

Contact: Brad Berg

FY 2024 OPERATING AND OTHER APPROPRIATIONS REQUESTS

Actions Requested: Consider:

- Approval of the identified operating and other appropriations requests for FY 2024 totaling \$630.46 million.
- Authorizing actions by designated Regent staff to seek collaboration and partnerships between Regent institutions and other sectors of state government. The Regent legislative efforts are an integral part in successfully receiving requested funding.

Executive Summary: Consistent with the Board's strategic plan, determining and fulfilling appropriate resource needs are essential in providing high quality public education, cutting-edge research, and needed public services. Predictability, transparency and long-term planning strategies are woven throughout the plan. To maximize benefits to Iowans and other citizens, the Board of Regents advocates for adequate support for Regent institutions from all sources for high-quality educational opportunities accessible to Iowans, research and scholarship, service activities, and economic development efforts. The Board's strategic plan also calls for adequate support of Regent institutions from all sources and promoting the effective use of resources to meet institutional missions. One essential resource for Iowa's Regent public institutions is state appropriations.

Iowa Code requires state entities to submit the appropriations requests for the ensuing fiscal year to the State on or before October 1. The chart on the following page provides a summary of the proposed FY 2024 appropriations requests.

EDUCATION APPROPRIATIONS REQUESTS FY 2024			
HIGHER EDUCATION			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
SUI - GENERAL UNIVERSITY	218,045,224	12,000,000	230,045,224
ISU - GENERAL UNIVERSITY	174,092,719	12,000,000	186,092,719
UNI - GENERAL UNIVERSITY	99,408,923	8,000,000	107,408,923
SUBTOTAL - HIGHER EDUCATION	491,546,866	32,000,000	523,546,866
SPECIAL PURPOSE UNITS			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
UNIVERSITY OF IOWA			
OAKDALE CAMPUS	2,103,819	-	2,103,819
HYGIENIC LABORATORY	4,822,610	-	4,822,610
FAMILY PRACTICE	2,220,598	-	2,220,598
SPECIALIZED CHILDREN'S HEALTH	634,502	-	634,502
PRIMARY HEALTH CARE	624,374	-	624,374
STATE OF IOWA CANCER REGISTRY	143,410	-	143,410
SUBSTANCE ABUSE CONSORTIUM	53,427	-	53,427
BIOCATALYSIS	696,342	-	696,342
BIRTH DEFECTS REGISTRY	36,839	-	36,839
ONLINE PLACEMENT ACADEMY	463,616	-	463,616
FLOOD CENTER	1,154,593	-	1,154,593
WATERMAN NONROFIT RES CENTER	156,389	-	156,389
IOWA STATE UNIVERSITY			
AG. EXPERIMENT. STATION	29,462,535	-	29,462,535
COOP. EXTENSION SERVICE	18,307,366	(150,000)	18,157,366
UNIVERSITY OF NORTHERN IOWA			
RECYCLING & REUSE	172,768	-	172,768
MATH & SCIENCE (STEM)	6,354,848	-	6,354,848
REAL ESTATE EDUCATION	123,523	-	123,523
NEW: UNI @ IACC PARTNERSHIP	-	2,000,000	2,000,000
SUBTOTAL	6,651,139	2,000,000	8,651,139
SUBTOTAL - SPECIAL PURPOSE	67,531,559	1,850,000	69,381,559
SPECIAL SCHOOLS			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
IA EDUCATION FOR DEAF AND BLIND	15,743,447	518,586	16,262,033
NEW: LEAD-K FAMILY MENTORING	-	300,000	300,000
SUBTOTAL - SPECIAL SCHOOLS	15,743,447	818,586	16,562,033
OTHER			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
REGIONAL STUDY CENTER	268,297	-	268,297
BOARD OF REGENTS OFFICE	764,642	-	764,642
SUBTOTAL - OTHER	1,032,939	-	1,032,939
TOTAL EDUCATION APPROPRIATIONS	575,854,811	34,668,586	610,523,397
ECONOMIC DEVELOPMENT APPROPRIATIONS			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
SUI - ECONOMIC DEVELOPMENT	209,279	-	209,279
SUI - ENTREPRENEURSHIP	2,000,000	-	2,000,000
SUI - BIOSCIENCES INNOVATION	874,494	125,506	1,000,000
ISU - ECONOMIC DEVELOPMENT	2,424,302	-	2,424,302
ISU - BIOSCIENCES INNOVATION	2,623,481	376,519	3,000,000
UNI - ECONOMIC DEVELOPMENT	1,066,419	400,000	1,466,419
UNI - FOUNDRY 4.0 CENTER	394,321	-	394,321
ALL - INNOVATION FUND	3,000,000	-	3,000,000
TOTAL ECON DEV APPROPRIATIONS	12,592,296	902,025	13,494,321
AGRICULTURAL & NATURAL RESOURCE APPROPRIATIONS			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
ISU - VET DIAGNOSTIC LAB	4,400,000	-	4,400,000
SUI - AG SAFETY & HEALTH (I-CASH)	128,154	-	128,154
ISU - LIVESTOCK DISEASE RESEARCH	170,390	-	170,390
SUI - GEOGRAPHICAL & WATER SURVEY	200,000	-	200,000
SUI - WATER RESOURCE MGMT	495,000	-	495,000
TOTAL AG APPROPRIATIONS	5,393,544	-	5,393,544
OTHER APPROPRIATIONS			
	<u>FY23 Continuing</u>	<u>Incremental</u>	<u>FY24 Total</u>
SUI - UIHC PYSCH RESIDENCIES (w/ DPH)	800,000	-	800,000
ISU - MIDWEST GRAPE & WINE-STANDING	250,000	-	250,000
TOTAL OTHER APPROPRIATIONS	1,050,000	-	1,050,000

HIGHER EDUCATION GENERAL UNIVERSITY APPROPRIATIONS REQUEST \$523.5M

Consistent with the Board’s strategic plan, determining and fulfilling appropriate resource needs are essential in providing high quality public education, cutting-edge research, and needed public services. State appropriations are one of two primary sources of core operating funds supporting higher education.

After a long period of price stability, inflation accelerated in early 2021. The Consumer Price Index (CPI) rose 9% from June of 2021 to June of 2022, and the annualized rate of change in June of 2022 was 17%. These rates of inflation are close to the highest rates experienced in the United States during the late 1970s and early 1980s. A recent estimate of the increase in the Higher Education Price Index (HEPI) for the period June 2021 to June 2022 is 5%. Similarly, the costs of nearly all services provided and goods purchased by the Regent Universities are rising. Examples include information technology hardware and software, food, utilities, fuel, collective bargained wages and personnel costs. There is great concern about employee costs in a market heavily influenced by inflation, competition for quality talent, and labor shortages. Given the \$594.9 million current appropriation amount to the Regents, a 5% inflation-based increase in state funding would equate to roughly \$30 million in incremental funding.

The FY 2024 Regent higher education requests for the three universities provided on page 2 totals \$523.5 million and includes:

- Continuation of FY 2023 recurring appropriations totaling \$491.5 million.
- Incremental funding totaling \$32.0 million for the three universities.

Provided below are details of the higher education funding requests for each university.

SUI Higher Education - The University of Iowa is requesting \$12M in new support from the state to increase the number of nurses working in Iowa and to improve the outcomes of first-in-family college students.

- **INCREASING THE NURSING WORKFORCE (\$7M)** - SUI’s College of Nursing is a nationally ranked top-10 program, according to U.S. News and World Report, and is eager to grow its impact within the state of Iowa. Beginning in 2018, the College of Nursing began purposeful efforts to grow the number of nurses educated, and enrollments in the college have increased 11% from five years ago to 160 students today. This increase has fully tapped the existing capacity of the college – both in terms of needed space and equipment for clinical training and the instructors needed for educating new students. Increasing faculty ranks and renovating existing infrastructure and are the next steps to develop more nurses for Iowa.

Education of the next generation of nurses is currently limited due to a lack of simulation and training space available within the College of Nursing. Renovation, to increase the efficiency of the existing space, will allow the college to add 48 additional nursing students per year, representing a 30% increase within four years.

The Nursing Clinical Education Center (NCEC) is a joint venture between the Department of Nursing Services and Patient Care at UI Health Care and the UI College of Nursing. This 20,000-square-foot space includes an 11-room clinical simulation lab where learners experience sophisticated and complex nursing care in specialty and clinical situations. The simulation lab exposes students to high-fidelity patient situations; to perioperative scenarios; to a pediatric intensive care unit (ICU); to a neonatal ICU; to general pediatrics; to adult medical surgical care; to adult critical care; and to pediatric and adult ambulatory care.

The simulation facility is utilized to train nursing students and health care staff in providing safe, effective, and compassionate care. While it was state-of-the-art when it was completed in 2007, it is now in need of renovation for the purpose of: a) providing more robust, state-of-the-art technology that affords the most realistic situations and training opportunities, and b) increasing the capacity to train for more students and health care staff.

As one way to grow the student population, the College of Nursing has designed an innovative program called the Master of Science in Nursing: Entry into Practice. This is a full-time accelerated nursing program that prepares non-nurse college graduates of all academic backgrounds to become practicing nurses, with a post baccalaureate degree, in 15 months.

When fully implemented, the college will be able to increase its capacity with the intention to graduate 48 additional nurses per year. This is a 30% boost in the number of nurses the College of Nursing will prepare for entry into the workforce. Therefore, investing in Iowa's College of Nursing is an investment in nursing care for the state.

To increase enrollment at this scale (from 160 graduates a year to 208 graduates a year), 10 new faculty are needed in the College. Nursing faculty who are innovative and committed to educating the next generation of nurses are in high demand across the Midwest and beyond. The requested additional funding from the state will ensure that we can attract 10 exceptional new faculty from across the country, pay them a competitive salary, and provide support for curriculum development, professional development, and clinical research opportunities.

- **FIRST-IN-FAMILY COLLEGE STUDENT OUTCOMES (\$5M)** - During the past five years, roughly one in five of SUI undergraduate students is first-in-family to go to college. Many of these students come from rural Iowa. Students who are first-in-family to attend college have retention and graduation rates below their peers who have family members who have college experience.

Addressing this disparity has been a primary focus of the university, and a pilot program, called First Gen Hawks (FGH), was launched two years ago.

The FGH program uses evidence-based practices to wrap services and supports for first-year, first-in-family students to ensure their success. Experiential learning, peer mentoring, and individualized academic coaching are some of the elements that create the wrap-around support needed for these students to be successful.

First-year students in the pilot FGH program were substantially more likely to continue their education into the second year at Iowa. Retention rates of 92% for program participants are 9% higher compared to those who do not participate in the program, and 4% higher compared to all students.

- **First-Gen-Hawks Programming (\$1M)** - Currently FGH focuses on first-year, first-generation students. To maintain momentum and maximize the impact on student participants' degree completion, SUI proposes expanding the program from a set of integrated services for a small cohort of first-year, first generation students, to a more comprehensive four-year program and grow the program from 100 students to 250 students. While the student success components of the program would remain (e.g., experiential learning, coaching, mentoring, social engagement), the specific focus would change during a student's time at the SUI. Coaching would shift from a focus on academics to career coaching, with an emphasis on job/graduate school search and placement assistance. To support more students as well as expanded programming across four years, the amount requested is \$250,000 per cohort of 250 students for a total request of \$1 million per year.
- **First-Gen-Hawks Scholarship (\$4M)** - Unmet financial need is an additional challenge that many first-generation students face. Providing need-based scholarships reduces the stress of financing college and allows students to dedicate more time and energy to the experiential learning components of the FGH program. SUI proposes providing 250 scholarships (\$4,000 each) for each FGH cohort to help those with unmet financial need for a total request of \$4M per year.

- iJAG High School Program: A Pipeline for First-Gen-Students (\$0M) - One of the programs SUI has identified that would encourage more first-generation students to attend college is iJAG (Iowa Jobs for America's Graduates). The iJAG High School Program is located in 17 communities across Iowa and serves students in 9th-12th grade. iJAG teachers in these schools provide individual attention to students, helping them overcome barriers that prevent them from taking advantage of their high school education.

Developing a connection to students who participate in iJAG would create a new pipeline of support for high school students across Iowa. SUI would guarantee acceptance into the First Gen Hawks (FGH) program for any iJAG student who is admitted into the university, regardless of major or whether they are first-time, first-year students or transfer students from community college.

ISU Higher Education – As the state's only land-grant university, ISU's Extension and Outreach professionals deliver research-based education and information directly to Iowans through a 99-county Extension and Outreach network, which is a resource for lifelong learning in the areas of agriculture and natural resources, community and economic development, human sciences, and 4-H youth development. ISU requests \$12M in incremental legislative appropriations for the following programs and initiatives.

- **ENSURING SUCCESS FOR FIRST GENERATION RESIDENT UNDERGRADUATE STUDENTS (\$2M)** - ISU has a longstanding commitment to the educational success of first-generation Iowa students from all 99 counties, including 19% of undergraduate students in Fall 2021. Existing programs provided over \$4M in financial aid to hundreds of students, as well as specialized academic support, mentoring, and leadership development. However, significant unmet need remains. Supplemental funding will be leveraged with private scholarships and will help the university continue to serve this critical population of students and potential for the state's workforce.
- **PREPARING IOWA'S FUTURE READY WORKFORCE (\$4M)** - A key mission of the university is preparing students for careers and leadership in Iowa's science and technology economy. ISU's emphasis on hands-on, practical learning and developing critical thinking and creativity skills makes its graduates highly sought after by employers. Indeed, 56% of Iowa State undergraduates – more than 14,000 students – are pursuing degrees in STEM fields. New resources will maintain this momentum and address the state's future-ready STEM workforce needs, expanding degree and certificate programs for students in artificial intelligence, cybersecurity, computer science, computer engineering, data science, software engineering, and other high-demand technology areas. Graduates from these areas are well-positioned to start their own business ventures, be recruited into excellent job opportunities, and build careers and lives in Iowa.
- **STRENGTHENING RURAL RESILIENCY AND VITALITY (\$1M)** - Additional resources will enable the university to expand mental health programs, such as Mental Health First Aid and the Question/Persuade/Refer suicide prevention program, and to re-launch its student counseling internship program. These initiatives, if funded, will help meet critical mental health needs both on-campus and statewide. Additional funding will also sustain valuable community and economic development programs to help rural communities thrive.
- **SUPPORTING AMERICA'S RARE EARTH INDEPENDENCE (\$3M)** - Rare earth metals are integral to modern electronics, clean energy, and national security technologies, but the U.S. is reliant on foreign sources of those critical materials. ISU and the Department of Energy's Ames National Laboratory have a productive 75-year partnership of scientific discovery and innovation in rare earth materials. The requested funding will maintain Iowa's leadership in this area by accelerating research and supporting American industry to create resilient and secure supply chains for materials development and recycling.

- **FOSTERING INNOVATION IN DIGITAL AGRICULTURE, MANUFACTURING, AND BIOSCIENCES IN OUR LEARNING AND RESEARCH ENVIRONMENT (\$2M)** - New resources are needed to realize educational and research opportunities for Iowa in the areas of digital agriculture, water quality, and vaccine delivery technologies, where the university deploys a multidisciplinary approach that combines faculty expertise with industry and state partners. However, the university's competitive position in these strategic areas has eroded over time through lagging state appropriations. Re-investment is needed to successfully retain high-performing faculty and staff who directly impact the quality of the learning experiences for students and contribute to the success of our research and economic development mission, including technology transfer to the Iowa State University Research Park.

UNI Higher Education - As Iowa's only public comprehensive university, UNI focuses on providing access to a transformative educational experience to a predominantly low- to moderate-income student profile, as nearly 30 percent of UNI undergraduates receive the federal Pell Grant. UNI will ensure its continuing commitment to quality, affordability and access for Iowans. Ninety percent of UNI undergraduates come from Iowa, representing all 99 counties.

To continue serving Iowans and accomplish their mission, UNI requests incremental funding of \$8 million to support the following two strategic initiatives.

- **TUITION DIFFERENTIATION (\$4M)** - In order to be competitive in recruiting students, UNI must continue its effort to realign the sticker price and net cost of tuition and mandatory fees relative to the state's public research universities in a manner that is consistent regionally and nationally in states that border Iowa. The average difference between the regional comprehensive universities and the public flagships is \$3,484. Similarly, UNI's designated peers average \$2,775 less in tuition and mandatory fees compared to the public flagship institutions in their states. The data indicates that UNI's tuition and mandatory fees should be between \$2,700 and \$3,500 lower than that of the public research institutions in Iowa. Currently that value is \$832. The additional state investment of \$4 million will help UNI honor its mission as an affordable education for Iowa families by holding tuition flat for the 2023-24 academic year. The investment will also allow UNI to grow enrollment and honor negotiated contracts for employee salary increases.

Despite multiple challenges, UNI continues to increase the proportion of graduates who earn degrees in four years. UNI has increased its four-year graduation rate by 16 percentage points since 1997 (from 29% to 45%) and the vast majority of UNI students graduate within five years. UNI's success in reducing the time students spend earning their degrees also enhances efficiency in university operations.

- **EDUCATORS FOR IOWA (\$4M)** – UNI has a strong legacy of providing Iowa's public and private schools with educators. Currently, more than 10,000 educators in Iowa can trace their path back to a UNI education. That represents 22% of Iowa's elementary and secondary education professionals. With 450 to 500 graduates each year for the past 10 years, UNI's educator preparation program is the largest in the state. Future teachers make up one-fourth of the undergraduate enrollment at UNI, which benefits the entire state since 89% of teacher education graduates from UNI stay in Iowa to work after they graduate. UNI-educated teachers are employed in all 99 counties in Iowa and in 99% of Iowa's school districts.

There is a growing teacher shortage in the state and across the nation. Through the Teach Iowa Scholar Program, the State of Iowa provides support for teachers who have completed their training, but there is no state support to encourage young people to pursue an education that leads to teacher licensure. UNI is requesting \$4 million to recruit more students into the teaching profession. The program will be modeled after the federal TEACH grant program and provide annual grants to educator preparation students until they graduate. The funding will also scale-up current programs such as UNI's 2+2 online elementary education degree program and their Purple Pathway for Paraeducators program, which is an accelerated, online, practice-based program that provides a needed avenue for paraeducators to earn a bachelor's degree and become a licensed elementary and/or special education teacher.

HIGHER EDUCATION LEGISLATIVE SPECIAL PURPOSE APPROPRIATIONS REQUEST..... \$69.4M

These appropriations support specific units/programs at each institution that provide services statewide. The appropriation requests for each individual special purpose unit is provided on page 2. State funding for most of these units continues to be 14%-20% less than FY 2009 amounts. These units have a far-reaching impact and additional funding is needed to maintain the quality work they do for Iowans. For FY 2023, ISU's Cooperative Extension received an incremental \$150,000 to host a national meeting of county agricultural agents that is not being renewed for FY 2024. While all other existing higher education special purpose unit requests are flat with the current year, UNI requests the following new partnership program with Iowa's community colleges.

NEW – UNI@IACC PARTNERSHIP - Access to a four-year degree in Iowa is more attainable than ever with the UNI@IACC partnership. The initiative partners with all Iowa community colleges and provides seamless access for students completing their associate's degree to finish their bachelor's degree online through UNI. UNI@IACC helps realize UNI's vision of providing affordable and high-quality educational opportunities to learners who may not have access to a four-year degree due to their location, job or life commitments, but who need the degree and training to succeed in Iowa's high-demand workforce.

The UNI@IACC partnership expands UNI's successful UNI@DMACC program to three more Iowa community colleges: Western Iowa Technical Community College in Sioux City, Iowa Western Community College in Council Bluffs and Indian Hills Community College in Ottumwa. UNI will place a dedicated, on-site student support specialist at each of these institutions to provide holistic advising and internship and career placement services for students. In fall 2022, student support specialists are in place at DMACC and Western Iowa Tech, and in spring 2023, UNI will have these personnel placed at Iowa Western and Indian Hills. The adult and place-bound learners served through the UNI@IACC partnership will also have access to faculty who are critical to delivering the personalized touch that defines a UNI education.

To launch UNI@IACC, UNI received \$4.166 million in one-time federal American Rescue Plan (ARP) program scale-up funds allocated through the Governor's office, to be dedicated by December 2024. Eighty percent of these funds support UNI@IACC Future Ready Scholarships while the remaining funds cover mission-critical personnel and operating expenses on each site. The Future Ready Scholarships assist in covering the difference between community college tuition and the UNI tuition rates for students pursuing one of the qualifying UNI online degree completion programs. To qualify for the scholarships, students must have earned an Iowa community college degree, maintain a GPA of 2.0 or higher, and complete the FAFSA demonstrating financial need, as defined by the ARP guidelines.

UNI is requesting \$2 million in FY 2024 state appropriations for the UNI@IACC partnership. The funding will provide an ongoing funding source to eventually replace the one-time ARP funds. The request will allow UNI to expand direct support of students on four additional community college campuses. Specifically, the funds will provide four student support specialists and double the number of communities through the UNI@IACC partnership

SPECIAL SCHOOL EDUCATION OPERATING APPROPRIATIONS REQUEST \$16.6M

The funding request consolidates the operating appropriations for the Iowa School for the Deaf (ISD) and Iowa's Educational Services for the Blind and Visually Impaired (IESBVI) into one. With the administrative positions for ISD and IESBVI being consolidated several years ago and Braille School facilities being sold to the City of Vinton, consolidation of these two operating appropriations is requested as Iowa Education for Deaf and Blind on page 2. It provides resources for them 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. ISD and IESBVI rely heavily on state funding for their operations. The Special Schools' request to maintain parity with funding for K-12 public schools includes the continuation of the FY 2023 recurring appropriations totaling and incremental

funding of \$518,586. The incremental request also includes funding to bring P&S staff with 7-10 years' experience to the mid-point of the pay scale and those with 20 years to the maximum.

The requested increase will support the core programming for students who are blind or deaf in Iowa through the defined service delivery model currently being used, by ensuring:

- Implementation of students Individual Education Program in cooperation with the local school districts and Area Education Agencies.
- Achievement of benchmarks for reading in grades K through 3 for students served by IESBVI.
- Measurable growth toward grade level benchmarks in reading and mathematics for students in grades 3 through 11 at ISD.
- Programs and activities that support instruction of the Expanded Core Curriculum
- Access to appropriate transition programming that meets the unique needs of deaf and blind students.
- Operation of safe and efficient facilities for education and residential services on the ISD campus.
- Access to a language rich environment, including American Sign Language and instruction of Braille to meet the communication needs of students who are deaf or blind.

NEW: LEAD-K Family Mentoring Program (\$0.3 million)

During its 2022 session, the legislature established the language equality and acquisition for deaf kids (LEAD-K) program in Iowa, including a comprehensive Family Support Mentoring Program that meets the language and communication needs of families ([2022 Iowa Acts Chapter 1094](#)). The legislation states that this mentoring program is contingent upon a state appropriation for this purpose. ISD requests \$300,000 in state appropriations to administer the Family Support Mentoring Program across Iowa for parents who provide their consent, to pair them with other families of deaf or hard-of-hearing children or with an adult deaf mentor. Parents or guardians of deaf and hard of hearing children will be able to work with the families and share their experience and knowledge with others. The appropriation will be used to hire a coordinator, hearing family support mentors and deaf support mentors provider costs, and training. 95% of deaf children are born to hearing parents who do not use a signed language, so they do not have full access to language in the home. Any delayed access to signed language causes lags in academic, social, and behavioral growth. When exposure to an accessible language is delayed beyond five years of age, neural organization is permanently altered leading to less efficient development.

ECONOMIC DEVELOPMENT APPROPRIATIONS REQUEST \$13.5M

The economic development funding provided by the State of Iowa for the Regent institutions over the years has been critical to efforts in supporting the formation and growth of entrepreneurship educational activities, assistance to startup and existing Iowa companies, and faculty and student awareness of entrepreneurship and economic development. The translation of university innovations and technologies has proven to be critical and a driving force for innovation and job creation. More importantly, it is essential for the long-term growth of a sustainable, innovative economy that will position Iowa to be competitive in a global market. All Economic Development appropriations are requested to remain flat with FY 2023 with the following two exceptions.

UNI Economic Development (\$0.4M increase) - Five UNI centers share direct economic development appropriations - the Institute for Decision Making, Metal Casting Center, Advance Iowa, Family Business Center and the Iowa SourceLink program (supported by the John Pappajohn Entrepreneurial Center). These programs provide valuable, ongoing economic development support to communities, small- and medium-sized businesses, entrepreneurs, and manufacturers across the state. UNI is requesting an additional \$400,000 this year to support expansion of the growing Family Business Center and the Institute for Decision Making. The Family Business Center is playing a critical role in supporting Iowa's family-owned businesses

and has gained substantial support from family businesses of all sizes in all regions of the state. Nationwide, about 70 percent of businesses have some family tie. Another focus of the expansion is to support economic developers in the pursuit of Manufacturing 4.0, the innovation economy, and to address workforce issues. UNI's intent is to help Iowa not only remain competitive, but to grow Iowa's economy. UNI's economic development programs served approximately 3,500 unique business clients in the past year and provided economic development services in all 99 Iowa counties for the 22nd consecutive year. UNI outreach programs leverage each dollar of direct state appropriations with five dollars of support from federal sources, grants, and fees for service.

ISU & SUI Biosciences Innovation (\$0.5 million increase) - Biosciences are critical to Iowa's economy and are vital to the state's future economic development and growth. In the TEconomy report released by the Governor, four bioscience platforms were identified where Iowa has the greatest likelihood of achieving a differentiated leadership position to grow and diversify the state's economy:

- Biobased products (ISU)
- Digital and precision agriculture (ISU)
- Vaccines and immunotherapeutics (ISU)
- Medical devices (SUI)

The State of Iowa's plan for growing the bioscience sector involved the Iowa Economic Development Authority (IEDA) establishing the Iowa Biosciences Development Center (IBDC) for coordinating activities, combined with a strategy to minimize ecosystem costs by leveraging existing assets for technology transfer at ISU and SUI.

In partnership for FY2021, ISU & SUI strategically invested the \$1.08 million appropriated by the Iowa Legislature along with a total one-time contribution of \$1 million from BioConnect Iowa to establish the innovation ecosystem in the bioscience platforms, to contribute to long-term economic growth in Iowa. Current work includes:

- Identifying and prioritizing technologies with potential for commercial development, accelerating industry outreach, and engaging with startups and established companies to commercialize technologies.
- Expanding seed grant programs in the three ISU platforms to support public-private research partnerships and new industry collaborations with Iowa companies, leveraging State funds this past year, by over \$15M in new federal and private-sector partnership funding.
- SUI expanded seed funding for faculty translating research into commercial applications, expanded med-tech industry advisors and Venture Capital connections and broadened student engagement with ProtoStudios and the Iowa MADE program. Medtech faculty startups raised over 70 million from external venture capital funding plus Boston Scientific exercised an option to acquire a UI faculty founded start-up working in the field of cardiology for \$295 million.

The BioSciences Platforms at ISU and SUI offer unique opportunities to complement the state's existing development of new ventures and commercialization of technology with a focused effort on the workforce needed to keep those ventures growing. Together, ISU and SUI, with designated partners including Future Ready Iowa and the Governor's STEM Council, will design a workforce training program that aligns with the specific needs of regional employers.

The incremental FY 2024 requests of \$376,519 for ISU's bioscience platforms and \$125,506 for SUI's platform will fully fund the biosciences innovation program first requested for FY 2020. The additional funding will enable maintenance of all programs and staff currently in place, enhance and expand industry-university collaborations, boost technology transfer and intellectual property capacities, and attract new expertise dedicated to the bioscience platforms.

AGRICULTURAL & NATURAL RESOURCES APPROPRIATIONS REQUEST.....\$5.4M

Iowa agriculture is highly dependent on trade. A highly capable veterinary diagnostic laboratory (VDL) is critical to documenting disease status to qualify animals and animal products for export and to keep diseases from entering the United States. In addition to the VDL, the State supports SU's Geographical and Water Survey, Water Resource Management, the Iowa Center for Agricultural Safety and Health and Livestock Disease Research at ISU. All agricultural and natural resource appropriations requests for FY 2024 remain flat with the current year.

COLLABORATION & REGULATORY RELIEF

The Board of Regents strongly encourages Regent institutions to seek collaboration and partnerships between Regent institutions and other sectors of state government that result in improved productivity, more effective stewardship of state resources and enhanced economic development opportunities for Iowa's citizens. The Board also seeks relief from statutory and administrative state mandates that demonstrably impede the Regents' flexibility in governance, require unnecessary staff work or require significant reporting which no longer serves a critical state or Regent strategic purpose.

SALARY FUNDING

Should the State develop a plan for supporting salaries for all employees, it is important the Regent institutions participate in the salary pool.

The dollar amounts for incremental salary funding are not included in the Regent appropriations. Historically, a separate appropriations bill provides funding for new salary increases to all state agencies. This legislation typically requires that Regent institutions provide comparable salary increases for non-contract employees as provided for contract-covered employees. The Regent institutions request to participate in the salary bill.

Full funding of salary needs for Regent institutions is key to keeping the Regent institutions the premier institutions of their type by:

- Allowing the universities to be competitive with their peers in recruiting and retaining top faculty in a global marketplace;
- Implementing institutional strategic plans;
- Providing exceptional learning opportunities for students;
- Stimulating economic development by supporting new evolving technologies;
- Disseminating knowledge; and
- Delivering valued public service that Iowans expect from the Regent universities

ALL-IOWA OPPORTUNITY SCHOLARSHIP

The existing All-Iowa Opportunity Scholarship administered by the Iowa College Student Aid Commission (ICSAC) is designed to level the playing field and provide low- and middle-income Iowans access and choice in their postsecondary pursuits. Unfortunately, state funding for this program has only been sufficient to support less than 15% of applicants in prior years. The Board of Regents fully supports ICSAC's requested funding increase to the All-Iowa Opportunity Scholarship Program in order to fund all eligible applicants and provide more low- and middle-income Iowans a chance to choose a postsecondary pathway that meets their needs and prepares them to fill high-demand jobs across the state.