

**Governing Iowa's public
universities and special schools**

University of Iowa
Iowa State University
University of Northern Iowa
Iowa School for the Deaf
Iowa Braille and Sight Saving School
Lakeside Lab Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center
Tri-State Graduate Center



**BOARD OF
REGENTS**
STATE OF IOWA

David W. Miles, President, *West Des Moines*
Jack B. Evans, Pro Tem, *Cedar Rapids*
Bonnie J. Campbell, *Des Moines*
Robert N. Downer, *Iowa City*
Michael G. Gartner, *Des Moines*
Ruth R. Harkin, *Cumming*
Greta A. Johnson, *Le Mars*
Craig A. Lang, *Brooklyn*
Rose A. Vasquez, *Des Moines*

Robert Donley, *Executive Director*

January 4, 2010

Mike Marshall
Secretary of the Senate
State Capitol

Mark Brandsgard
Chief Clerk of the House
State Capitol

Dear Mr. Marshall and Mr. Brandsgard:

As required by Iowa Code §8D.10, the enclosed table summarizes the estimated FY 2009 cost increase for the Board of Regents associated with the use of the Iowa Communications Network.

The assumptions used to estimate the dollars include:

1. Same level of participation in voice services regardless of cost.
2. Video expense would not exceed current budgeted amounts.
3. Alternate carriers always available.
4. Cost of equipment, setup, scheduling, and technical support are not included.

Internet services through the ICN had historically cost the Regent institutions more than if competing technologies were utilized. The ICN and the universities entered into an agreement where the ICN purchased Internet services from the universities. Thus, the universities did not purchase internet services from the ICN in FY 2009.

The Regent universities believe they could negotiate better prices on voice services with an alternate carrier. The projected net incremental costs for voice services purchased from the ICN exceeded the projected savings from ICN network connections. During FY 2009, the Regent institutions estimate the use of the ICN costs \$42,270 more than if competing technologies were utilized. Since the institutions would most likely not spend more than the amount currently budgeted for video regardless of the source, there are no savings or additional costs associated with video usage.

The University of Northern Iowa offered 130 courses over the ICN with an enrollment of 2,009 students in 185 communities and 87 counties. The ICN course offerings help UNI achieve its statewide educational mission.

Sincerely,

Bob Donley

Enclosure

cc: Dwayne Ferguson, LSA
John Gillispie, ICN
Legislative Liaisons
Legislative Log

h:\bf\icn\icn savings report\icnsavingsfy2009.doc

11260 Aurora Avenue • Urbandale, Iowa 50322-7905 • Phone 515-281-3934 • Fax 515-281-6420

www2.state.ia.us/regents

**Iowa Board of Regents
Annual Report of FY 2009 ICN Savings**

Institution: All Regent Institutions

	Cost of ICN Use	Estimated Savings (Additional Costs)
University of Iowa	\$ 507,858	\$ (64,945)
Iowa State University	206,394	(55,813)
University of Northern Iowa	345,193	78,948
Iowa School for the Deaf	9,812	1,288
Iowa Braille and Sight Saving School	12,119	(1,748)
FY 2009 Regent Total	\$ 1,081,376	\$ (42,270)

Assumptions used:

- 1) Same level of participation in voice services regardless of the cost.
- 2) Video expense would not exceed current budgeted amounts.
- 3) Alternate carriers always available.
- 4) Costs of equipment, setup, scheduling, and technical support not included.