

FISCAL UPDATE Article

Fiscal Services Division

October 8, 2024



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

BOARD OF REGENTS MEETING — SEPTEMBER 2024

Board Meeting. The Board of Regents met on September 18 and 19, 2024, at the Iowa State University (ISU) Alumni Center in Ames. The full meeting agenda is available on the Board’s [website](#).

FY 2026 General Fund Appropriations Requests. The Board approved \$590.5 million in General Fund appropriations requests for FY 2026, an increase of \$24.9 million compared to estimated FY 2025. The full report is available on the Board’s [website](#). **Figure 1** outlines changes in the Board’s General Fund Education Appropriations budget request for FY 2026 compared to FY 2025.

Figure 1 — Board’s FY 2026 General Fund Education Appropriations Budget Request Changes

	<u>FY 2025 Estimated</u>	<u>FY 2026 Request</u>	<u>FY 2026 vs FY 2025</u>
<u>University of Iowa</u>			
UI — General University	\$ 223,496,355	\$ 223,496,355	\$ 0
New: Rural Iowa Healthcare	0	10,000,000	10,000,000
<u>Iowa State University</u>			
ISU — General University	\$ 178,445,037	\$ 178,445,037	\$ 0
Agricultural Experiment Station	29,462,535	33,212,535	3,750,000
Cooperative Extension	18,157,366	19,157,366	1,000,000
New: Veterinary Early Acceptance	0	1,000,000	1,000,000
New: Manufacturing Pipeline	0	4,000,000	4,000,000
<u>University of Northern Iowa</u>			
UNI — General University	\$ 101,894,146	\$ 104,394,146	2,500,000
New: Center for Civic Engagement	0	1,000,000	1,000,000
New: UNI @ IACC	0	1,630,000	1,630,000
Total	<u>\$ 551,455,439</u>	<u>\$ 576,335,439</u>	<u>\$ 24,880,000</u>

- **State University of Iowa (UI) — Rural Iowa Healthcare.** This new \$10.0 million program would expand Iowa’s rural health care workforce, delivery, and outcomes. The University will allocate \$1.5 million to mental health, \$2.0 million to maternal health, and \$6.5 million to primary care. This new appropriation was also included in the FY 2025 appropriation requests.
- **ISU — Veterinary Early Acceptance.** This new \$1.0 million program would be used to fund scholarships through the ISU Production Animal — Veterinary Early Acceptance Program (PA-VEAP) starting in 2023. This appropriation would provide 10 students with scholarships that would be forgiven after working in rural Iowa for five years.
- **ISU — Manufacturing Pipeline.** This new \$4.0 million program would help launch four manufacturing hubs across rural Iowa with the goal of expanding the state’s rural manufacturing workforce and access to technology.

- **University of Northern Iowa (UNI) — General University Appropriation.** This \$2.5 million increase in the appropriation request would support efforts to decrease UNI tuition compared to the other two universities.
- **UNI — Center for Civic Engagement.** This new \$1.0 million program would help launch a new Center dedicated to researching, teaching, and conducting public outreach in free speech and civic education.
- **UNI — UNI @ Iowa Community Colleges (IACC).** UNI received \$4.2 million from the federal American Rescue Plan Act (ARPA) to develop the UNI @ IACC program, which helps students with an associate degree to complete their bachelor’s degree online through UNI. This new \$1.6 million appropriation request would allow for expansion of this program.

The Board also included General Fund appropriation requests from the Economic Development and Agriculture and Natural Resources Appropriations budgets, as outlined in **Figure 2**.

Figure 2 — Board’s FY 2026 Other General Fund Appropriations Request Changes

Economic Development Appropriations			
	<u>FY 2025 Estimated</u>	<u>FY 2026 Request</u>	<u>FY 2026 vs FY 2025</u>
<u>University of Iowa</u>			
New: John Pappajohn Entrepreneurial Center	\$ 0	\$ 250,000	\$ 250,000
New: Nurse Innovators Program	0	1,000,000	1,000,000
<u>Iowa State University</u>			
Biosciences Innovation	\$ 2,963,995	\$ 3,000,000	\$ 36,005
Support Entrepreneurship	0	250,000	250,000
<u>University of Northern Iowa</u>			
New: Workforce Development	\$ 0	\$ 3,000,000	3,000,000
Economic Development Total	<u>\$ 2,963,995</u>	<u>\$ 7,500,000</u>	<u>\$ 4,536,005</u>
Agricultural & Natural Resources Appropriations			
<u>Iowa State University</u>			
Vet Diagnostic Lab	\$ 4,620,000	\$ 6,120,000	\$ 1,500,000
Livestock Disease Research	291,390	541,390	250,000
Agricultural & Natural Resource Total	<u>\$ 4,911,390</u>	<u>\$ 6,661,390</u>	<u>\$ 1,750,000</u>

- **UI — John Pappajohn Entrepreneurial Center.** This new \$250,000 appropriation would directly support entrepreneurs, venture acceleration, and financial analysis of economic development concepts. Funds would be divided among the following three areas:
 - Direct support to entrepreneurs, \$200,000
 - Programs to support venture acceleration, \$25,000
 - Hawkeye Ventures Fund, \$25,000
- **UI — Nurse Innovators Program.** This new \$1.0 million appropriation would help expand the program started in 2022 as a three-year grant from the Kauffman Foundation. The Program supports nurse entrepreneurship in the intellectual development, prototyping, manufacturing, and packaging of new tools and products. The new funding would target Iowa’s 83 critical access hospitals.
- **ISU — Biosciences Innovation.** This \$36,000 increase in the appropriation request would provide additional support to the ISU Biosciences platforms: biobased products, vaccines and immunotherapeutics, and digital and precision agriculture.

- **ISU — Support Entrepreneurship.** This new \$250,000 appropriation would provide additional support to students' and faculty's entrepreneurial efforts. Support for students includes competition prizes, events and hospitality, and travel to conferences and national competitions. Support for faculty includes professional mentoring and services, student internships, and seed funding for startups.
- **UNI — Workforce Development.** This new \$3.0 million appropriation would allow UNI to offer students from states contiguous to Iowa the same rate of tuition and mandatory fees that are charged to residential students.
- **ISU — Veterinary Diagnostic Laboratory (VDL).** This \$1.5 million increase in the appropriation request would transition the VDL, which focuses its research on food animals, away from its current fee-based model. Funds would be used to cover operational costs for a new stand-alone Biosafety Level 2 facility.
- **ISU — Livestock Disease Research — Livestock Health Advisory Council.** This \$250,000 increase in the appropriation request would be targeted toward outcomes in animal health, productivity, food safety and security, economic viability, and workforce development. Additionally, for every \$1 invested in research, ISU researchers can leverage an additional \$10 from other funding sources.

FY 2026 Tuition Replacement Appropriations Request. The Board approved \$25.6 million in Tuition Replacement appropriations requests from the Rebuild Iowa Infrastructure Fund for FY 2026, a decrease of \$900,000 compared to estimated FY 2025.

Annual Facilities Report. The Board approved the Five-Year Capital Plans and the Institutional Roads Program and reviewed the Facilities Governance Report. The Board also requested \$30.0 million for FY 2026 from the Rebuild Iowa Infrastructure Fund (RIIF) to be used for General Education Fund (GEF) facilities to address deferred maintenance projects. Additional projects and the full report are available on the Board's [website](#).

Free Application for Federal Student Aid (FAFSA) Updates. Admissions leaders discussed delayed financial aid and enrollment decisions resulting from the recent changes to the FAFSA form for the 2024-2025 award year. The FAFSA Simplification Act was enacted by Congress in the Consolidated Appropriations Act of 2021. The Act replaced the Expected Family Contribution with the Student Aid Index, modified the family contribution formula, expanded access to Federal Pell Grants, and streamlined the FAFSA form.

Next Meeting. The next Board of Regents meeting is scheduled for November 6 and 7, 2024, at UNI.

LSA Staff Contact: Michael Peters (515.281.6934) michael.peters@legis.iowa.gov