
FISCAL UPDATE Article

Fiscal Services Division

September 20, 2019



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

BOARD OF REGENTS ADOPTS FY 2021 BUDGET REQUEST

Board Meeting. The Board of Regents met on September 19, 2019, at the Iowa School for the Deaf in Council Bluffs. The Board approved a slate of consent items and received updates from the university presidents and Superintendent Steve Gettel. The only other agenda item was the FY 2021 budget request.

2020-21 Tuition Increases. Prior to discussion of the FY 2021 budget request, President Michael Richards read a statement regarding the Board's plans for setting the 2020-21 tuition rates. The Board will continue a practice begun last year to postpone setting tuition rates until the Legislature has completed the appropriations process. President Richards said the Board does not plan to set tuition rates until the June 2020 meeting.

Similar to last year, if the Legislature fully funds the Board's FY 2021 requests for the three universities, resident undergraduate tuition for University of Iowa (UI) and Iowa State University (ISU) will increase by 3.0%. If the Legislature does not provide any new funding, tuition at UI and ISU will increase by 3.0% plus the increase in the Higher Education Price Index (HEPI), which is currently estimated to be 2.3%. A State funding increase of less than 3.0% would result in a tuition increase at UI and ISU somewhere between the two previous scenarios.

With full funding of the FY 2021 request, the Board will continue supporting University of Northern Iowa's (UNI's) goal of becoming more competitive with its peers in other states. Last year, full funding allowed UNI to not increase tuitions for 2019-20.

FY 2021 Budget Request. The Board will request the following FY 2021 increases, totaling \$18.6 million, through the Education Appropriations Subcommittee:

- UI — An increase of \$7.0 million, for a total of \$225.7 million
- ISU — An increase of \$7.0 million, for a total of \$181.6 million
- UNI — An increase of \$4.0 million, for a total of \$103.7 million
- Iowa School for the Deaf — An increase of \$412,000, for a total of \$10.7 million
- Educational Services for the Blind and Visually Impaired — An increase of \$173,000, for a total of \$4.5 million
- Iowa Public Radio — An increase of \$40,900, for a total of \$391,600

The Board will ask the Economic Development Appropriations Subcommittee for the following increases for FY 2021:

- UI Biosciences Innovation — An increase of \$725,000, for a total of \$1.0 million
- ISU Biosciences Innovation — An increase of \$2.2 million, for a total of \$3.0 million

The Board will request additional FY 2021 increases as follows:

- Tuition Replacement — An increase of \$170,000, for a total of \$28.3 million
- UI Hospitals and Clinics Psychiatric Residencies — An increase of \$400,000, for a total of \$800,000

Next Meeting. The next meeting of the Board of Regents is scheduled for November 13-14, 2019, at UNI.

LSA Staff Contact: Robin Madison (515.281.5270) robin.madison@legis.iowa.gov

1069728