920
V	\$43,120	\$57,540	\$71,960	\$86,390	\$100,810
VI	\$51,860	\$69,060	\$86,260	\$103,450	\$120,650
VII	\$61,500	\$82,620	\$103,730	\$124,850	\$145,970
VIII	\$73,500	\$99,650	\$125,790	\$151,930	open

IOWA SCHOOL FOR THE DEAF

ISD - FY 2010 General Operating Budget

The Iowa School for the Deaf offers educational programs in compliance with federal and state laws and regulations to provide free and appropriate public education for deaf and hard of hearing children and youths. The Individual Education Program (IEP) is designed to develop the educational potential of each student. 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 mission is served by accomplishing four strategic goals:

- Ensure high-quality educational opportunities for students
- Ensure high-quality transition services for students
- Develop effective statewide outreach services
- Demonstrate effective stewardship of resources

State operating funds represents approximately 90.7% of the proposed FY 2010 operating budget. ISD's FY 2010 general operating state appropriation is \$432,091 less (4.3%) than the final FY 2009 appropriation.

ISD is scheduled to receive \$583,987 in one-time federal stimulus funds from ARRA. These funds are planned to be used to remodel the science lab that will effectively deliver K-12 science programming for all students at ISD and to install fire sprinklers in a dormitory.

The following educational programs are included in the FY 2010 operating budget:

- On-Campus – The primary educational program provides academic and vocational programming for 110 deaf and hard of hearing children from early childhood through high school.
- Off-Campus – Off-campus programs include indirect instruction from itinerant resource teachers to ensure that 60 students are succeeding in their educational programs.
- Reverse Mainstream – The program permits non-disabled peers to receive classroom instruction with deaf and hard of hearing students on the ISD campus; it will serve more than 15 students and families during FY 2010.
- Parent/Infant – ISD estimates 15 families will receive year-round educational services from the parent/infant program. The program provides an opportunity for parents to observe home-based instruction occurring with their child.
- Extended School Year (ESY) – The ESY Program provides educational programming for deaf and hard of hearing students from Iowa and Nebraska with a cross-departmental multi-handicapped program component during July. The program will serve approximately 40 students in FY 2010.

ISD plans to internally reallocate \$50,000 from the regular deaf education program to fund higher projected costs associated with utilities and transportation.

The School's plan to meet the budget reduction includes cutting previously funded but vacant staff positions, including two teaching and two P&S positions. In addition, two teaching vacancies and one merit position created by retirements will also not be filled.

ISD General Operating Fund						
	Actual FY 2008	Final Budget FY 2009	Proposed Budget FY 2010	ARRA Budget FY 2010	Total Proposed FY 2010 Budget	% Change from FY 2009
REVENUES						
General Appropriations	\$9,689,607	\$9,974,495	\$9,542,404		\$9,542,404	-4.3%
Appropriations - Other	173,735	180,687	186,089		186,089	3.0%
Appropriations - ARRA				\$583,987	583,987	
Federal Support	43,235	54,000	54,000		54,000	0.0%
Interest	16,387	25,000	15,000		15,000	-40.0%
Sales and Services	336,225	323,274	333,274		333,274	3.1%
Other Income (Princ. Demutualization)	11,916	11,916	11,916		11,916	0.0%
TOTAL REVENUES	\$10,271,105	\$10,569,372	\$10,142,683	\$583,987	\$10,726,670	1.5%
EXPENDITURES						
Salaries	\$8,159,021	\$8,668,007	\$8,191,318		\$8,191,318	-5.5%
Prof. & Scien. Supplies/Services	1,202,762	1,115,730	1,125,730		1,125,730	0.9%
Library Acquisition	3,449	8,226	8,226		8,226	0.0%
Utilities	389,672	350,520	390,520		390,520	11.4%
Bldg. Repairs	354,222	296,193	296,193	583,987	880,180	197.2%
Aud. of State Reimburse	33,880	40,000	40,000		40,000	0.0%
Equipment	128,099	90,696	90,696		90,696	0.0%
TOTAL EXPENDITURES	\$10,271,105	\$10,569,372	\$10,142,683	\$583,987	\$10,726,670	1.5%

ISD - FY 2010 Restricted Budget

The FY 2010 restricted fund budget of \$1,045,806 represents a net increase of \$148,789 from the FY 2009 budget resulting from:

- increases of \$133,259 in Nebraska tuition funding and \$30,530 in Iowa grants
- decrease of \$15,000 in interest income

Revenue generated from students attending ISD from Nebraska will again be treated as restricted funds and will be segregated from ISD's general fund appropriation. The FY 2010 budget anticipates 13 students attending from Nebraska.

These funds will be utilized to maintain best practices staffing ratios and to purchase technology equipment, supplies and materials and to enhance the recruitment of quality staff. Curriculum development is a multi-year process and is done as part of the NCA Evaluation cycle. Participation in various student learning activities will be available and the maintenance and upgrading of facilities, equipment, vehicles and furnishings will continue.

ISD Restricted Fund				
	Actual FY 2008	Final Budget FY 2009	Proposed Budget FY 2010	% Change from FY 2009
REVENUES				
Capital Appropriations	\$100,000			
Federal Support	143,066	\$148,430	\$178,960	20.6%
Interest	30,662	30,000	15,000	-50.0%
Sales and Services (Neb. Revenue)	716,059	715,587	848,846	18.6%
Other Income	12,893	3,000	3,000	0.0%
TOTAL REVENUES	\$1,002,680	\$897,017	\$1,045,806	16.6%
EXPENDITURES				
Salaries	\$653,799	\$650,987	\$599,752	-7.9%
Prof. & Scien. Supplies/Services	90,386	146,829	269,853	83.8%
Library Acquisition	-	2,600	2,600	0.0%
Utilities	-	30,000	60,000	100.0%
Building Repairs	66,289	50,000	90,000	80.0%
Auditor of State Reimbursement	-	1,000	3,000	200.0%
Equipment	25,790	15,601	20,601	32.0%
TOTAL EXPENDITURES	\$836,264	\$897,017	\$1,045,806	16.6%

The proposed extracurricular pay schedule as shown below is unchanged from FY 2009. Employees receiving extracurricular supplemental pay will receive a 0% pay adjustment on July 1, 2009.

ISD – FY 2010 Supplemental Pay

HEAD COACH

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
FOOTBALL	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010
BASKETBALL	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010
VOLLEYBALL	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010
TRACK	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010
WRESTLING	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010
CHEERLEADING	2651	2731	2813	2897	2984	3074	3165	3261	3359	3459	3563	3670	3780	3893	4010

ASSISTANT HIGH SCHOOL/JUNIOR HIGH SCHOOL

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
FOOTBALL	2068	2130	2194	2260	2328	2398	2470	2544	2620	2699	2780	2863	2949	3037	3129
BASKETBALL	2068	2130	2194	2260	2328	2398	2470	2544	2620	2699	2780	2863	2949	3037	3129
VOLLEYBALL	2068	2130	2194	2260	2328	2398	2470	2544	2620	2699	2780	2863	2949	3037	3129
TRACK	2068	2130	2194	2260	2328	2398	2470	2544	2620	2699	2780	2863	2949	3037	3129
WRESTLING	2068	2130	2194	2260	2328	2398	2470	2544	2620	2699	2780	2863	2949	3037	3129

EXTRACURRICULAR

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
SENIORS	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240	1240
JUNIORS	931	931	931	931	931	931	931	931	931	931	931	931	931	931	931
CONCESSIONS	931	959	988	1018	1049	1080	1112	1145	1179	1214	1250	1288	1327	1367	1408
YEARBOOK	931	959	988	1018	1049	1080	1112	1145	1179	1214	1250	1288	1327	1367	1408
OTHER	931	959	988	1018	1049	1080	1112	1145	1179	1214	1250	1288	1327	1367	1408

ISD and IBSSS share a professional and scientific pay matrix. The 2009-2010 P&S Salary Schedule shown below remains the same as the 2008-2009 schedule. The professional and scientific staff will receive no pay adjustment (0%) for the 2009-2010 academic year.

IOWA SCHOOL FOR THE DEAF
PROFESSIONAL AND SCIENTIFIC SALARY SCHEDULE
2009-2010

Salary Grade	Minimum	Midpoint	Maximum	Spread
1	\$31,061	\$37,775	\$44,489	43.23%
2	\$33,398	\$41,122	\$48,845	46.25%
3	\$37,710	\$46,460	\$55,210	46.41%
4	\$41,732	\$52,496	\$63,260	51.59%
5	\$46,034	\$58,329	\$70,624	53.42%
6	\$51,405	\$65,850	\$80,294	56.20%

SALARY GRADE ASSIGNMENTS

- 3 Accountant
Educational Interpreter
Recreation Utilization Coordinator
Registered Nurse I
Residential Counselor
Sign Language Communications Program Coordinator
- 4 Administrative Assistant
Social Worker
- 5 Director of Development
Director of Human Resources
Information Technology Specialist
Outreach Coordinator
Registered Nurse, Head
Residence Dean

IOWA BRAILLE AND SIGHT SAVING SCHOOL

IBSSS FY 2010 General Fund Operating Budget

IBSSS's Statewide System for Vision Services, in partnership with agencies, families, and communities provides leadership in the education of all of Iowa's students who are blind or visually impaired through exemplary support and services. The School provides educational services to children and youth in the state of Iowa with visual impairments who require the comprehensive programs provided by the Statewide System for Vision Services. IBSSS's mission 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 educational opportunities, resources, and support services. The mission is served by accomplishing five strategic goals:

- 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
- Assure an adequate supply of highly trained teachers and orientation and mobility specialists
- Assure adequate and professional supervision, ongoing professional development and equitable job assignments for professionals working with blind and visually impaired students
- 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
- Maintain a center of excellence in Iowa for discipline-specific expertise at Iowa Braille and Sight Saving School

IBSSS's FY 2010 general operating state appropriation is \$244,326 less (4.3%) than the final FY 2009 appropriation.

IBSSS's is scheduled to receive \$330,215 in one-time federal stimulus funds from ARRA. The ARRA funding will be applied to extended learning/training opportunities including student summer school programming, expanded school year curriculum, and faculty development.

Sales and Services revenue is projected to increase \$1.0 million when compared to the FY 2009 budget resulting from additional contractual income to be received from the AEA's. The budgeted increase is due to an anticipated thirteen (13) AEA Teachers of the Visually Impaired and Orientation and Mobility Specialists becoming employees of IBSSS's Statewide System for Vision Services. The additional revenue will support the salary costs of the teachers.

Adding teachers to the IBSSS payroll will eliminate duplicate service delivery by creating a seamless, coordinated system of services to blind and visually impaired students regardless of the funding source and agency. Their employment with IBSSS will also ensure standardized professional supervision, ongoing professional development, and an equitable assignment of duties.

The school plans to reallocate \$88,782 in FY 2010 from supplies and services to support the services of an Educational Consultant to serve students, parents, and educators statewide. The reallocation will increase efficiency and effectiveness of services to all children in Iowa who are blind or visually impaired.

IBSSS General Operating Fund						
	Actual FY 2008	Final Budget FY 2009	Proposed Budget FY 2010	ARRA Budget FY 2010	Total Proposed FY 2010 Budget	% Change from FY 2009
REVENUES						
General Appropriations	\$5,456,107	\$5,640,062	\$5,395,736		\$5,395,736	-4.3%
Appropriations - Other	90,865	79,944	78,511		78,511	-1.8%
Appropriations - ARRA				\$330,215	330,215	
Federal Support	328,876	344,250	357,000		357,000	3.7%
Interest	35,543	6,000	5,000		5,000	-16.7%
Reimb. Indirect Costs	38,336	41,501	41,268		41,268	-0.6%
Sales and Services	1,304,613	2,287,477	3,300,370		3,300,370	44.3%
Other Income (Princ. Demutualization)	136,941	9,460	10,000		10,000	5.7%
TOTAL REVENUES	\$7,391,281	\$8,408,694	\$9,187,885	\$330,215	\$9,518,100	13.2%
EXPENDITURES						
Salaries	\$5,285,314	\$6,095,431	\$7,131,724	\$223,699	\$7,355,423	20.7%
Prof. & Scien. Supplies/Services	882,709	1,294,205	1,084,865	92,854	1,177,719	-9.0%
Library Acquisition	308	3,000	3,500		3,500	16.7%
Utilities	223,484	255,008	251,250		251,250	-1.5%
Bldg. Repairs	792,547	686,050	593,008		593,008	-13.6%
Aud. of State Reimburse	25,677	30,000	29,200		29,200	-2.7%
Equipment	181,242	45,000	94,338	13,662	108,000	140.0%
TOTAL EXPENDITURES	\$7,391,281	\$8,408,694	\$9,187,885	\$330,215	\$9,518,100	13.2%

IBSSS FY 2010 Restricted Budget

The FY 2010 restricted fund budget of \$445,978 represents a decrease of \$382,493 from the FY 2009 budget, which includes:

- increase of \$14,107 in federal support from three grants that fund activities including in part, literacy initiatives, summer institute for parent and staff development, and early childhood development.
- decreases of \$376,600 in other income due to the completion of renovations to Palmer and Rice Hall in FY 2009 and \$20,000 in sales and service revenues.

IBSSS anticipates spending \$6,000 in unrestricted endowment funds in FY 2010 for therapeutic horseback riding and recreation activities. The unrestricted endowment monies of \$6,000 and restricted endowment funds of \$83,400 of for blind services and education scholarships are included in the FY 2010 restricted budget and comprise the other income of \$89,400.

IBSSS Restricted Fund				
	Actual FY 2008	Final Budget FY 2009	Proposed Budget FY 2010	% Change from FY 2009
REVENUES				
Capital Appropriations				
Federal Support	\$338,162	\$342,471	\$356,578	4.1%
Sales and Services	348	20,000		-100.0%
Other Income	259,024	466,000	89,400	-80.8%
TOTAL REVENUES	\$597,534	\$828,471	\$445,978	-46.2%
EXPENDITURES				
Salaries	\$27,489	\$24,705	\$49,400	100.0%
Prof. & Scien. Supplies/Services	397,270	440,266	328,178	-25.5%
Library Acquisition		500		-100.0%
Building Repairs	211,709	350,000		-100.0%
Equipment	5,740	13,000	68,400	426.2%
TOTAL EXPENDITURES	\$642,208	\$828,471	\$445,978	-46.2%

IBSSS – FY 2010 Pay Policies and Schedules

IBSSS proposes no increase (0%) to the faculty salary matrix as shown below. In accordance with the Board's resolution, the faculty will be given a 0% pay adjustment on July 1, 2009.

Qualified faculty will continue to receive level pay for certifications by the Academy for Certification of Vision, Rehabilitation, and Education Professionals. The \$900 certification is unchanged from that approved for FY 2009.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
FY 2010 FACULTY SALARY MATRIX

Track Degree	I BA	II BA+15	III BA+30	IV MA	V MA+15	VI MA+30	VII ED SPEC
Beginning	39,084	40,783	42,481	45,878	47,577	49,275	50,974
Step 1	39,763	41,496	43,228	46,693	48,426	50,158	51,891
Step 2	40,456	42,224	43,991	47,525	49,292	51,059	52,826
Step 3	41,163	42,966	44,768	48,373	50,176	51,978	53,780
Step 4	41,884	43,723	45,561	49,238	51,077	52,915	54,754
Step 5	42,620	44,495	46,370	50,121	51,996	53,871	55,747
Step 6	43,370	45,283	47,195	51,021	52,934	54,846	56,759
Step 7	44,135	46,086	48,037	51,939	53,890	55,841	57,792
Step 8	44,915	46,905	48,895	52,876	54,866	56,856	58,846
Step 9	45,711	47,741	49,771	53,831	55,861	57,891	59,920
Step 10	46,523	48,594	50,664	54,805	56,876	58,946	61,017
Step 11	47,351	49,463	51,575	55,799	57,911	60,023	62,135
Step 12	48,196	50,350	52,504	56,813	58,967	61,121	63,275
Step 13	49,058	51,255	53,452	57,847	60,044	62,241	64,438
Step 14	49,937	52,178	54,419	58,901	61,142	63,384	65,625
Step 15	50,833	53,119	55,405	59,977	62,263	64,549	66,835
Step 16	51,748	54,079	56,411	61,074	63,406	65,738	68,069
Step 17	52,680	55,059	57,437	62,193	64,572	66,950	69,328
Step 18	53,632	56,057	58,483	63,335	65,761	68,187	70,613
Step 19	54,602	57,076	59,551	64,499	66,974	69,448	71,923
Step 20	55,592	58,116	60,639	65,687	68,211	70,735	73,259

ACVREP Certifications - \$900

For individuals with an appropriate PH. D., the Superintendent has the authority to pay 10% above the person's relative position on the Ed. Spec. track.

The proposed FY 2010 extracurricular pay schedule is shown below and remains unchanged from FY 2009.

**IBSSS
Faculty Extracurricular Pay Schedule
2009-10 School Year**

<u>Faculty ECA Positions</u>	<u>Stipend</u>
Track & Field Coach	\$ 3,000
Cheerleading Coach	3,000
Swimming Coach	3,000
Forensics Coach	3,000
Goal Ball Coach	1,231
Chaperone	\$200/night

As stated previously, ISD and IBSSS share a professional and scientific pay matrix. The 2009-2010 P&S Salary Schedule shown below remains the same as the 2008-2009 schedule. The professional and scientific staff will receive no pay adjustment (0%) for the 2009-2010 academic year.

**IOWA BRAILLE AND SIGHT SAVING SCHOOL
PROFESSIONAL AND SCIENTIFIC SALARY SCHEDULE
2009-2010**

Salary Grade	Minimum	Midpoint	Maximum	Spread
1	\$31,061	\$37,775	\$44,489	43.23%
2	\$33,398	\$41,122	\$48,845	46.25%
3	\$37,710	\$46,460	\$55,210	46.41%
4	\$41,732	\$52,496	\$63,260	51.59%
5	\$46,034	\$58,329	\$70,624	53.42%
6	\$51,405	\$65,850	\$80,294	56.20%

SALARY GRADE ASSIGNMENTS

- 3 Residential Programmer
- 4 Facilities Manager
Human Resources Specialist
Residential Services Specialist
- 5 Family Services / Transition Specialist
Family Services Specialist
Information Technology Specialist
Registered Nurse, Head
Residence Dean

BOARD OFFICE

The Board Office FY 2010 operating budget is scheduled to be presented to the Board at the August 2009 meeting.

FY 2010 Pay Policies and Schedules

The Board Office staff will be provided a 0% pay adjustment for FY 2010. The proposed P&S FY 2010 salary matrix is shown below.

**BOARD OF REGENTS, STATE OF IOWA
Board Office P&S Salary Schedule
Proposed FY 2010**

Salary Grade	Minimum	Midpoint	Maximum
1	\$30,449	\$36,597	\$51,374
2	\$35,930	\$43,185	\$60,622
3	\$42,396	\$50,957	\$71,534
4	\$50,028	\$60,130	\$84,409
5	\$59,032	\$70,953	\$99,603
6	\$69,659	\$83,725	\$117,532
7	\$82,197	\$98,795	\$138,688
8	\$96,992	\$116,578	\$163,651
9	\$100,840*		\$154,300

Assignment of Classifications to Pay Grades

- 2 Senior Administrative Assistant
- 3 Executive Assistant
Student Relations Officer
Technical Specialist**
- 4 Policy and Operations Analyst**
- 5 Regents Associate Counsel**
- 6 Policy and Operations Officer**
- 7 Chief Business Officer
Regents General Counsel
- 8 Deputy Executive Director
- 9 Executive Director and Chief Public Affairs Officer

*(Salary range provided in Iowa Acts, Chapter 1191, Section 14)

University of Iowa P&S Positions Detailed to the Board Office

Position	SUI Pay Grade	Salary Range
Policy and Operations Officer **	14	\$60,347 - \$119,872
Policy and Operations Analyst **	10	\$44,037 - \$87,480
Regents Associate Counsel	10	\$44,037 - \$87,480
Technical Specialist **	8	\$37,624 - \$74,729
Director, Internal Audit	15	\$65,288 - \$129,692

** in both the Board Office System and SUI system

Other positions

State Relations Officer	SUI Grade 17	\$76,424 - \$151,811
	ISU Grade 18	\$61,439 - \$114,661
	UNI Grade 6	\$51,860 - \$120,650