

MEMORANDUM

To: Board of Regents
From: Board Office
Subject: State Appropriations Requests for FY 2006
Date: September 1, 2004

Recommended Actions:

1. Approve the Regent appropriations requests for FY 2006 totaling \$672 million:
 - a. Education – Universities (\$558.6 million)
 - b. Education – Special Schools (\$13.8 million)
 - c. Health (\$42.4 million)
 - d. Environment (\$31.9 million)
 - e. Economic Development (\$6.5 million)
 - f. Safe Communities (\$3.8 million)
 - g. Capitals (\$15 million)

These include support for priorities associated with base operating appropriations for FY 2006, to fulfill state statutory requirements, as well as incremental funding requests.

2. Authorize the Regents' participation in the following proposals for state appropriations submitted by other state agencies:
 - a. IDED Bioscience Pathway for Development
 - b. Iowa College Student Aid Commission's proposals on Iowa Work-Study Opportunities and Iowa Grants Program

Executive Summary:

**Regent
 Appropriations
 Requests**

At its August meeting, the Board was presented with institutional requests for state appropriations. At the Board's direction, the requests for appropriations have been restructured.

The Regent appropriations requests presented in this memorandum are consistent with the Regent Public Policy Task Force recommendations identified in Agenda Item 3.

The seven Regent requests for state appropriations, totaling \$672 million, are structured around the identified priorities of the state of Iowa and the Board of Regents strategic plan. They include:

- Education – Universities: Transforming the Lives of Iowans Through Higher Education, Discovery, and Service (\$558.6 million)
- Education – Special Schools: Transforming the Lives of Iowans Through Special Education and Service (\$13.8 million)
- Health: Transforming the Health of Iowans (\$42.4 million)
- Environment: Improving the Quality of Life in Iowa through Valued Public Services (\$31.9 million)
- Economic Development: Enhancing Opportunities to Stimulate Economic Growth in Iowa (\$6.5 million)
- Safe Communities: Improving Community Safety through Quality Laboratory Services (\$3.8 million)
- Capitals: Responsible Stewardship of Academic Facilities (\$15 million)

**Multi-Year Plans:
Education -
Universities**

The Education proposal for the universities includes a four-year funding plan for institutional transformation and educational excellence, consistent with the recommendations of the Public Policy Task Force, by increasing overall university resources for strategic priorities and moderating tuition increases. The plan consists of the following three components:

- A matching funds program for state dollars that requires the universities to strategically redirect \$1 of internal resources for every additional \$2 received in state appropriations.
- A clear and consistent reallocation Board policy, including detailed definitions.
- A moderate tuition approach.

The enhancement of a \$40 million increase in state operating appropriations each year, beginning in FY 2006, to the Regents would be matched by specifically directed annual internal reallocations of approximately \$20 million.

**Education –
Special Schools**

The proposal requests that the two special schools receive the same allowable growth percentage increase (4%) on state operating appropriations as do the other public K-12 schools in the state.

**Multi-Year Plan:
Capitals**

The Regent proposal requests \$15.0 million in one-time money for each of the next five years from the state to correct fire and environmental safety deficiencies and deferred maintenance that would be matched by at least \$7.5 million of institutional general operating, building repair funds annually.

**Other Regent
Requests**

All other proposed requests from the Board for state appropriations are requested at levels comparable to FY 2005.

**Other State Agency
Proposals**

The Board is being asked to support the following state agency proposals:

- Iowa Department of Economic Development (IDED) – Bioscience Pathway for Development that would create the infrastructure required to move research to commercialization, creating companies, jobs and wealth.
- Iowa College Student Aid Commission's proposals:
 - Iowa Work-Study Opportunities that would provide students at Iowa colleges and universities with work-study opportunities .
 - Iowa Grants Program that would provides low-income students at the Regent universities, independent colleges and universities, and community colleges with grants.

Background / Analysis

Statutory Provisions Iowa Code §8.23 sets forth the various requirements for all state agencies in preparing appropriations requests for the ensuing fiscal year. These requests are to be submitted to the state on or before October 1.

After the request is submitted to the Governor, the Governor reviews the requests and makes recommendations for funding to the Legislature.

Appropriations Requests Process As part of the appropriations requests process, statute requires that each state entity develop modified appropriation estimates assuming that base appropriations of the current fiscal year will be funded at 75%. Beginning with base requests at seventy-five percent of current funding, programs are to be identified, in priority order, for restoration to the current funding levels.

By statute, appropriations are to be explained and focused on achieving the strategic goals of the enterprise's strategic plan.

These Regent appropriations requests, if approved, will form the basis of the Regent FY 2006 submissions for the Governor's consideration.

Regent Strategic Priorities State operating appropriations have historically provided the core operating funds for the Regent institutions. Without adequate state funding, the Board and the institutions would have great difficulty effectively serving the people of Iowa.

The Board of Regents, State of Iowa, enhances the quality of life in Iowa and beyond by governing five outstanding public educational institutions: the state's three public universities – the University of Iowa, Iowa State University, and the University of Northern Iowa – and two special preschool-12th grade schools – the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. The Board's 2004-2009 Strategic Plan demonstrates the commitment of the nine volunteer Regents to serving the needs of Iowa, its citizens, and the world.

The Board of Regents, State of Iowa, and its institutions serve Iowa, its citizens, and the world by being a recognized leader in four priorities:

- Ensure high-quality educational opportunities for students.
- Discover new knowledge through research, scholarship, and creative activities.
- Provide needed service and promote economic growth.
- Demonstrate public accountability and effective stewardship of resources.

The Board of Regents fosters collaboration and partnerships between Regent institutions and all other sectors of education to expand opportunities for individual citizens, strengthen Iowa's educational system, and advance the state's public agenda.

The Board of Regents is committed to providing a quality education that is accessible; to intellectual development and creativity; to open, effective communication; and to public accountability, stewardship and service.

Appropriations
Requests

Regent requests for operating appropriations are based on the premise that state funding will be stable.

The proposed Board appropriations requests, identified below, are based on the strategic needs of the institutions, as guided by Regent strategic plans and the recommendations of the Regent Public Policy Task Force.

**Board of Regents
Appropriations Requests**

	FY 2005 Appropriations (rounded)	Incremental Requests FY 2006	Total Appropriations Requests* FY 2006
Education: Universities	\$518,600,000	\$40,000,000	\$558,600,000
Education: Special Schools	13,270,000	530,000	13,800,000
Health	42,389,000	0	42,389,000
Environment	31,917,000	0	31,917,000
Economic Development	6,511,000	0	6,511,000
Safe Communities	3,803,000	0	3,803,000
Capitals	<u>0</u>	<u>15,000,000</u>	<u>15,000,000</u>
Totals	\$616,490,000	\$55,530,000	\$672,020,000

Statutory Base
Restoration
Priorities

A series of decision packages have been prepared to comply with the statutory requirements. (See page 25.)


Pamela M. Elliott

Approved: 
Gregory S. Nichols

Education - Universities

Initiative

Transforming the Lives of Iowans Through Higher Education, Discovery, and Service – Board of Regents, State of Iowa

This Regent proposal combines the various universities appropriations related to the educational and research missions, and includes the general education units at all three universities, the SUI Family Practice appropriation, and the ISU Cooperative Extension Service, the Board Office, and the Regional Study Centers.

This educational package totals \$1,075.6 million, of which \$558.6 million would be funded from state appropriations and an estimated \$441 million from tuition revenues.

Multi-Year Funding Proposal for Educational Excellence

The Board of Regents is proposing a four-year plan for institutional transformation and educational excellence, consistent with the recommendations of the Public Policy Task Force, by increasing overall university resources for strategic priorities and moderating tuition increases. The plan includes:

- A matching funds program for state dollars. To enhance the state's reinvestment in the universities operating budgets, the Board of Regents proposes that the universities strategically redirect \$1 of internal resources for every additional \$2 received in state appropriations.
- A clear and consistent reallocation Board policy, including detailed definitions. This policy will guide the universities enhancement of higher education through strategic reprioritization.
- A moderate tuition approach. If the matching program is adopted and funded at the requested level, the Regents do not intend to increase tuition beyond the base inflationary factor increases for resident undergraduate rates during the years of the matching program.

The enhancement of a \$40 million increase in state operating appropriations each year, beginning in FY 2006, to the Regents matched by specifically directed annual internal reallocation would:

- Assist in reaching nationally competitive salaries to allow the universities to recruit and retain faculty members who are among the very best in their fields of study, including faculty whose disciplinary areas are important to the future of Iowa.
- Establish new faculty positions in areas critically important to the future of Iowa, thereby:
 - Increasing class offerings in areas of high student demand and of great importance to the state of Iowa.
 - Strengthening academic areas negatively impacted by appropriation cuts over the past five years.
 - Developing new educational and research programs vital to the economic needs and growth of Iowa.

- Further enriching the educational experience.
- Improving student progress toward graduation.
- Managing class sizes more effectively.
- Preserving the excellence of statewide outreach services inherent in the missions of the three Regent universities

Justification

Return on Investment for FY 2004 – for every state general fund dollar invested for the operations of the general education components of the three Regent universities, \$1.54, not including multiplier effects, was generated from outside sources (external gifts and grants and nonresident tuitions).

The state utilizes this same investment to provide education for tens of thousands of Iowans pursuing undergraduate degrees, diverse graduate/professional programs, and a wide array of research/service/extension activities throughout the state.

Students enrolled fall 2003 – 70,566 students (63,177 full-time equivalent students)

- Iowa students enrolled fall 2003 – 50,731 Iowa students (72% of enrollment)
- Undergraduate students – 54,237 students (77% are Iowa students)
- Graduate students – 11,878 students
- Professional students – 4,451 students
- Nonresident undergraduate students are required to pay the full cost of their education through tuition.

FY 2004 enrollment in noncredit courses – 479,676

The Regent enterprise is the largest single employer in the state of Iowa with about 44,500 employees at Regent institutions, including UIHC, student employees, and part-time employees.

The Regent share of the state's general fund has dwindled from a high of 15.3% in FY 1994 to 13.3% for FY 2005.

Performance Measurement

The Regents have historically measured numerous indicators promoting progress and improvement at the five Regent institutions. The Regent enterprise utilizes management and oversight systems that regularly measure achievements in Board and institution strategic priorities, while pursuing continuous quality improvement in programs and services.

The three Regent universities continue to graduate more than 64% of entering full-time freshmen within six years. This is higher than the 59% national average among NCAA Division I schools (including both public and private institutions) and higher than the national average for public four-year institutions of 55%.

In FY 2003, the number of degrees granted from the three universities for undergraduates totaled more than 11,000 and the number of graduate/professional degrees totaled almost 4,000.

Education: Universities
 Transforming the Lives of Iowans Through
 Higher Education, Discovery, and Service
 Board of Regents, State of Iowa

Revenue Description	Amount
State Appropriations	\$558,600,000
Tuition Revenues	441,000,000
Indirect Cost Recoveries	60,000,000
Other	<u>16,000,000</u>
Total	\$1,075,600,000

Expense Description	Amount
Salaries	\$803,600,000
Student Aid	85,000,000
Debt Service	24,300,000
Library Acquisitions	22,000,000
P&S Supplies	73,000,000
General Operating	22,700,000
Utilities	<u>45,000,000</u>
Total	\$1,075,600,000

Education – Special Schools

Initiative	<p>Transforming the Lives of Iowans Through Special Education and Service – Board of Regents, State of Iowa</p> <p>This Regent proposal combines the appropriations for the two special schools, the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.</p> <p>This educational package totals \$14.85 million, of which \$13.8 million would be funded from state appropriations and the remaining revenue sources (federal, indirect cost recoveries, other state educational resources, and sales/services) would provide \$1.05 million.</p> <p>The increase in state appropriations of \$530,000 is consistent with the statutory K-12 allowable growth increase of 4% for FY 2006.</p>
Description	<p>The Board of Regents provide high quality, individualized instructional opportunities to children and youth who are deaf or hard-of-hearing and to those who are blind or visually impaired, including those with additional disabilities. Further, the Board and the schools collaborate to provide support for those students with dual-sensory impairments.</p> <p>The Board is requesting that the two special schools receive the same allowable growth percentage increase on its state operating appropriations as do the other public K-12 schools in the state. This is identical to the request made for FY 2005 which was adopted by the Governor and the General Assembly.</p>
Justification	<p>The Board Iowa and federal statutes and regulations which mandate a Free and Appropriate Public Education (FAPE) for all eligible students with identified disabilities. Both schools are major components of the continuum of services required to be available for all students based on assessed need. This proposal would ensure that highly qualified personnel, as mandated by the No Child Left Behind (NCLB) Act, deliver the instruction. It would support the state's compliance with the Individuals with Disabilities Education Acts (IDEA).</p>

The funds requested would be utilized to cover the vital components of such special instruction:

- Competitive salaries and benefits for personnel with unique qualifications that include knowledge and skills in teaching deaf students with American Sign Language fluency. For blind or visually impaired students, including those with additional disabilities, highly qualified personnel would provide instruction in Braille, or alternative communication methods; in orientation and mobility activities supporting safe, independent travel skills for all; and in programs developing the maximum independence for every child served.
- Facilities that are safe, suitable and accessible for preschool, elementary and secondary aged students who are deaf or blind.
- Costs associated with the boarding of students whose homes are too far to commute daily.
- Support services and programs that are necessary to help students meet the goals documented in their mandated Individualized Education Plans under the state and federal statutes.

The Board of Regents special school programs serve Iowa's students statewide. The anticipated outcomes or results are focused on ensuring that Iowa's sensory-impaired students, regardless of where they may attend school, graduate with skills and knowledge to become productive adults able to participate in the wider community of Iowa's citizens.

The Regents have historically measured numerous indicators promoting progress and improvement at the Regent special schools. The Regent enterprise utilizes management and oversight systems that regularly measure achievements in Board and institution strategic priorities, while pursuing continuous quality improvement in programs and services.

Performance
Measurement

Education – Special Schools
Transforming the Lives of Iowans Through
Special Education and Service
Board of Regents, State of Iowa

Revenue Description	Amount
State Appropriations	\$13,800,000
Other State Educational Resources	260,000
Federal and Indirect Cost Recoveries	360,000
Sales, Services, Other	<u>430,000</u>
Total	\$14,850,000

Expense Description	Amount
Salaries	\$12,000,000
P&S Supplies	1,600,000
General Operating	250,000
Utilities	500,000
Building Repairs	<u>500,000</u>
Total	\$14,850,000

Health

Initiative	Transforming the Health of Iowans – Board of Regents, State of Iowa
Descriptions	<p>This proposal combines Board of Regents appropriations for the State University of Iowa's Hospitals and Clinics, Psychiatric Hospital, Center for Disabilities and Development, Specialized Child Health Services (SCHS), Primary Health Care, Cancer Registry, Substance Abuse Consortium, and Birth Defects Registry.</p> <p>This health package totals \$686.3 million, of which state funds would be \$42.4 million. This represents state funding level with FY 2005.</p> <p><u>University of Iowa Hospitals and Clinics</u> – serves as the teaching hospital and comprehensive healthcare center for the State of Iowa, thereby promoting the health of the citizens of Iowa regardless of their ability to pay.</p> <p>The UIHC, in concert with the U of I health sciences colleges, functions in support of health care professionals and organizations in Iowa and other states by:</p> <ol style="list-style-type: none">1. Offering a broad spectrum of clinical services to all patients cared for within the UIHC, including many services like trauma care, burn care, and transplantation not commonly available across the state, and through its outreach programs, which occur in over 100 Iowa communities;2. Serving as the primary teaching hospital for the University; and3. Providing a base for innovative research to improve health care. <p>The UIHC Indigent Patient Care Program is partially funded by an appropriation under Code of Iowa Chapter 255. The UIHC assumes full financial risk for this population of Iowans who are identified by their home counties as having no means to pay for medically necessary care and who do not qualify for other state or federal programs. For an annual fixed appropriation, the UIHC provides transportation, lodging, meals, medical care, social services and pharmaceuticals needed to render care throughout the year. The UIHC also assumes full financial risk for the care of state institution patients brought to its facility in Iowa City. There is no appropriation for physician services rendered to these patients.</p> <p>For FY 2003, the Indigent Patient Care Program provided hospital services valued at \$65.2 million and physician services valued at \$26.4 million. The total state appropriations for this program were \$28.8 million.</p> <p><u>Psychiatric Hospital</u> – supports the in-hospital care of Iowans requiring treatment for psychiatric illnesses, develops new methods for the diagnosis and treatment of psychiatric illness, and serves as an ongoing educational setting for residents and fellows, nurses, and other allied health disciplines.</p> <p>As community psychiatric care centers have been developing throughout the state, the Psychiatric Hospital has evolved into a comprehensive referral center for short-term acute psychiatric care in support of these community-based programs as well as the state's mental health institutions.</p>

It has developed a program for care of the chronically mentally ill in their home or care facilities (IMPACT Program) and has developed a significant working relationship with the Iowa Department of Corrections that provides leadership for mental health services provided within the Iowa prison system. The physicians in the Department of Psychiatry and the Carver College of Medicine represent the largest percentage of psychiatrists in the state.

Center for Disabilities and Development – enhances and expands, when appropriate, services for infants, children and adults who are developmentally disabled and chronically health impaired and participates in developing the most effective and efficient state-wide service systems for these infants, children, and adults that reflect the highest standards of treatment and care; expands training programs for university students; consults and trains community-based programs and state agencies; and investigates efforts regarding those disabilities and impairments that included research of care and management procedures.

The Center for Disabilities and Development is the only tertiary-level resource in Iowa devoted exclusively to serving children and adults with significant developmental disabilities. It supports the independence, productivity and community inclusion of people with disabilities in all aspects of their lives through the provision of exemplary clinical service training, research, and technical assistance, and information sharing activities.

Specialized Child Health Services – provides statewide community-based providers and caregivers consultation and care coordination for Iowa's children and families with specialized health care needs. Programs include statewide childhood cancer treatment service; a statewide rural comprehensive care service for hemophilia patients; and a statewide program to monitor infants at risk of physical and developmental problems. These programs are designed to support family-centered, community-based care.

Primary Health Care – This initiative was designed to increase the numbers and mix of health care providers in rural primary care settings and enhance the delivery of rural health care throughout the state of Iowa.

The Iowa Health Professions Inventory, a computerized information system has been created to track the supply and distribution of Iowa pharmacists, dentists, physician assistants and advanced nurse practitioners. The Rural Physician Support Program provides coverage for rural medical practices. Resident physicians complete clinical preceptorships in rural settings. The residents are the source of practice coverage for rural doctors who are absent for vacation, continuing education, illness or maternity.

The program also gives the medical group an opportunity to showcase the community as a prospective medical practice site. The Integrated Health Professions Education Project (IHPEP) fosters interdisciplinary teamwork in primary care to improve patient health and quality of life, particularly in rural areas of Iowa, and to prepare health profession students to work cooperatively as practitioners within the rural community.

Cancer Registry – This Registry is part of the National Cancer Institute's (NCI) Surveillance, Epidemiology, and End Results (SEER) Program. The objectives of the Registry are:

1. Assembling and editing cancer incidence, mortality, and follow-up data among Iowans and reporting these data to the NCI;
2. Monitoring annual trends in cancer incidence and mortality;
3. Providing information on changes over time in extent of disease at diagnosis, trends in therapy, and associated changes in patient survival; and
4. Promoting and conducting studies designed to identify factors amenable to cancer prevention and control.

The Registry has 60 employees (about 45 FTEs), one-third of whom comprise field staff that resides in communities throughout Iowa. Cancer became a reportable disease in Iowa in April of 1982. The Iowa Department of Public Health has designated responsibility for cancer data collection to the Registry. The Iowa Registry is funded primarily through a contract with the NCI, but a portion of funding for the Registry must be obtained from non-federal sources such as the state of Iowa. The University is obligated to increase the matching contribution progressively over the next several years.

Substance Abuse Consortium – The Consortium facilitates multidisciplinary and multi-organizational research and evaluates substance abuse prevention and treatment efforts in the state of Iowa. Research and evaluation efforts involve practitioners in treatment and prevention, state agency representatives, government policymakers, and researchers from institutions of higher education.

The Consortium's Advisory Board includes representatives from the University of Iowa, University of Northern Iowa, Iowa State University, state departments of Public Health, Education, Public Safety, Correction and Human Services, and representatives from local substance abuse service agencies. The Consortium is currently housed on the University of Iowa's Oakdale campus. The Consortium continues to attract considerable federal funding for projects in Iowa.

Birth Defects Registry – The purpose of the Iowa Birth Defects Registry is to monitor the types and frequency of birth defects within the state of Iowa. Development of a method to monitor birth defects in Iowa began in 1979. Birth defects rank as the leading cause of mortality in full-term newborn babies in the US. Iowa's overall birth defect rate is approximately 5%.

Registry activities are integrated and fully consistent with the University of Iowa College of Medicine's emphasis on public health. The goals of the registry are:

1. Create and maintain a statewide system of collection of frequency and types of birth defects.
2. Monitor the occurrence and type of birth defects with respect to geographic distribution and characteristics of the community and sources of environmental factors.
3. Provide information to the Iowa departments of Public Health, Education, and Human Services for the enhancement of program planning.

4. Supply data to the Centers for Disease Control and other agencies which facilitate the development of sophisticated analytic methods to better determine genetic and environmental contributions to birth defects.

The Iowa Birth Defects Registry is available to health care administrators, educators, service providers and researchers as an information source. The Registry currently provides support to state programs such as the Maternal and Child Health Block Grant, state educational support services, the Office of Disability Prevention in the Iowa Department of Public Health and data collection and analysis conducted by the Center for Health Effects of Environmental Contamination.

Justification

This initiative meets all of the state's health strategies for improving the health of Iowans:

- All Iowans Have Access to Quality Care – not only does the UIHC operate the Indigent Patient Care Program and serve all Iowans regardless of their ability to pay, many of the services at the UIHC are nationally recognized by independent sources for their excellence.
- Improve Preventative Strategies and Health Education – the cutting-edge faculty and staff who practice at the UIHC are committed to patient and practitioner education of preventive strategies. Knowledge is created through research conducted locally as well as accessed through collaborative networks and communicated via patient interaction, brochures, presentations and seminars.
- Improve Quality of Life – in addition to the benefits of coordinated, comprehensive care, many patients and their families benefit from improved quality of life through the outreach services the UIHC provides across the state that translate into less time away from work and school and minimizes the amount of travel that is necessary for long-term treatment.
- Mitigate Against Outside Risk Factors – the public health expertise at the UI is committed to identification and mitigation of environmental hazards to health and safety.
- Improve the Health Care System – the UIHC serves as a resource for community providers and state agencies across the state by making them better able to function in this complex environment. Not only is consultation provided, the UIHC accepts complicated cases that would tax other providers or exceed their capabilities. Existing providers have access to continuing education programs at the UI and new providers are educated and trained for the Iowa workforce. Researchers at the UI engage in data analysis and experimentation to identify health system improvements.

Leveraging of Funds The University of Iowa received almost \$200 million in grants and contracts during FY 2004 from the U.S. Department of Health and Human Services and the National Science Foundation to deal with health related issues.

The UIHC annually leverages Medicaid dollars for the Iowa Department of Human Services as part of the Indigent Patient Care Program. Over \$30 million was leveraged in FY 2003 and an expansion of leveraging potential permitted in SF 2298 is anticipated to increase this total by an additional \$13 million.

Performance Measurement Regent institutions' major outreach programs promote education, health, agriculture, economic development, community vitality, and other areas.

Number of patients served annually by University of Iowa Hospitals and Clinics, national measures of the quality of care, and increased patient satisfaction with the clinical experiences, reflect statewide geographic impact promoting excellent health in Iowa.

Health	
Transforming the Health of Iowans	
Board of Regents, State of Iowa	
Revenue Description	Amount
State Appropriations	\$42,389,000
Sales and Services	635,419,000
Indirect Costs	3,960,000
Other	<u>4,562,000</u>
Total	\$686,330,000
Expense Description	Amount
UIHC, including Indigent Patient Program	\$652,773,000
Psychiatric Hospital	18,817,000
Center for Disabilities and Development	8,843,000
Specialized Child Health Services	4,848,000
Primary Health Care	760,000
Cancer Registry	179,000
Substance Abuse Consortium	65,000
Birth Defects Registry	<u>45,000</u>
Total	\$686,330,000

Environment

Initiative Improve the Quality of Life in Iowa through Valued Public Services – Board of Regents, State of Iowa

This proposal includes Regent appropriations for Iowa State University's Agriculture Experiment Station, Leopold Center, and Livestock Disease Research, and University of Northern Iowa's Recycle and Reuse Center

This environment package totals \$36 million, of which \$31.9 million would be from state appropriations, at levels consistent with FY 2005.

Descriptions

Agriculture Experiment Station (ISU) – The Iowa Agriculture and Home Economics Experiment Station administers faculty research programs that support Iowa's agriculture, natural resources, and family and consumer programs at Iowa State University, Iowa's land-grant college. As a land-grant college, federal legislation charges these colleges to establish a research organization to advance science to solve problems for the food, agricultural and natural resource systems, and links with other land-grant university research programs across the nation in a vital research chain.

The Experiment Station conducts organized research in the biological, physical, environmental, and social sciences, which contribute to the advancement of the agricultural industry and improve the economic and social condition of families and communities in Iowa. The goals are to improve the protection of Iowa's natural resources, including its soils, water, environment, and wildlife; to improve resource use in the production of Iowa's crops and animals with emphasis on productivity and potential diversification; to improve decision making in the production and marketing of Iowa's agricultural commodities and in the management of farms and other agribusinesses; to improve the potential for value-added processing of Iowa commodities in both domestic and international markets; to improve evaluation of public policy alternatives and their impact on Iowa; and to improve the ability of Iowa communities and organizations to provide social and human services and enhance the quality of life in Iowa.

The Experiment Station also supports the teaching and extension functions of Iowa State University. At any given time, around 300 Experiment Station projects are active, with approximate annual expenditures of \$85 million, which are funded by federally administered funds and state appropriations, as well as grant moneys and product sales. Scientists work in campus laboratories, at 12 outlying research farms and in the fields and business places of cooperators throughout the state. The Iowa Agriculture and Home Economics Experiment Station cooperates between researchers within and between departments and colleges at all levels of activity, with all other state agricultural experiment stations to ensure attention to critical problems, to share research results and to avoid duplication

Livestock Disease Research (ISU) – This funding allows for research to be conducted through the College of Veterinary Medicine on diseases of Iowa livestock (i.e. cattle including milk producers, swine, sheep, and poultry) to prevent the high financial losses to Iowa livestock producers that occur each year due to infectious livestock diseases. These funds are leveraged to receive additional restricted funds from external sources for livestock disease research.

Leopold Center (ISU) – The Leopold Center for Sustainable Agriculture was created by the Iowa General Assembly as part of the 1987 Iowa Groundwater Protection Act. Sustainable agriculture is “the appropriate use of crop and livestock systems and agricultural inputs supporting those activities that maintain economic and social viability while preserving the high productivity and quality of Iowa’s land.”

The Center’s purpose is to identify negative impacts of agriculture, contribute to the development of profitable farming systems that conserve natural resources, and inform the public of new research findings.

The Center accomplishes its mission through awarding competitive grants, sponsoring interdisciplinary research issue teams, and conducting education programs and publications. In addition to state appropriations, the Center receives about \$1.1 million per year generated from fees charged on sales of nitrogen fertilizer and on registration and use of pesticides and is eligible to receive grants from other state and federal sources and from foundations, but not from agricultural industries. All projects funded by the Center must benefit Iowa farmers.

Recycling and Reuse (UNI) – The Recycling and Reuse Center has an integrated approach to problem solving in the areas of by-product reutilization, industrial ecology, recycling and environmental sustainability involving the active engagement of faculty, staff, and students along with Iowa citizens, business, and industry. This approach combines research, education, service learning and outreach efforts to further the goal of achieving an environmentally sustainable future for Iowa.

The Center assists Iowa manufacturers in the research and development of products containing recycled content materials through the Materials Testing Service (MTS), a program developed in cooperation with Recycle Iowa and located at the University of Northern Iowa. Through MTS, small- and medium-sized Iowa companies have affordable access to the latest in mechanical, physical, and chemical properties testing for the purpose of by-product re-utilization.

MTS also acts as a consulting agency, tailoring its test services to each client’s particular needs and assisting clients in product development whenever possible. The Center maintains ongoing relationships with several state agencies and organizations and provides education and technical assistance regarding solid waste issues to Iowa companies and communities through brief consultations, student projects, and in-depth research projects. The Center’s state investment was leveraged with over \$4 million dollars from federal grants and contracts for FY 2005.

Justification

This proposal specifically matches several of the major goals of the state that include:

- Improving water quality
- Promoting use and development of sustainable resources
- Improving air quality

The universities highly leverage state resources with numerous external gifts and grants.

Performance
Measurement

Numbers of individuals, organizations, counties, and communities served annually by educational outreach programs of the Regent institutions, reflecting statewide geographic impact.

Regent institutions' major outreach programs in promoting education, health, agriculture, economic development, community vitality, and other areas.

Environment

Improve the Quality of Life in Iowa through
Valued Public Services
Board of Regents, State of Iowa

Revenue Description	Amount
State Appropriations	\$31,917,000
Federal and Other	<u>4,131,000</u>
Total	\$36,048,000

Expense Description	Amount
Ag Experiment Station	\$35,150,000
Livestock Disease Research	221,000
Leopold Center	465,000
Recycling and Reuse Center	<u>212,000</u>
Total	\$36,048,000

Economic Development

Initiative

Enhancing Opportunities to Stimulate Economic Growth in Iowa – Board of Regents, State of Iowa

This proposal combines Board of Regents appropriations for the State University of Iowa's Oakdale Campus, Biocatalysis, and Economic Development (Advanced Drug Development and Oakdale Research Park/Innovation Center), Iowa State's University's Economic Development (Institute for Physical Research & Technology, Small business Development Centers, and Research Park/ISIS), and the University of Northern Iowa's Economic Development (Institute for Decision Making and Metal Casting Center)

The economic development package of \$6.9 million is predominately funded with state appropriations of \$6.5 million, which represents appropriations at FY 2005 levels.

Description

SUI Oakdale Campus – The Oakdale Research Campus provides one of the primary physical locations where interactions with off-campus constituencies are developed. Oakdale is a place where technology transfer takes place via seminars and symposia, business start-ups in the Technology Innovation Center (TIC), research and development collaborations with the private sector in TIC and in the Oakdale Research Park (ORP) and in-residence programs of short to medium duration at the Center for Advanced Studies.

In general, the Oakdale Campus provides the facilities and environment to accommodate University-related research, educational and service programs. The mission of the Oakdale Campus is a University of Iowa research and educational complex.

SUI Center for Biocatalysis and Bioprocessing (CBB) – For twenty years, CBB has been combining first-class scientific faculty with cutting-edge facilities to reshape and define new technologies for chemical, pharmaceutical, nutritional and agrochemical industries. Dedicated to education, research, and technology transfer related to biocatalysis and bioprocessing, the Center is routinely making significant contributions to the advancement of science while working with industrial, governmental, and academic clients.

CBB continues to work to bring life science-based companies to Iowa. It continues to be one of the strongest clusters of scientists in the United States dedicated to the unique area of biocatalysis. Strengths of its program are underlined by the more than \$15 million annual research support that the faculty receive from extramural awards, the establishment of an endowed professorship in biocatalysis, training grant support for 26 predoctoral fellows, and the involvement of 59 faculty members and their research groups from eight departments. During a typical year, the CBB laboratory collaborates with more than 60 industrial companies and institutions.

SUI Economic Development (Advanced Drug Development and Oakdale Research Park/Technology Innovation Center)

Advanced Drug Development – The Center for Advanced Drug Development performs a wide range of assays to obtain data for pre-approved active pharmaceutical ingredients, new molecular entities, drug products and excipients. As a comprehensive FDA registered facility, the University is able to produce, under contract, limited quantities of new medicines under FDA approval. The Center offers contract services for non-production relevant to the clinical trials process to shorten the lead time between new pharmaceutical discoveries in the laboratory to their commercialization in the market place. Services include management of FDA relationships for client firms, development and execution of new chemical or biochemical assays for candidate new dosage forms and new chemical entities, design of new drug products and drug delivery systems, and development and execution of stability studies of candidate medicine dosage forms.

Oakdale Research Park provides corporations with easy, sustained access to relevant research resources of the University of Iowa. The 189-acre Park offers leased building sites serving small- and medium-sized research and development firms, and research units of larger firms. It represents a nucleus of businesses in Iowa that are drawn by the strengths of the University of Iowa.

Firms locating in the Park can expect to establish and sustain working relationships with university faculty scientists, physicians, and engineers. In addition, firms can access facilities and equipment, sponsor research, employ graduate students, hire graduates, license university intellectual property, and participate actively in the university academic community.

Technology Innovation Center (TIC) fosters the development of new business ventures that make use of advanced technology. The Center offers services and facilities to start-up businesses and established companies eager to initiate new endeavors. It is a business incubator, an interim site for research units of major corporations and a point of contact for those seeking access to the research resources of the University of Iowa.

Firms locating in the Center can expect to lease cost-effective office and laboratory space where collaborations between academic scientists and business entrepreneurs can flourish. Tenant companies have ready access to University facilities, research equipment, instruments and expertise, as well as a battery of counseling services on such critical issues as management, marketing, communications and finance. Center staff is available to make introductions and "broker" relationships at the University, in the community and region, and in the state.

ISU Economic Development (Institute for Physical Research & Technology, Small Business Development Centers, and Research Park/ISIS)

The Institute for Physical Research & Technology (IPRT) is a network of scientific research centers that provides focused research initiatives through an array of research centers and laboratories. Its broad mission is to promote interdisciplinary research in the physical sciences and engineering and specifically to discover new scientific knowledge and foster development of new technologies.

IPRT also identifies, develops, and commercializes new technologies in Iowa or in conjunction with companies that use Iowa suppliers. It provides world-class expertise and equipment that helps Iowa manufacturers and entrepreneurs address specific research and development needs.

The Institute helps Iowa companies solve technical problems, create new products, and increase productivity and quality. IPRT makes referrals to statewide technical experts and serves as a third-party information source. This helps Iowa remain competitive and leads to the development of new, high-tech companies, technological advances, and a broader economic base for the state of Iowa.

The Small Business Development Center (SBDC) conducts research, counsels, and trains business people in managing, financing, and operating small businesses, and provides comprehensive information services and access to experts in a variety of fields. Each SBDC encourages unique local efforts, region to region, state to state, and community to community to meet small business needs in its area.

SBDC offices develop and maintain partnerships among community organizations and local, state and federal agencies, providing a focal point for broad networks of public

and private resources at the community level. SBDC partnership programs and activities serving small businesses have contributed significantly to economic growth in each state. Its objectives:

1. Provide free in-depth quality assistance to small businesses in all areas that promote growth, expansion, innovation, increased productivity and management improvement.
2. Link resources of federal, state, and local governments with those of colleges, universities and the private sector to meet the needs of the small business community.
3. Develop and expand the unique resources of Iowa.

ISU Research Park provides an environment where established technology-related organizations and science and technology entrepreneurial ventures can develop and prosper in Iowa. The Park is a 230-acre development with over 270,000 square feet of building space and is located south of the Iowa State University campus. It's a technology community and an incubator of new and expanding businesses. It provides a material and human-resource rich environment for technology-based firms and research organizations.

The Park also helps young Iowa-based companies develop their potential and nurtures scientific and technological entrepreneurial ventures. Only 15 years old, the Park's 42 tenant companies and university centers employ over 800 people.

UNI Economic Development (Institute for Decision Making and Metal Casting Center)

Institute for Decision Making (IDM) guides organizations and community-based groups, and helps ease their way, as they make decisions and take organized action toward economic-and-community-development results. IDM typically serves and advises economic development corporations, chambers of commerce, convention and visitor's bureaus, community planning groups, and other similar groups and organizations.

IDM operates through a blended budget of State of Iowa funds, partnership fees, and fees for services. Communities in Iowa can form a "partnership" with IDM, the value of which significantly exceeds the direct cost to the community. Depending on the community's size and the complexity of its needs, IDM has established a sliding scale for partnership fees.

Metal Casting Center (MCC) provides a central connection for industry to a broad base of government sponsored and academic entities located throughout the United States. The Center continually evaluates the needs and changes that are occurring in the industry and is able to recommend changes to foundries to help with problems that they are experiencing.

The services of the MCC are based on a hybrid combination of practical hands-on experience, modern and well equipped facilities, and knowledge of cutting edge concepts emerging from the industry. The scope of involvement varies from large-scale, long-term, pro-active initiatives to small-scale, responsive assistance on individualized business inquiry.

Justification

This proposal supports the following major factors for transforming Iowa's economy:

- Educated, Productive Workforce
- Supportive Business Climate
- Infrastructure for New Economy

This proposal encompasses the attraction of investment to Iowa and grows a variety of business opportunities in the state by building on research strengths and increasing technology transfer to commercial entities.

It improves the quality of life in Iowa through educational outreach programs, exceptional and accessible valued public services in response to the needs of Iowans.

Performance Measurement

Major economic development collaborative projects with other state agencies, other public education institutions, and community/government entities.

Major economic development collaborative projects with Iowa businesses and entrepreneurs.

Number of intellectual property disclosures; number of patent applications filed; number of patents issued; number of license and option agreements executed on institutional intellectual property; number of licenses yielding income and amount of income; number of clients served by the Small Business Development Centers; amount of total sponsored funding for Regent universities; employment in Iowa for incubator tenants, incubator graduates, and research park tenants; number of new start-up companies, annually, utilizing technology developed by a Regent university.

Economic Development
Enhancing Opportunities to
Stimulate Economic Growth in Iowa
Board of Regents, State of Iowa

Revenue Description	Amount
State Appropriations	\$6,511,000
Indirect Cost Recoveries	325,000
Other	<u>83,000</u>
Total	\$6,919,000
Expense Description	Amount
SUI Oakdale Campus	\$3,064,000
SUI Biocatalysis	882,000
SUI Economic Development	247,000
ISU Economic Development	2,364,000
UNI Economic Development	<u>362,000</u>
Total	\$6,919,000

Safe Communities

Initiative	<p>Improve Community Safety through Quality Laboratory Services – Board of Regents, State of Iowa</p> <p>This proposal includes the Board of Regents appropriations of the University of Iowa's Hygienic Laboratory</p> <p>The Regent package totals \$6.7 million of which \$3.8 million represents state funding at the same amount as FY 2005. The other revenues result from sales and services charges.</p>
Description	<p>As Iowa's only state public health and environmental quality laboratory, the University Hygienic Laboratory (UHL), under the Board of Regents, within the Health Sciences Center of The University of Iowa, provides multidisciplinary analytical and diagnostic scientific services, leadership, and education to support environmental quality and public health. The Laboratory provides credible scientific information to direct decision-making by its partners and customers.</p> <p>UHL provides laboratory tests and consultation about a host of factors, including air quality, asbestos, fluoride, worker health, lead and mercury poisoning, stream and lake health, tuberculosis, newborn screening, rabies, radiation, pesticides, wastewater, drinking water and a host of viruses and bacteria such as West Nile Virus, SARS, influenza, Lyme disease and agents of food poisoning. Additionally, UHL provides consultation and educational training for laboratories in hospitals, clinics, physicians' offices, and local health departments as well as water, wastewater, and air quality laboratories. UHL has a statutory obligation to provide statewide laboratory scientific services to Iowans, and state and federal agencies for the control of communicable diseases.</p> <p>The Hygienic Laboratory provides a wide variety of outreach services to promote public education and awareness on environmental and public health issues. Outreach services focus on hands-on training, communication, and technical assistance to support public education in such areas as diagnostic testing and services for newborn screening, the analysis and control of communicable diseases, analysis and detection of environmental contaminants, and pollution prevention.</p> <p>The Lab works with the Iowa Department of Natural Resources to provide real-time air quality data and analyze state park beaches for bacteria, as well as water testing for concerned private well owners.</p>
Justification	<p><u>Prevention and Preparedness</u></p> <p>UHL began testing in Iowa 100 years ago this year. It was only a few decades after Koch and Pasteur had identified the causes of several infectious diseases. Cholera epidemics had swept across the U.S. numerous times in the preceding decades, creating the then "new economy" that required orphanages to house the many left homeless when their parents succumbed to the disease. Tuberculosis took the lives of many young adults and rabies was a common disease in humans. Diphtheria swept through communities along with smallpox and typhoid fever. Plague was common in port cities and immigrants were often blamed. Knowledge was power. When laboratory science allowed credible scientific information to direct decision making, epidemics abated.</p> <p>Prevention is a challenging success to quantify. In 20 years of testing</p>

for PKU (phenylketonuria), UHL has saved the state some \$608 million in lifetime care costs and kept 80 Iowans productive members of society. With most other savings, outcomes are measured in lives not lost and eyes and ears and kidneys still functioning. UHL has been challenged to continue delivering increasingly demanding services to Iowans as new threats are introduced. Such threats include West Nile Virus, monkeypox, bioterrorism and chemical terrorism.

Response and Recovery

Along with their counterparts at agencies such as the Iowa Department of Public Health and the Centers for Disease Control and Prevention (CDC), the University Hygienic Laboratory has taken its place in providing rapid and effective laboratory services in case of disaster. In October 2001, the Laboratory Response Network (LRN) proved effective in the anthrax attack.

UHL has the capacity and capability to identify both chalk and anthrax as well as sodium nitrite and citric acid. Not only does UHL provide the testing when there are unknown powders but also provides training of Iowans including the hospital laboratory community so that detection is as early and accurate as possible. Federal funding is being reduced this year. To fulfill its mission, UHL needs continued support for scientists and instrumentation that may be employed to detect and identify hazardous substances in humans and in the environment.

The University Hygienic Laboratory participates in many external performance evaluations (external audits) including, but not limited to, Water Supply and Water Pollution Performance Evaluation Series, USGS's Analytical Evaluation Program for Standard Reference Water Samples, NIOSH's Proficiency Analytical Testing Program, the Radionuclide cross check program and all of the applicable and available CLIA '88 proficiency testing programs. Many water and air quality test sites are monitored 24 hour per day.

Leveraging of Resources

In 20 years, UHL has gone from 68% to 23% of its revenue coming from appropriations. For every dollar spent in support of UHL, 3 additional dollars are generated, a good percentage of which comes ultimately from sources outside the state, mostly federal. These additional revenue streams have supported basic state statutory functions of UHL.

Performance Measure

Performance measures would include testing of all 38,000 newborns to be completed within 24 hours of their collection at whatever remote site in Iowa. Similarly, critical testing for meningitis, rabies, food poisoning and botulism would be available within hours of specimen collection, as would results of tests for chemical and bioterrorism.

Safe Communities

Improve Community Safety through Quality Laboratory Services – Board of Regents, State of Iowa

Revenue Description	Amount
State Appropriations	\$3,803,000
Sales and Services	2,839,000
Indirect Cost Recoveries	<u>82,000</u>
Total	\$6,724,000
Expense Description	Amount
Testing and Analysis Services	<u>\$6,724,000</u>
Total	\$6,724,000

Capitals

Initiative	<p>Responsible Stewardship of Academic Facilities – Board of Regents, State of Iowa</p>
Description	<p>This initiative would include the Board of Regents, the State University of Iowa, Iowa State University, the University of Northern Iowa, Iowa School for the Deaf, Iowa Braille and Sight Saving School, and Iowa Lakeside Laboratory.</p> <p>The Regent proposal requests \$15.0 million in one-time money from the state that would be matched by at least \$7.5 million of institutional general operating, building repair funds.</p> <p>The Board of Regents is responsible for the stewardship of more than 32 million gross square feet with a replacement value exceeding \$6.5 billion, including almost 16 million gross square feet of general education-related facilities with a replacement value exceeding \$3.1 billion. The Board is responsible for maintenance and necessary upgrades to the infrastructures of the Regent institutions to provide a safe and secure environment for the approximately 70,000 students and more than 20,000 faculty and staff who study and work on the campuses each day.</p> <p>The state operating appropriations budget reductions of recent years have adversely impacted the ability of the Regent institutions to correct the backlog of fire and environmental safety deficiencies and deferred maintenance items, while addressing, on a timely basis, needed repair / replacement items.</p> <p>The Regent institutions' general fund, general educational operating building repair expenditures have declined from a high of \$20.3 million in FY 2000 to a budgeted amount of \$13.4 million in FY 2005. This budgeted amount represents approximately 0.4% of the replacement value of the university and special school general educational facilities. According to national standards, this percentage should, at a minimum, be equal to 1% of the replacement value of the facilities to prevent their further deterioration.</p> <p>The inability to make needed repairs/replacements of roofs, exterior building envelopes, windows, plumbing and electrical systems on a timely basis can cause further damage to the facilities, thus increasing the cost of future repairs.</p> <p>In the fall of 2003, the Regent institutions reported more than \$150 million in deferred maintenance and fire safety deficiencies. The bonding authorization provided by the 2004 legislative session will correct slightly less than \$20 million of this amount, leaving a significant backlog of items to be corrected.</p> <p>While fire and environmental safety and deferred maintenance deficiencies have been addressed as part of major renovations for which appropriations were received in recent years, no specific appropriations to correct fire and environmental deficiencies and deferred maintenance have been received since FY 1996.</p>

Matching Proposal

The Regents propose a matching proposal - for every \$2 of new capital appropriations, up to \$15 million to correct fire and environmental safety deficiencies and deferred maintenance, the Board of Regents is committed to providing at least \$1 in general fund, operating building repair funds.

The proposed Five-Year Capital Plan (FY 2006 – FY 2010) which the Regents are required to submit by Iowa Code §262A will include a request for \$15 million in each of these five years to correct fire safety deficiencies and deferred maintenance. The institutions would match the state appropriations over five years. Approximately \$112 million would then be available to address fire safety, deferred maintenance and building repairs.

Justification

Facilities are a key component of the academic enterprise. They serve directly the students, faculty and staff who use them on a daily basis, other Iowans who visit the campuses for specific functions, and citizens who are served through outreach activities which are based on the campuses.

It is important that the Regents provide safe and secure facilities to the students and faculty and staff who live and work on the campuses, while minimizing current and future liability to the state through the correction of fire and environmental safety and deferred maintenance items.

Correction of these deficiencies will also improve the educational environment.

Performance Measure

The Regents have historically measured numerous indicators promoting progress and improvement at the five Regent institutions. The Regent enterprise utilizes management and oversight systems that regularly measure achievements in Board and institution strategic priorities, while pursuing continuous quality improvement in programs and services.

Measure 4.2.1.6 of the Board's 2004-2009 Strategic Plan provides for the collection of trend data on state support for capital projects that support teaching, research, scholarship, and service activities.

Since the late 1980's, the Board has received governance reports on fire and environmental safety and deferred maintenance. For 2004, the Board is scheduled to receive a facilities governance report.

Capitals	
Responsible Stewardship of Academic Facilities	
Board of Regents, State of Iowa	
Revenue Description	Amount
State Appropriations	<u>\$15,000,000</u>
Total	\$15,000,000
Expense Description	Amount
Fire Safety and Deferred Maintenance	<u>\$15,000,000</u>
Total	\$15,000,000

Priorities for Restoring Base Regent Operating Appropriations

Statutory Requirements As part of the appropriations requests process, statute requires that each state entity develop modified appropriation estimates assuming that base appropriations of the current fiscal year will be funded at 75%. Beginning with base requests at seventy-five percent of current funding, programs are to be identified, in priority order, for restoration to the current funding levels.

The following represents the recommended priority order for restoration of the 25% base appropriations in each of the Regent proposals.

<u>Proposals:</u>	<u>Priorities</u>	
Education - Universities	1 Instructional program	\$53,700,000
	2 Academic support and student services	39,500,000
	3 Institutional support	33,288,000
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Education – Special Schools	1 Instructional program	2,400,000
	2 Academic support and student services	901,000
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Health	1 County quota allocations for services and admissions of indigent patients.	6,200,000
	2 Additional County quota allocations for services and admissions of indigent patients.	4,207,000
	3 Primary Health Care	190,000
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Economic Development	1 Outreach Programs	650,000
	2 Research and development projects, regional centers, and client services.	500,000
	3 Technical development projects, regional centers, and client services.	478,000
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Environment	1 Research programs and farms	5,273,000
	2 Existing programs	2,706,000
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Safe Communities	1 Environmental monitoring	575,000
	2 Maintenance and support of the information system, data transmittal, and documentation.	200,000
	3 Central services and record processing support for all laboratory programs.	175,000

Other Agency Proposals That Involve Regent Institutions

Iowa Department of Economic Development (IDED) – Bioscience Pathway for Development

Iowa College Student Aid Commission

- Iowa Work-Study Opportunities
- Iowa Grants Program

Bioscience Pathway for Development (IDED)

Description

Based on research conducted by the Battelle Memorial Institute of the biosciences research strengths at Iowa's regent institutions, the current infrastructure used to transform that research into commercial products, needed to improve. A plan was created by Battelle for a biosciences industry in Iowa in cooperation with IDED, ICIB, UNI, ISU, U of I, commodity groups, farm organizations, private and investor owned utilities, business associations, local economic development professionals, venture capital firms, community colleges, the Department of Education and the Board of Regents.

The plan describes and defines the implementation strategy needed to create the systems infrastructure required to move research to commercialization, creating companies, jobs and wealth.

The plan outlines the funding needed to:

1. secure and enhance six bioscience research platforms within the state's research universities identified in earlier Battelle research with the highest level of potential success in developing commercial products,
2. enhance graduate student training,
3. develop business and university partnerships,
4. generate federal support dollars as well as private investment,
5. create an Alliance representing the key public and private partners to move the bioscience industry forward,
6. develop entrepreneurial support systems specific to the biosciences industry and,
7. conduct an economic impact study of the entire state to determine how varying types of bioscience companies create jobs and/or wealth in both urban and rural settings.

The following performance goals would be monitored on an ongoing basis by the IDED and Board of Regents over a ten year period:

- There will be more than 130 new bioscience business start-ups in Iowa by 2014. It is anticipated that 16,050 new jobs will be created.
- Iowa's location quotient in all the biosciences will exceed 1.4 to 1.5 by 2008, compared with 1.24 in 2002.
- Iowa will increase its university R&D funding (primarily from federal sources) for bioscience-related research from \$291 million in 2001 to \$700 million by 2010 and more than \$900 million by 2014.

The state will leverage at least \$5 in federal and other dollars for every \$1 of state support. Year one of the ten-year effort will require \$21.9 million of state funding for activities based in multiple sites. The IDED will require a \$1.6 million general fund appropriations to carry out the lead functions defined by the plan as economic development activities. The Board of Regents will require a \$3.7 million general fund appropriation for their responsibilities. Bond financing for year one totaling \$16.6 million (of the projected \$170 million total bond fund for 10 years) to develop facilities and equipment, and technology infrastructure investments in pilot plants, demonstration facilities and other translational facilities and equipment also required.

The plan relies on the cooperation and coordination of multiple players from the public and private sectors.

Iowa Work-Study Opportunities

Participants	Iowa College Student Aid Commission Iowa Department of Education Board of Regents Iowa Colleges and Universities
Description	The proposal provides 5,300 students at Iowa colleges and universities with work-study opportunities averaging \$642.
Justification	<p>The Iowa Work-Study Program was established in 1987 to promote part-time employment for students attending Iowa colleges and universities. The authorizing legislation provides a \$2.75 million annual standing limited appropriation. The Iowa General Assembly has not funded the program since FY 2001, but the statutory authority for the program has been retained, and \$2.75 million will be available in FY 2005 unless the appropriations language is again nullified. The proposal:</p> <ul style="list-style-type: none">• <u>Assures that all learners have access to a broad set of educational opportunities:</u> the Iowa Work-Study Program will provide college and university students with access to educational programs that provide the best set of opportunities for each individual.• <u>Enhances the affordability of early childhood and postsecondary opportunities:</u> the Iowa Work-Study Program will provide work opportunities to financially needy students and enable them to assist their families in covering the costs of postsecondary education. Students who receive work-study assistance are in need of financial assistance and willing to work their way through college.• <u>Builds results-oriented partnerships among education institutions, government, families, communities, business, non-profits, and others:</u> the Iowa Work-Study Program will be operated as a partnership between the State of Iowa and colleges and universities providing education to Iowa students. Funding for the Work-Study program will help Iowa qualify for federal matching funds that will be directed to the Iowa Grant Program.

- Implements evidence-based best practices: research shows that individuals with four-year degrees earn more and pay more taxes throughout their lives. Research on student outcomes suggests that college students who work in on-campus environments have better, more meaningful learning experiences.
- Increases the proportion of the resources devoted to direct instructional activities: Iowa Work-Study funds are provided in the form of assistance to students.

Work-study students have an opportunity to work in business environments that prepare them with the skills and experience and flexibility needed to step into the types of jobs expected in the future. Students in many work-study positions assist faculty in the conduct of original research that will lead the creation of new products, businesses, and jobs for the students and other Iowans.

Iowa Grants Program

Participants	Iowa College Student Aid Commission, Iowa Department of Education, Board of Regents, and Iowa Colleges and Universities
Description	The proposal provides 2,033 low-income students at Iowa Regent universities, independent colleges and universities, and community colleges with grants up to \$1,000.
Justification	<p>Results of a Commission study showed that Iowa Grant recipients earn substantially greater incomes than individuals with only high school diplomas. The trend suggests that by the eighth year after graduation, recipients earn 32% more than the average for the general population of age 28. In the eighth year after graduation, about 63% of recipients continue to live in Iowa, participate in Iowa cultural and business activities and pay taxes commensurate to their incomes.</p> <p>The Iowa Grant program assists low-income college and university students. The \$1,000 grant provides increased opportunities for approximately 2,033 at-risk students each year. When the first Iowa Grant awards were made in FY 1990-91, the maximum award covered 53% of the Regent tuition and fees, 12% of average Independent tuition and fees, and 78% of community college tuition and fees. As we begin FY 2004-05, the maximum award has dropped to less than half of the original percentages in all three sectors. The proposed funding:</p> <ul style="list-style-type: none"> • <u>Assures that all learners have access to a broad set of educational opportunities</u>: Iowa Grants provide needy college and university students with access to programs that provide the most appropriate student-centered educational opportunities. Need-based funding is essential to ensure that all students have the opportunity to pursue their educational goals. • <u>Enhances the affordability of early childhood and postsecondary opportunities</u>: Iowa Grants provide postsecondary opportunities to students and families with the greatest financial need. Students who receive the grants may not be able to attend, but for the availability of need-based assistance.

- Builds results-oriented partnerships among education institutions, government, families, communities, business, non-profits, and others: The Iowa Grant Program is operated as a partnership between the State of Iowa and colleges and universities providing education to Iowa resident students. The federal government serves as an important partner, providing \$347,840 in federal LEAP funds for the 2004-05 academic year. If all Commission proposals are adopted, Iowa will be able to receive an additional \$800,000 in federal LEAP and SLEAP funds to provide Iowa Grants to an additional 1,579 students.
- Implements evidence-based best practices: research shows that individuals with postsecondary degrees earn more and pay more taxes throughout their lives.
- Increases the proportion of the resources devoted to direct instructional activities: Iowa Grants are provided in the form of assistance to students. Partnering colleges and universities select the recipients, ensuring that the most needy students receive Iowa Grant funding. Iowa Grants are provided in the form of student-centered assistance administered by Iowa college and university partners.

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