

**MINUTES
LEGISLATIVE FISCAL COMMITTEE
of the Legislative Council
November 14, 2016**

The Legislative Fiscal Committee of the Legislative Council met in Room 301 of the Rod Library at the University of Northern Iowa (UNI) on November 14, 2016.

The meeting was called to order at 10:15 a.m. with the following members present:

- Senator Robert Dvorsky, Co-Chairperson
- Senator Joe Bolkcom
- Senator Jeff Danielson
- Representative Pat Grassley, Co-Chairperson
- Representative Peter Cownie
- Representative Chris Hall
- Representative Dave Jacoby
- Representative Thomas Sands

Senator Chapman and Senator Feenstra were excused.

Minutes. The minutes were approved. (Motioned by Representative Sands and seconded by Representative Jacoby). The following agenda items were presented and discussed:

Welcome. Interim President Jim Wohlpart welcomed the committee to the UNI campus. He stated that UNI faculty are nationally recognized for their teaching service. He also stated that the current freshman class is the largest since 2008 and most diverse. It was mentioned that the freshman retention rate from last year was 85.0% and UNI's four and five-year graduation rates are the highest ever.

UNI Student Government Representatives. The President, Vice-President, and Governmental Relations Director of the UNI student government addressed the Committee. Concerns they expressed included major and minor areas of study being eliminated, staff vacancies, fewer opportunities for graduate students, and increasing tuition costs. Other concerns include the availability of mental health services. The number of students seeking these services has increased, and currently there is a wait list of 1-2 months for an initial appointment at UNI. The International Association of Counseling Services recommends a ratio of no more than 1,000-1,500 students per counselor. Currently at UNI there is a student to counselor ratio of 2,000:1. The student government is recommending that a line item of funding for mental health services be established. Senator Bolkcom suggested that the students put this recommendation before the Board of Regents.

Two-Year Tuition Plan. Board of Regents President, Bruce Rastetter addressed the two-year tuition increase plan. He stated that the basic mission for Regent's institutions is accessibility, affordability, and improving the quality of education. He thanked the legislative members for their support in freezing tuition for two years in a row, and the commitments for new buildings. The Board feels strongly about student debt, and providing the tools for students and their families to be able to plan for the future. The two-year plan includes a 2.0% increase in State appropriations each year and a 2.0% increase in resident undergraduate tuition rates each year. The plan also includes differential tuition to ensure that more expensive majors, such as engineering, reflect a higher tuition rate for student in these more costly majors.

Enrollment Trends. Jason Pontius, Director of Institutional Research for the Board of Regents, discussed enrollment trends, including:

- The number of Iowa High School graduates has been decreasing at a rate of around 1.0% a year.

- Iowa is a net importer of students. For every one student leaving the state for higher education, there are four students from other states coming into Iowa.
- China, India, and South Korea are the sources of the largest numbers of international students to the Regent's institutions.
- In the fall of 2016 there was a record enrollment of 81,899 students.
- The majority of transfers to Regent's institutions are from Iowa's Community Colleges.

The Committee was interested in getting more information on the value of certain degrees, the feasibility of offering additional financial literacy courses, and if more marketing to potential students should be done in the rural areas of the State.

Transparent Inclusive Efficiency Review (TIER) Process. Mark Braun, Chief Operating Officer of the Board of Regents gave an update on the TIER Process. Additionally, representatives from the University of Northern Iowa, the University of Iowa (UI), and Iowa State University (ISU) provided information related to the TIER accomplishments at each of the universities.

American Institute of Business Campus. Tom Rice, Faculty Director of the John and Mary Pappajohn Educational Center of the UI, provided an update on the American Institute of Business (AIB) campus located in Des Moines. That property was gifted to the UI in January of 2015. The facilities are available to all three Regent's institutions in a shared campus approach. Some apartment buildings will be torn down, which will open up a building lot. The other dormitories have been maintained, but currently have no residents. There are plans for those dormitories to house college interns coming into the Des Moines area. Currently the four program areas being offered at the AIB facilities are Social Work, Political Science, Sports and Recreational Management, and Enterprise Leadership.

Infrastructure Projects. Brad Berg, Policy and Operations Officer, Board of Regents, presented a report on past infrastructure projects and the current five year infrastructure plan. Representatives from the UNI, UI, and ISU then presented additional detail regarding the infrastructure projects on those campuses. There is high demand for the bonds that the Regents issue, and they have strong credit ratings. In questioning from the Committee, it was pointed out that the majority of work is done on deferred maintenance, and the number one priority for the institutions is environmental, fire and deferred maintenance.

Fiscal Updates. LSA staff provided updates on the October 2016 Revenue Estimating Conference, the General Fund Balance Sheet, Medicaid, and Mental Health Programs.

Next Meeting. The next meeting of the Legislative Fiscal Committee will be December 12, 2016.

Adjournment. The Committee adjourned at 1:51 p.m.

Meeting Materials. The following link to the Legislative Fiscal Committee website includes the meeting materials: <https://www.legis.iowa.gov/committees/meetings/documents?committee=704&ga=86>