

**University of Iowa
Response to FY 2010 Budget Questions
from Joint Education Appropriations Subcommittee**

How will you implement the Governors proposed FY 2010 to your programs? Will you decrease particular services, offer fewer programs, reduce staff time on a particular program, furlough or layoff staff, or take some other measures in response to the reduction?

The university is a tremendously complex organization. Funding for research, salaries, benefits and facilities come from various sources, all governed by unique sets of laws and policies. When you add in all of the work related to flood recovery and mitigation, the situation becomes even more complex. So while the situation is urgent, decisions must be well thought out. Decisions we make today will have implications for years—if not decades—to come. Central administration, the colleges, and departments must consider **all** options while we wait for the fiscal picture to become clearer. Even when we may know the extent of the reductions in state funding, we are still calculating the unavoidable cost increases of running the University as well as continuing our efforts on flood recovery. We will have to employ short term measures, such as temporary reductions in pay, while we realign the University for the long term.

What three programs, services, or functions would you want to spare from reduction, in part or total, if possible?

The current economic situation presents the university with unprecedented challenges, but our overriding objective remains to preserve and strengthen the university's core missions of teaching, research, and service. Specifically, financial aid, public safety and the 4-Year Graduation Plan should be spared.

What three programs, services, or functions could be reduced or eliminated with the least impact to recipients and/or the institutions?

While the UI colleges and other units continue working on their plans to manage the FY 2010 budget cuts, President Mason has appointed six central task forces to explore potential cost savings in areas that may have an impact University-wide, or affect multiple units across campus.

- Sue Buckley, vice president for human resources, is chairing a task force to study human resources-related options such as early retirement incentives or benefits savings.
- Doug True, senior vice president for finance and operations, is heading a task force to consider deferral of capital expenditures.
- Jonathan Carlson, senior associate to the president, is chairing a task force to investigate the impact of potentially reducing or eliminating General Education Fund support for non-academic enterprises.
- Jonathan Carlson is also chairing a task force to study potential energy savings.
- Don Guckert, associate vice president and director of facilities management, is leading a task force to assess options for savings in facilities and grounds maintenance.
- Wallace Loh, executive vice president and provost, is chairing a task force that will examine potential savings from organizational changes such as consolidation of distributed functions.

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We are looking at every program and function of the University to identify those long-term savings.

How will the economic downturn affect your services and the cost to provide those services? What are the key factors? What are the trends?

These are difficult times that require sober reflection and creative thinking. While many scenarios are being explored, and many options weighed, we will have to use short term solutions as a bridge to the long term implementation of the downturn. Being only five months into this economic downturn, we are just beginning to understand the specifics of the reality of the downturn, let alone the trends and what factors will come into play or how our policy makers will try and stem the tide of the downturn.

Iowa State University

Response to the Questions from the Education Appropriations Subcommittee

- 1. How will you implement the Governor's proposed FY 2010 reductions to your programs? Will you decrease particular services, offer fewer programs, reduce staff time on a particular program, furlough or layoff staff, or take some other measures in response to the reduction?**

As we plan our budgets for FY 2010, we intend to have them reflect the combined \$7.2 million in mid-year reductions that we have already absorbed and the 6.5% budget reduction proposed by Governor Culver. Together, those represent a \$25.14 million (9%) reduction in state appropriations for FY 2010, as compared to our original FY 2009 appropriations, and we will be making strategic budget adjustments around that total amount. With the university's senior leadership team (vice presidents, deans, and others) and the University Budget Advisory Committee, we are formulating strategic budget decisions. We have also appointed a number of planning teams to examine a series of areas where we believe opportunities may exist for cost savings (<http://www.public.iastate.edu/~budget/StratBudPlan.shtml>). The vice presidents and college deans are separately planning how they will accommodate reductions in their allocated state funding. An example includes our decision to close the university's linear accelerator facility that has been used for more than 15 years for research into improved food safety through irradiation, saving approximately \$130,000/year. We do anticipate staff layoffs, reductions in services provided to the public and to our campus constituents, and many programmatic changes. The budget reductions will result in larger class sizes and fewer course and program options for students to choose from. We are also evaluating the feasibility of closing all or parts of the university during holidays and semester breaks.

- 2. What three programs, services, or functions would you want to spare from reduction, in part or total, if possible?**
 - Student financial aid
 - Campus security and safety
 - Student recruitment programs
- 3. What three programs, services, or functions could be reduced or eliminated with the least impact to recipients and/or the institutions?**
 - Eliminating low enrollment courses and programs
 - Combining academic and student support services
 - Outsourcing of e-mail services for students, at their request

Iowa State University

Response to the Questions from the Education Appropriations Subcommittee

4. How will the economic downturn affect your services and the cost to provide those services? What are the key factors? What are the trends?

As we weather the challenges created by the national economic crisis and the resulting cuts to our state appropriations, our top priority will be to maintain the quality of our educational programs. We will not divert tuition revenues to cover reductions in other parts of the university that do not serve the interests of the tuition-paying students. Inevitably that will mean a reduction in services the university provides to external clients through programs that are supported by state appropriations, including many of our extension programs and economic development activities.

It is also likely that the nation's economic downturn will eventually impact private giving to the university by our alumni and friends. We have seen a significant decline in the overall value of our endowments that provide funding to support scholarships, faculty research, and many university programs. Our sponsored funding (external grants and contracts) is showing a good increase, due to the great work of our faculty and staff, and we must keep that strong. The decline in energy costs will result in our utility bills being somewhat less than originally budgeted, but we continue with our strong focus on energy conservation.

University of Northern Iowa Response to FY 2010 Budget Questions
from Joint Education Appropriations Subcommittee

How will you implement the Governors proposed FY 2010 budget cuts to your programs? Will you decrease particular services, offer fewer programs, reduce staff time on a particular program, furlough, or layoff staff, or take some other measures in response to the reduction?

The proposed budget reductions are significant, especially in light of the budget reductions that occurred during the first half of this decade, and from which we have not yet recovered. We must now take a hard look at how we pursue our missions of teaching, research and service.

Our student-focused approach has served this university well. We cannot abandon our guiding principles just because we are in challenging times. We will do everything we can to maintain teaching quality, maintain progress to graduation for our students, and continue to focus on the educational programs and services UNI is known for. However, the proposed budget reductions will have a significant negative effect on our students and faculty.

Class sizes will undoubtedly increase as the number of faculty positions will be reduced. Course offerings will decrease, impacting the choices students currently have. Staff reductions in almost every unit, including student employees, will occur.

A hiring freeze was enacted on February 1, 2009, along with an out-of-state travel moratorium. As a result of the hiring freeze, we will need to alter job responsibilities to cover essential functions. Service levels, such as custodial services, mail delivery and building maintenance, will be reduced. There will be delays in transaction processing. There also could be related risk exposure in financial and environmental processes. Building repair funds will decrease from their current low level, further increasing the deferred maintenance backlog of \$83.5 million.

It is critical that the university community work together on strategic solutions. President Allen has introduced two new task forces. One focuses on new cost-containment strategies, and the other concentrates on new revenue-enhancement strategies. The task forces are structured to broaden and maximize input from the campus community. The importance of the work of the two task forces is reflected in the fact that President Allen chairs both groups.

Last summer processes were established to assess academic program strength and effectiveness. A team of faculty and academic leaders is engaged in reviewing and prioritizing academic programs. That review will be completed in May. In whatever actions we take, we must not negatively impact our progress toward reaccreditation.

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Each division is reviewing the critical nature of its services and identifying areas where strategic targeted cuts can be made while still preserving university priorities. Budget reductions will be targeted; they will not be across-the-board. Thus, some units will be impacted more than others. We expect that layoffs will occur. It will take a period of time (a year or more) to implement cuts of this magnitude on a permanent basis, and that in the short term we will have to take a number of actions that are not sustainable long term.

What three programs, services, or functions would you want to spare from reduction, in part or total, if possible?

UNI's undergraduate student body is comprised of more than 92 percent Iowans. We are proud of that fact, and our primary recruitment emphasis will continue to be in Iowa. Challenging economic times have impacted our students, prospective students, and their parents. The continued decline in the economy makes it more important than ever that the ability for Iowa students to attend a college or university be maintained. We will protect as much as possible the student financial aid that is earmarked to assist our students.

While our students may face fewer course offerings and larger class sizes, we will ensure that our student progress toward graduation will not be impeded. Our student-focused approach has served this university well. We cannot abandon our guiding principles in challenging times.

The safety and security of our students, faculty, staff and visitors is another top priority. We will continue to ensure that our campus community is safe and that our campus safety staff is equipped and prepared for daily duty and critical incidents.

What three programs, services, or functions could be reduced or eliminated with the least impact to recipients and/or the institutions?

It is difficult at this stage of our budget review process to identify three programs that could be reduced or eliminated. There undoubtedly will be more than three. Our priorities for funding will be to continue to offer those programs, services and functions that are critical. A budget reduction of the magnitude we are facing will be addressed through a combination of actions, including a reduction in employees, programs and services, and non-personnel expenditures.

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Some programs and services that enhance the learning experience of our students and the development of our faculty as outstanding teachers will be impacted. One such program, the Center for the Enhancement of Teaching and Learning, was eliminated during the first wave of budget cuts in 2002. UNI faculty listed the reinstatement of this center as a top priority so funding in 2009 was budgeted. The Center will not now be reinstated, however, until such a time as adequate funding of our academic programs is restored.

Student-related services and operations such as the Student Health Clinic, Intercollegiate Athletics, Wellness Recreation Center and Maucker Union are operated as auxiliary enterprises. UNI, like the vast majority of our peer public comprehensive universities, provides general funds to support a portion of these programs. Without this general fund support, these important programs cannot be sustained at current levels. Given the current fiscal challenges, general-fund support of UNI's auxiliary enterprises will be reduced. Fees to attend events and to access services may need to be increased, and new program fees may be instituted to support programs and activities requested by students, employees, and campus visitors.

UNI's athletic program is widely known for its success. General-fund support of UNI athletics will be reduced. This will dramatically impact the athletic program, possibly requiring the elimination of team(s).

These programs and services listed will not be alone. Other business related projects, such as the Student Information System initiative, may need to be slowed or reduced in scale.

How will the economic downturn affect your services and the cost to provide those services? What are the key factors? What are the trends?

An economic downturn that impacts Iowa and the employment of Iowans usually has a negative impact on undergraduate enrollment at UNI and the other Iowa public universities. More than 92 percent of UNI undergraduate students are Iowans, and more than 70 percent of these students find jobs in Iowa when they graduate. These graduates make significant contributions to the economic vitality and development of the state.

Low interest rates, lost jobs, a faltering economy, and market declines have negatively impacted the university endowments nationwide, including UNI's. The result is significantly fewer funds available for endowed scholarships at a time when they are most needed

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There will be fewer faculty to teach our students, and class sizes will increase. Services to our students, faculty and staff will be reduced. Examples include custodial services which will be provided less often. Classrooms and laboratories will be the top priority for custodial services and building maintenance, but offices and hallways will be cleaned less often. Landscaping services will be reduced, negatively affecting appearance, optimal maintenance, and stewardship of grounds.

Support units in areas such as business operations, student services and academic affairs continually look for ways to reduce costs while increasing effectiveness and efficiency. However, reduction in services will occur and will have a negative impact on students, the community and the state. For example, UNI Career Services has a network of more than 5,500 employers and worked with more than 550 new employers last year, resulting in posts for more than 5,600 positions and internships made available to UNI students. Budget reductions would have a significant impact on UNI Career Services and its ability to help students start their careers. Coupled with the downturn in the economy, students could suffer in their ability to secure employment. For example, organizations booked for the annual spring career fair have dropped by nearly 65 percent, from 140 to 90. We expect to have to institute new fees and increased fees for some services.

There will be fewer dollars available for building repair and maintenance. Funds may only be available to handle emergency infrastructure needs. As mentioned earlier, deferred maintenance needs will increase, as has been the trend for the past decade.

Iowa School for the Deaf

Information for Iowa Legislature Education Appropriations Committee March 3 2009

How will you implement the Governors proposed FY 2010 to your programs? Will you decrease particular services, offer fewer programs, reduce staff time on a particular program, furlough or layoff staff, or take some other measures in response to the reduction?

General discussion of impact on ISD:

In the Governor's budget, ISD will sustain a 6.5% cut as part of the Regents system. ISD has already experienced a 1.5% cut to the FY 2009 budget, so the total in cuts would be 8% between the two fiscal years. However, fixed cost increases for ISD have been in the range of 6-8% annually over the past decade, with such large ticket items as negotiated salary increases that must be given by law, and increased health insurance premiums, for example. The net budget impact from December 2008 until the fall of 2009 could be as high as 16% with the actual cuts totaling 8% and the fixed cost increases, depending on how high the latter would be.

The universities can raise tuition to balance their budgets, and they have federal funds far greater than ISD receives. ISD's programs for students are dependent on Iowa legislative appropriations (general funds) that comprise approximately 90% of ISD funding. ISD cannot, by law, charge tuition to Iowa residents. The number of Nebraska students, whose districts and state department of education can be charged tuition, currently is only 13. That funding is not stable, as each district has the right to refer a student to ISD or to educate the student at home. If even one Nebraska student graduates or otherwise leaves ISD, that income cannot be readily replaced.

K-12 Education in Iowa will not be cut in the Governor's budget. Instead, K-12 districts will receive a 2% allowable growth increase, and teacher quality funds of approximately \$5000 per licensed teacher per district. (ISD's teacher quality supplement to teacher salaries comes from the Regents Salary Funding Bill, since ISD was not included in the Teacher Quality legislation. This amount is \$5,000 per teacher per year currently). K-12 districts can levy taxes locally to balance their budgets. ISD serves the entire state of Iowa, and therefore cannot levy taxes locally, although ISD is required to ensure that its programs and highly qualified teachers comply with Iowa Board of Educational Examiners and Department of Education regulations just as the regular K-12 schools in Iowa do.

The specific impact of this level of a 6.5% budget cut on ISD's programs will likely be:

Restructuring dormitory services and offering fewer services.

A budget cut of this magnitude will mean that students living within 45 minutes of ISD will not be able to stay in the dormitories. They will not be able to access afterschool activities unless their parents provide transportation, nor will they have the tutoring and language development in the dormitory that supplements literacy development in the school program. Many of these students live in families where their communication is weak and their parents cannot effectively assist the students with homework, because

they cannot use American Sign Language fluently enough to get ideas across to their children. Overall student progress in the school program could also be further delayed without this resource.

Restructuring instructional programs.

Two teachers have indicated they will retire and the positions will not be filled. This cut will mean that the high quality educational programs ISD offers could be compromised, because ISD will lose teachers in some vital areas of content area licensure. There is no guarantee the students who need classes that had been taught by these highly qualified teachers can receive the same instruction at Lewis Central Community Schools, particularly if LCCSD must cut teachers and does not have slots available for ISD students to attend their classes. Even if slots are available, ISD students need direct instruction from teachers who are very familiar with the learning needs of deaf students and who can communicate directly and fluently with the students. Extended year contracts of two principals may be reduced by several days to save funds, which will impact their ability to coordinate curriculum efforts and master scheduling with the superintendent and school counselors.

Closing two language development support programs.

ISD's newest program for Early Intervention, which is an afterschool program daily for preschool through 6-year old ISD students, will be closed. This means that the additional hours of language development these children had through the afterschool program will be lost, and language development will not be as strongly supported as it is with the additional services. Language development is the most critical need for deaf and hard of hearing children, and birth to six years of age is the most vital time period in which language is acquired. Delays in language support at this age can impact the learning of all school subjects for a lifetime.

ISD's summer program would be cut. Deaf students experience skill regression that results from long breaks without direct instruction, especially language development instruction. The regression in ISD's students' language skills will be increased and their long-term gaps in overall achievement will be impacted negatively with the loss of the summer program. Even a brief summer session boosts language skill retention; however, the budget cuts will make this impossible. (Extended School Year/ESY that is required for some of ISD's students who have significantly delayed overall development will still be provided, but will be structured differently than it currently is during the ISD summer program. ESY in some cases will be delivered by home districts, which does not ensure continuity of programming, but meets the letter of the special education law).

Other areas potentially impacted by cuts.

Significant funding for Repairs and Maintenance would be cut, thus delaying repairs and maintenance on buildings and grounds. Safety factors would be addressed, but other repairs and maintenance would be deferred further than they have been already.

Non-essential travel, such as field trips over and above the state-mandated number annually for students, and professional development travel for staff that is non-essential would be cut. Also, tuition reimbursement for staff would be cut except if required to maintain teacher licensure in a specific content area, to be determined as essential by the superintendent.

Additional areas of impact will be researched and identified as the full extent of the anticipated cuts and fixed cost increases are known. Restructuring of specific areas that support the direct instruction and dormitory programs will be implemented as needed.

What three programs, services, or functions would you want to spare from reduction, in part or total, if possible?

- Direct school-year instruction for ISD's students who are deaf or hard of hearing must be spared as much as possible. Class sizes will be larger; however, the direct instruction ISD's students receive from highly qualified teachers who have licensure in education of the deaf and specific content areas (e.g., elementary education, secondary science, mathematics, English and social studies) will be continued.
- Dormitory services for ISD's students who live too far to commute will be spared, thus ensuring they have access to the special school with the most appropriate educational programs to meet their needs, which are provided in Iowa only by ISD. Some areas of dormitory service will be reduced, but appropriate basic dormitory services will be available for students who do not live locally and need ISD's school services.
- Vital Student Life Department functions must be spared as much as possible in addition to the direct service dormitory programs, to ensure the health and safety of the students. These include: food service personnel, food supplies and equipment, transportation personnel, equipment repairs and maintenance (including fuel for vehicles), and nursing personnel, supplies, and equipment.

What three programs, services, or functions could be reduced or eliminated with the least impact to recipients and/or the institutions?

- Repairs and maintenance
- Summer program
- Non-essential travel/professional development reimbursement (including tuition for courses)

How will the economic downturn affect your services and the cost to provide those services? What are the key factors? What are the trends?

Like every human service department and program, the economic downturn has the potential to increase the costs of supplies, goods, equipment, fuel and other items for

service provision to ISD's students. It will not likely affect the number of students ISD has, except to possibly increase the student body as local districts find it increasingly difficult to serve their students who are deaf or hard of hearing adequately. The downturn will make repairs and maintenance critical for existing ISD facilities, equipment and vehicles, yet ironically it will compel ISD personnel to delay addressing the repairs and maintenance. Replacement of facilities, vehicles, and equipment will have to be deferred entirely, causing potential safety issues.

The key factor for ISD is the level of state general fund support, which is paramount for ISD's service provision. Maintenance of ISD instructional programs for Iowa's students who are deaf or hard of hearing is dependent on that state general fund appropriation.

The trends would be difficult to predict or quantify until the legislative process is complete and the full impact of the general appropriation situation for ISD is known. It is likely that student need for the program will be steady, or even increasing, possibly, with resources diminished to provide services to these students.

Iowa Braille and Sight Saving School

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Budget reduction planning consideration includes:

1. Freeze or minimal salary increases
2. Offering an early retirement benefit
3. Reduction in travel expenditures for professional development
4. Reduction in operating expenditure including delaying expenditures for one time costs (examples include; repairs, improvements, equipment, vehicles)
5. Furloughs for all employee groups
6. Staff reduction through attrition
7. Not filling vacant position(s)
8. Staff reduction through downsizing with contracts for some services.

What three programs, services, or functions would you want to spare from reduction, in part or total, if possible?

1. Services required by the Individuals with Disabilities Education Act, Iowa Administrative Rules of Special Education and student Individual Education Programs (IEP). These required services are offered throughout the state and on the campus at Iowa Braille School and are provided from birth to age twenty-one.
2. Expanded Learning Opportunities offered regionally throughout the State including summer programs for meeting the needs of the core curriculum and expanded core curriculum.
3. Statewide instructional and support services including Teachers of the Visually Impaired, Orientation and Mobility Specialist, Consultants and Leadership personnel at the current level of employment.

What three programs, services, or functions could be reduced or eliminated with the least impact to recipients and/or the institutions?

1. Consideration of position elimination with contract for services in areas of health, nutrition and operations on the campus at Iowa Braille School.
2. Consideration of reduction, elimination or temporarily ceasing of the professional development benefits afforded staff for tuition reimbursement, travel and associated costs.
3. Elimination of some extra curricular activities offered to students on campus and throughout the state.

Iowa Braille and Sight Saving School

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How will the economic downturn affect your services and the cost to provide those services? What are the key factors? What are the trends?

The Board of Regents through the Statewide System for Vision Services has entered into a cooperative agreement with the Area Education Agencies, Department of Education and the Department for the Blind to provide quality, equitable services to children that are blind or visually impaired across the State. The agreement eliminates the duplication of services from the partner agencies.

The economic downturn affects all the partner agencies and thus delays the full implementation of the agreement which calls for equitable access to high quality services, regional services and strengthening of the work force assigned with students who are blind or visually impaired. Services affected include number, location and duration of extended learning opportunities for students. Leadership support and professional development are reduced. Being able to attract and retain highly qualified staff is impacted through salary freezes and reduction of benefits.

The trend is toward the reduction of options and opportunities available to students and families. The trend will make Iowa less competitive in a highly competitive market for the attraction and retention of professional personnel. The trend may lead to not meeting the professional and legal requirements associated with the implementation of the Individuals with Disabilities Education Act. It is recommended that, in order to address this trend, the Iowa special schools funding allocation be aligned with Pre-K-12 education and have the resources and predictability of allowable growth percent increases (or reduction) as applied to the current appropriation.