

IOWA STATE UNIVERSITY

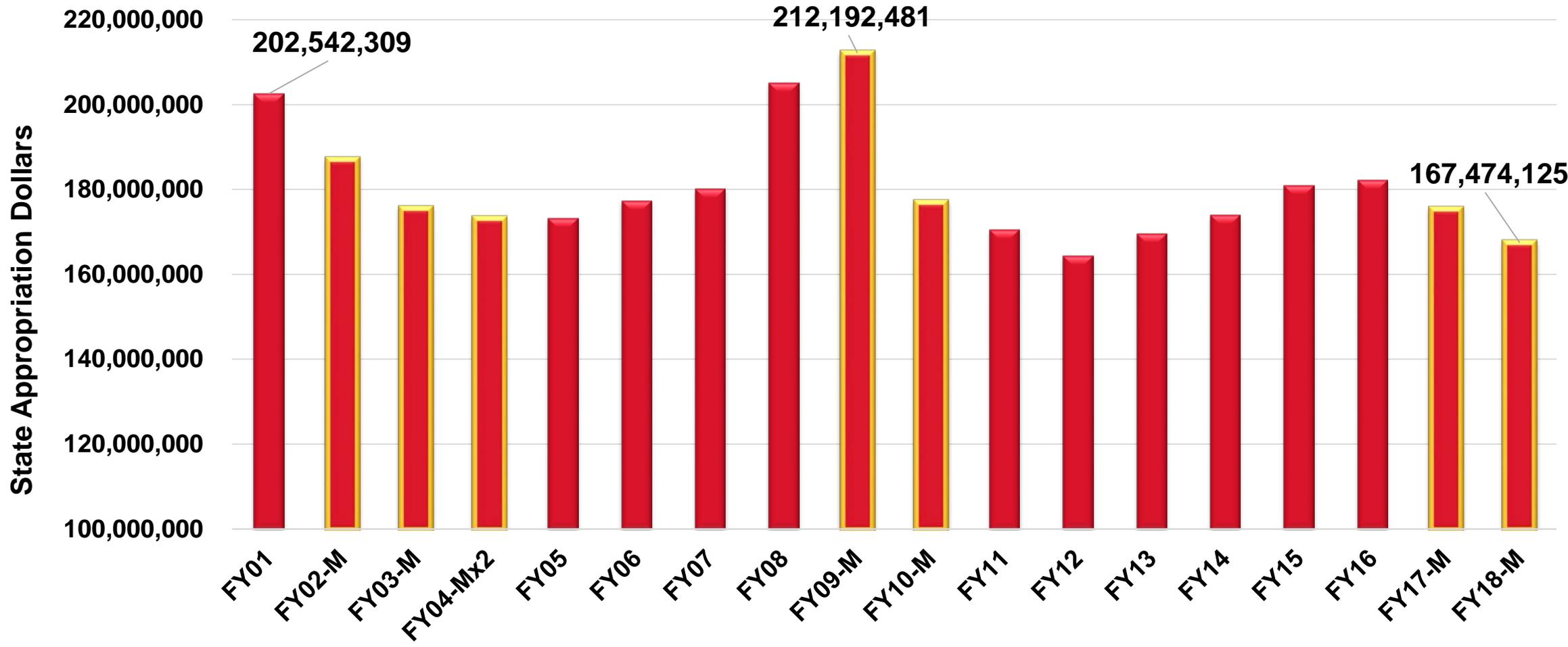
Office of the President

Impact of State's Divestment in Iowa State University

Wendy Wintersteen, President

April 12, 2018

General State Appropriations (FY2001 – current) = net loss of \$35.4 million*



(M) Years outlined in gold = midyear cuts

*Nominal dollars, not adjusted for inflation

Iowa State and Land-Grant Peer Universities Tuition and Fees

2017-18 Resident Undergraduate Tuition & Fees Peer Comparison

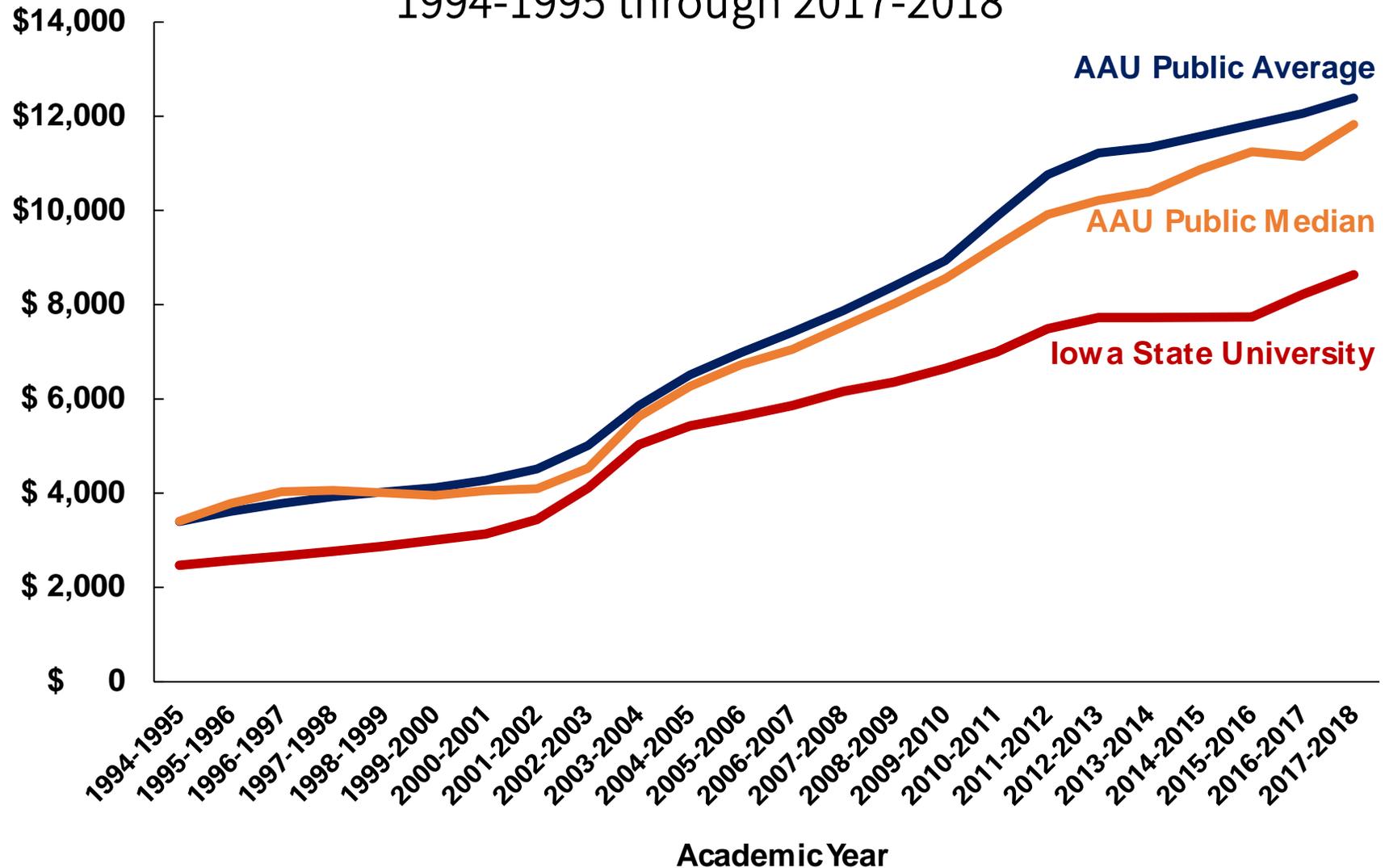
	<u>Tuition & Fees</u>
PENN STATE	\$ 18,436
ILLINOIS	\$ 15,868
MICHIGAN STATE	\$ 14,460
CALIFORNIA, DAVIS	\$ 14,419
MINNESOTA	\$ 14,417
OHIO STATE	\$ 10,591
WISCONSIN	\$ 10,534
TEXAS A&M	\$ 10,403
PURDUE	\$ 9,992
NORTH CAROLINA STATE	\$ 9,058
IOWA STATE	\$ 8,636

2017-18 Non-Resident Undergraduate Tuition & Fees Peer Comparison

	<u>Tuition & Fees</u>
CALIFORNIA, DAVIS	\$ 42,433
MICHIGAN STATE	\$ 39,405
TEXAS A&M	\$ 37,155
WISCONSIN	\$ 34,783
PENN STATE	\$ 33,664
ILLINOIS	\$ 31,988
OHIO STATE	\$ 29,695
PURDUE	\$ 28,794
NORTH CAROLINA STATE	\$ 27,406
MINNESOTA	\$ 26,603
IOWA STATE	\$ 22,472

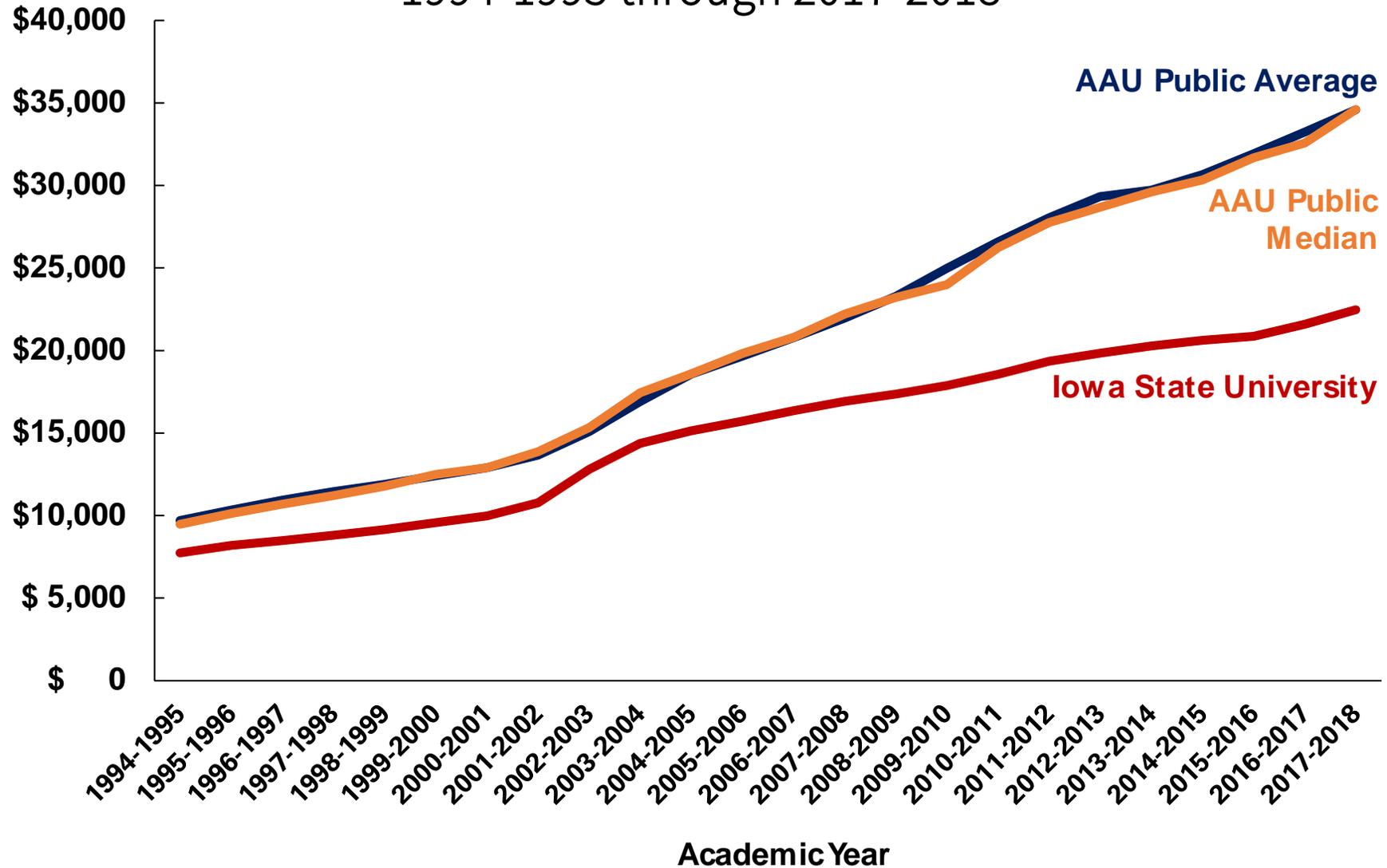
Iowa State and AAU Public Universities

Tuition & Required Fees for
Resident Undergraduate Students
1994-1995 through 2017-2018



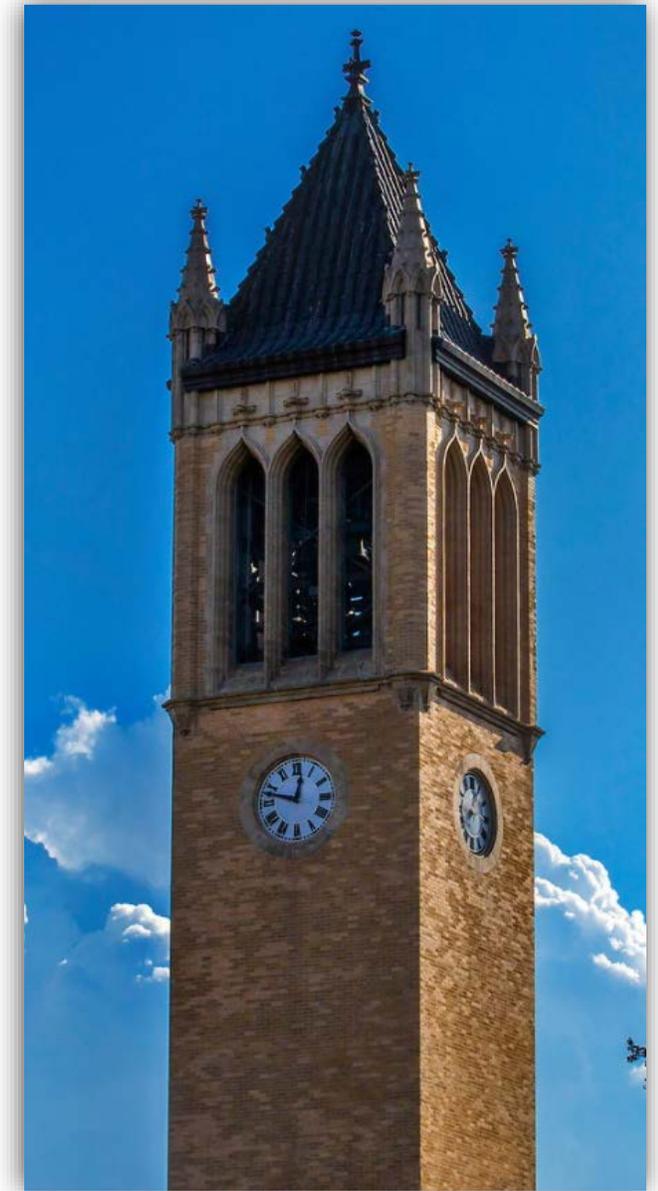
Iowa State and AAU Public Universities

Tuition & Required Fees for
Non-Resident Undergraduate Students
1994-1995 through 2017-2018



Financial Challenges

- Since FY2001:
 - State investment = **net loss of \$35.4 million**
 - 8 midyear cuts (*including FY18*)
 - Enrollment increase = **8,500 students**
(Fall '17 Total: 36,321)
- Fall '17 resident enrollment = **19,843 Iowa students**
 - Resident tuition is discounted; does not cover the cost of instruction
 - Resident undergraduate tuition kept the same for 7 of the last 12 semesters; state funding has not kept up



Commitment to Efficiency: How We Operate

- 115 projects = \$22.7M in savings
(since 2014)



Administrative staff spending vs. Instructional staff spending

Median spending (schools similar to Iowa State): 17¢ for every \$1

ISU (FY17): 10¢ for every \$1

Source: IPEDS Data Center

Institutional Support as % of Core Expense *Source: IPEDS FY2015*

Iowa State University	6.42%
AAU (<i>Public Only</i>)	8.24%
Big 12 Institutions	8.93%

<i>Progress since 2007</i>	Increase in Student Credit Hours (SCH) Taught	Increase in Faculty FTE
All Faculty	71%	43% (1,067 to 1,525)

Commitment to Efficiency: Budget Changes and Partnerships

- Institutional Budget Management Team
 - Propose changes to budget model and process
 - Reallocations
- Enterprise Software System: Workday and Improved Service Delivery
- Exploring more efficient operations through Lean partnerships
- ISU Foundation: \$500,000 of services to the university
- Athletics: \$1 million for degree completion grants through Student Financial Aid Office



FY17 Salary Comparison

*ISU FY18 Salary Policy 0%

Institution	Faculty Salary Average
AAU Mean	\$128,978
UC Davis	\$124,760
Penn State	\$119,804
Illinois	\$116,405
Ohio State	\$115,737
Texas A&M	\$114,023
Michigan State	\$113,578
Minnesota	\$112,681
Purdue	\$111,119
Wisconsin	\$109,375
Iowa State	\$106,629

Institution	Assistant Professor		Associate Professor		Full Professor		Combined		Salary Ranking
	Average Salary	N	Average Salary	N	Average Salary	N	Average Salary	N	
Columbia	122,751	394	162,576	387	244,421	514	182,945	1,295	1
Stanford	128,156	394	150,201	387	236,637	514	177,801	1,295	2
Princeton	109,873	394	141,152	387	229,442	514	166,679	1,295	3
Harvard	123,744	394	127,415	387	227,674	514	166,092	1,295	4
Chicago, Univ of	118,152	394	127,066	387	228,121	514	164,464	1,295	5
MIT	120,565	394	143,350	387	212,138	514	163,720	1,295	6
Caltech	127,901	394	147,191	387	199,937	514	162,258	1,295	7
Penn	126,958	394	134,982	387	209,157	514	161,981	1,295	8
Duke	113,983	394	134,586	387	204,187	514	155,943	1,295	9
NYU	117,459	394	122,833	387	209,742	514	155,693	1,295	10
Yale	108,740	394	131,012	387	209,477	514	155,380	1,295	11
Northwestern	117,221	394	130,754	387	200,726	514	154,409	1,295	12
UCLA	101,421	394	128,971	387	195,024	514	146,806	1,295	13
Wash Univ - St Louis	108,799	394	120,025	387	191,465	514	144,965	1,295	14
UC Berkeley	109,831	394	123,647	387	185,063	514	143,820	1,295	15
Rice	105,402	394	116,724	387	189,162	514	142,031	1,295	16
Cornell	112,502	394	122,651	387	174,324	514	140,073	1,295	17
Vanderbilt	97,043	394	114,721	387	190,623	514	139,469	1,295	18
Boston University	101,103	394	119,990	387	177,392	514	137,027	1,295	19
Emory	104,904	394	118,386	387	172,033	514	135,577	1,295	20
Johns Hopkins	105,463	394	116,858	387	171,635	514	135,133	1,295	21
Brown	95,387	394	115,973	387	178,911	514	134,690	1,295	22
Southern Cal	97,370	394	109,870	387	175,806	514	132,238	1,295	23
Virginia	95,967	394	115,705	387	172,421.9	514	132,211	1,295	24
UC San Diego	98,070	394	112,332	387	164,161	514	128,564	1,295	25
Michigan	93,085	394	111,409	387	168,183	514	128,368	1,295	26
Georgia Tech	103,097	394	107,719	387	162,089	514	127,893	1,295	27
UC Irvine	95,273	394	109,155	387	165,704	514	127,376	1,295	28
Rochester	102,432	394	109,313	387	159,042	514	126,957	1,295	29
Maryland	95,710	394	110,248	387	160,142	514	125,628	1,295	30
UC Santa Barbara	88,289	394	103,422	387	169,550	514	125,065	1,295	31
UC Davis	92,447	394	110,776	387	160,058	514	124,760	1,295	32
Texas	98,837	394	103,582	387	160,424	514	124,699	1,295	33
Rutgers	86,256	394	107,999	387	163,476	514	123,403	1,295	34
North Carolina	91,215	394	104,880	387	155,156	514	120,678	1,295	35
Penn State	89,628	394	104,756	387	154,266	514	119,804	1,295	36
SUNY-Stony Brook	87,371	394	104,692	387	152,372	514	118,347	1,295	37
Brandeis	88,504	394	106,290	387	148,129	514	117,485	1,295	38
Illinois	92,198	394	99,514	387	147,679	514	116,405	1,295	39
Tulane	93,181	394	92,304	387	152,331	514	116,396	1,295	40
Washington	99,043	394	103,882	387	138,049.35	514	115,965	1,295	41
Ohio State	87,343	394	99,800	387	149,502	514	115,737	1,295	42
Texas A&M	89,643	394	99,782	387	143,433	514	114,023	1,295	43
Pittsburgh	81,505	394	99,920	387	149,444	514	113,974	1,295	44
Michigan State	79,687	394	99,601	387	150,080	514	113,578	1,295	45
Indiana	96,278	394	95,722	387	140,046	514	113,484	1,295	46
Colorado	92,635	394	99,474	387	139,553	514	113,301	1,295	47
Minnesota	87,548	394	99,349	387	141,983	514	112,681	1,295	48
Case Western	85,731	394	96,730	387	142,245	514	111,449	1,295	49
Purdue	88,095	394	97,958	387	138,677	514	111,119	1,295	50
Wisconsin	87,195	394	100,970	387	132,705	514	109,375	1,295	51
Iowa	84,252	394	96,105	387	138,332	514	109,259	1,295	52
SUNY-Buffalo	82,331	394	94,182	387	136,340	514	107,309	1,295	53
Syracuse	79,587	394	97,711	387	134,662	514	106,863	1,295	54
Iowa State	83,784	394	97,560	387	130,968	514	106,629	1,295	55
Toronto	79,355	394	101,980	387	130,752	514	106,516	1,295	56
Florida	80,696	394	91,569	387	137,490	514	106,488	1,295	57
Oregon	85,578	394	94,231	387	128,936	514	105,373	1,295	58
Arizona	80,069	394	91,343	387	129,443	514	103,035	1,295	59
Nebraska	84,684	394	87,569	387	126,788	514	102,258	1,295	60
Kansas	79,389	394	84,480	387	130,443	514	101,174	1,295	61
Missouri	69,005	394	81,341	387	122,263	514	93,830	1,295	62
Mean	97,253	394	111,069	387	166,781	514	128,978	1,295	

FY18 Midyear Reversion: *Iowa State must give back \$5.4 million*

- \$4 million will occur centrally
 - One-time nonrecurring resources
 - Savings from unfilled positions
- \$1.4 million distributed across university units
 - Minimize impact on students, core mission

State's Divestment Necessitates Tuition Increases

Board of Regents Base Tuition Proposal

- 3.8% increase: resident undergraduates (\$284)
- 4% increase: non-resident undergraduates (\$852)

FY18 midyear reversion = \$5.4 million
FY19 base tuition increase projected revenue = \$5.2 million
FY19 state appropriation projected increase = \$0

Shortfall = \$200,000

Differential Tuition Proposal

- Align tuition with high-cost of providing Engineering, Business, and additional STEM programs
 - **Revenues go directly back into specified program**
 - Maintain quality
 - High demand – reflects workforce trends, emerging technologies
- Students understand need for differential tuition
 - Spent past two years collecting broad student feedback/input
 - 30 meetings with academic deans
 - University Budget Advisory Committee
 - Tuition and Fee Advisory Committee
 - *Iowa State Daily* coverage



Continued State Divestment: What's at Risk?

Faculty and Staff Drive Integrated Mission

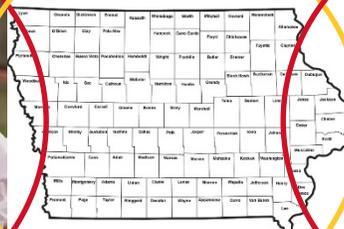


Teaching

**Research &
Innovation**

**Statewide
Extension**

**Economic
Development &
Job Creation**



Continued State Divestment: What's at Risk?

Student Impact

- Fewer class sections = increased time to degree (current average 4.4 years)
- Reduced student services = less academic advising, career assistance (95% placement rate)
- Reduced future financial aid = increased student debt

College of Engineering Career Fair



Continued State Divestment: What's at Risk?



ISU Economic Development Core Facility



Statewide Impact

- Loss of top faculty and staff talent
- Less innovation to the marketplace
- Less vibrant Research Park
- Fewer economic/business services

Vermeer Applied Technology Hub at ISU Research Park



Workiva corporate headquarters located at ISU Research Park

Questions?

