

FISCAL UPDATE Article

Fiscal Services Division

September 30, 2025



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

BOARD OF REGENTS MEETING — SEPTEMBER 2025

Board Meeting. The Board of Regents met on September 17 and 18, 2025, at the University of Northern Iowa (UNI) Maucker Union in Cedar Falls. The full meeting agenda is available on the Board's [website](#).

FY 2027 General Fund Appropriations Requests. The Board approved \$586.2 million in [General Fund appropriations requests](#) for FY 2027, an increase of \$9.2 million compared to estimated FY 2026. **Figure 1** outlines changes in the Board's General Fund Education Appropriations budget request for FY 2027 compared to FY 2026.

Figure 1 — Board's FY 2027 General Fund Education Appropriations Budget Request Changes

	<u>FY 2026 Estimated</u>	<u>FY 2027 Request</u>	<u>FY 2027 vs FY 2026</u>
<u>University of Iowa</u>			
New: UI - Increase Physicians in Rural IA	\$ 0	\$ 3,600,000	\$ 3,600,000
<u>Iowa State University</u>			
ISU - Agricultural Experiment Station	30,462,535	32,262,535	1,800,000
ISU - Cooperative Extension	18,157,366	19,357,366	1,200,000
<u>University of Northern Iowa</u>			
New: UNI - Neighboring State Tuition	0	1,000,000	1,000,000
New: UNI - Nursing Program Expansion	0	600,000	600,000
New: BOR - Mental Health	0	1,000,000	1,000,000
Total	<u>\$ 48,619,901</u>	<u>\$ 57,819,901</u>	<u>\$ 9,200,000</u>

- **University of Iowa (UI) — Increase Physicians in Rural IA.** This new program would expand the University of Iowa's rural physician training pipeline through a dedicated rural medicine track, scholarships, and clinical training sites across Iowa. The goal is to double the number of medical students graduating with advanced rural medicine training by 2030.
- **Iowa State University (ISU) — Agricultural Experiment Station.** This \$1.8 million increase would support new ag tech research in precision livestock, crop productivity, and grain processing. The investment will strengthen Iowa's agricultural competitiveness and support workforce development in digital agriculture.
- **ISU — Cooperative Extension Service.** This \$1.2 million increase would expand outreach programs that deliver hands-on agricultural training and AI-driven farm tools. The programs aim to accelerate adoption of new technologies across Iowa farms and ag-related industries.
- **UNI — Neighboring State Tuition.** This \$1.0 million request would continue an initiative offering resident-equivalent tuition rates to new undergraduate students from states bordering Iowa. The initiative was funded for the 2025-2026 academic year with \$1.5 million provided by the UNI Foundation. Over 40.0% of these students remain in Iowa after graduation, helping address workforce shortages.
- **BOR — Mental Health.** This new appropriation request, which covers mental health support and resources, was added during the meeting by Regent Lucy Gipple.

ISU also requested that three individual appropriations be merged into the General University Appropriations starting in FY 2027 to improve efficiency. These programs are the Agricultural Experiment Station, Cooperative Extension, and Future Ready Workforce.

The Board also included changes to General Fund appropriation requests from the Agriculture and Natural Resources Appropriations budgets, as outlined in **Figure 2**. The Board is requesting no changes to General Fund appropriation requests from the Economic Development Appropriations budget.

Figure 2 — Board's FY 2027 Other General Fund Appropriations Request Changes

Agricultural & Natural Resources			
	<u>FY 2026 Estimated</u>	<u>FY 2027 Request</u>	<u>FY 2027 vs FY 2026</u>
ISU - Vet Diagnostic Lab	\$ 4,919,898	\$ 5,519,898	\$ 600,000
ISU - Vet Diagnostic Lab Equipment Install	250,000	0	-250,000
Total	<u>\$ 5,169,898</u>	<u>\$ 5,519,898</u>	<u>\$ 350,000</u>

- **ISU — Veterinary Diagnostic Laboratory (VDL).** This \$600,000 increase is for operational support to sustain the newly expanded VDL, which processes over 1.7 million tests annually. The increase will help manage rising operating costs and maintain preparedness against animal disease outbreaks.
- **ISU — Veterinary Diagnostic Laboratory Equipment Install.** This requested decrease is due to \$250,000 one-time funding in FY 2026 used by the VDL for equipment installation.

FY 2027 Tuition Replacement Appropriations Request. The Board approved \$25.0 million in Tuition Replacement appropriations requests from the Rebuild Iowa Infrastructure Fund (RIIF) for FY 2027, a decrease of \$600,000 compared to estimated FY 2026.

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 \$56.9 million for FY 2027 from the RIIF to be used for General Education Fund (GEF) facilities to address deferred maintenance projects. A breakdown is included below and additional projects and the full report are available on the Board's [website](#).

- Three UI projects totaling \$20.0 million in new appropriations.
- Two ISU projects totaling \$8.0 million in new appropriations.
- Three UNI projects totaling \$28.9 million in new appropriations.

Policy Updates. The Board voted unanimously to adopt a policy across all three universities requiring presidents to investigate controversial online comments made by faculty within two weeks of the reported violation. Employees being investigated are to be placed on leave or leave the classroom until the investigation is finalized.

Next Meeting. The next Board of Regents meeting is scheduled for November 11 and 13, 2025, at ISU.

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

Doc ID 1543745