

**Contact: Pamela Elliott Cain**

**FY 2007 APPROPRIATIONS REQUESTS**

**Action Requested:**

Consider adopting the following requests to forward for consideration by the Governor and his buying teams.

**Executive Summary:**

Last year, the Governor altered Iowa's budgeting approach to fund the state's highest priorities with the first dollars in the state's budget. Buying teams act as advisers to the Governor, who will ultimately make decisions regarding budget recommendations. For FY 2007, the buying teams are aligned with the seven legislative budget subcommittees; Education, Health and Human Services, Economic Development, Justice, Agriculture and Natural Resources, Capitals, and Administration and Regulation. The Board of Regents provides services that are "purchased" by the state in education, health and human services, economic development and capitals.

**Higher Education Appropriations Request \$ 611,572,911**

Last year, the Board of Regents implemented a four year program to transform the institutions and increase education excellence by increasing overall university resources for strategic priorities. The additional resources are a combination of state appropriations, internal reallocations and tuition. This request is for the second incremental increase from the state.

The \$611,572,911 request encompasses the funding for FY 2006 with an incremental request of \$40 million. 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.

The enhancement of a \$40 million increase in state operating appropriations to the Regents matched by specifically directed internal reallocation would:

- Assist in offering nationally competitive salaries to allow the universities to recruit and retain faculty members who are among the very best in their fields of study to maintain educational excellence.
- Establish new faculty positions in areas critically important to the future of Iowa.
- Preserve the quality of statewide research and outreach services inherent in the missions of the three Regent universities.

**Higher Education Special Purpose Appropriations Request \$ 25,805,562**

The request would continue operational funding for the special purpose appropriations at the three universities at the level funded in FY 2006. These appropriations are for specific programs at each institution which provide services to Iowa. Examples of these appropriations are the Hygienic Laboratory at the University of Iowa, the Leopold Center at Iowa State University, and the Recycling and Reuse Program at the University of Northern Iowa.

Special Education Appropriations Request \$ 14,305,786

The funding request for the two special schools (ISD and IBSSS) includes the same allowable growth percentage increase on state operating appropriations as for the other public K-12 schools in the state. This is identical to the request made for FY 2006 which was adopted by the Governor and the General Assembly. The funding would allow the Board of Regents to continue to 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.

Economic Development Appropriations Request \$ 2,971,853

The request supports the following major factors for transforming Iowa's economy:

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

This offer supports 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. In addition, this request dovetails and augments the programs and projects to be funded from the Grow Iowa Values Fund.

Health (UIHC) \$ 27,284,584

The request maintains the funding to the University of Iowa Hospitals and Clinics to provide care for those Iowans enrolled in the IowaCare program. If this patient population did not have access to care via the IowaCare Program, many would be forced to seek care in emergency rooms and/or to forgo care altogether.

Capital Request \$25,000,000

The FY 2007 capital request includes only funding to correct deferred maintenance and fire safety deficiencies at the Regent institutions. The request includes \$250,000 to address capital needs for Calvin Laboratory at Iowa Lakeside Laboratory. For additional information see Agenda Item 8c.