

EDUCATION APPROPRIATIONS SUBCOMMITTEE

UNIVERSITY OF IOWA



THE UNIVERSITY
OF IOWA

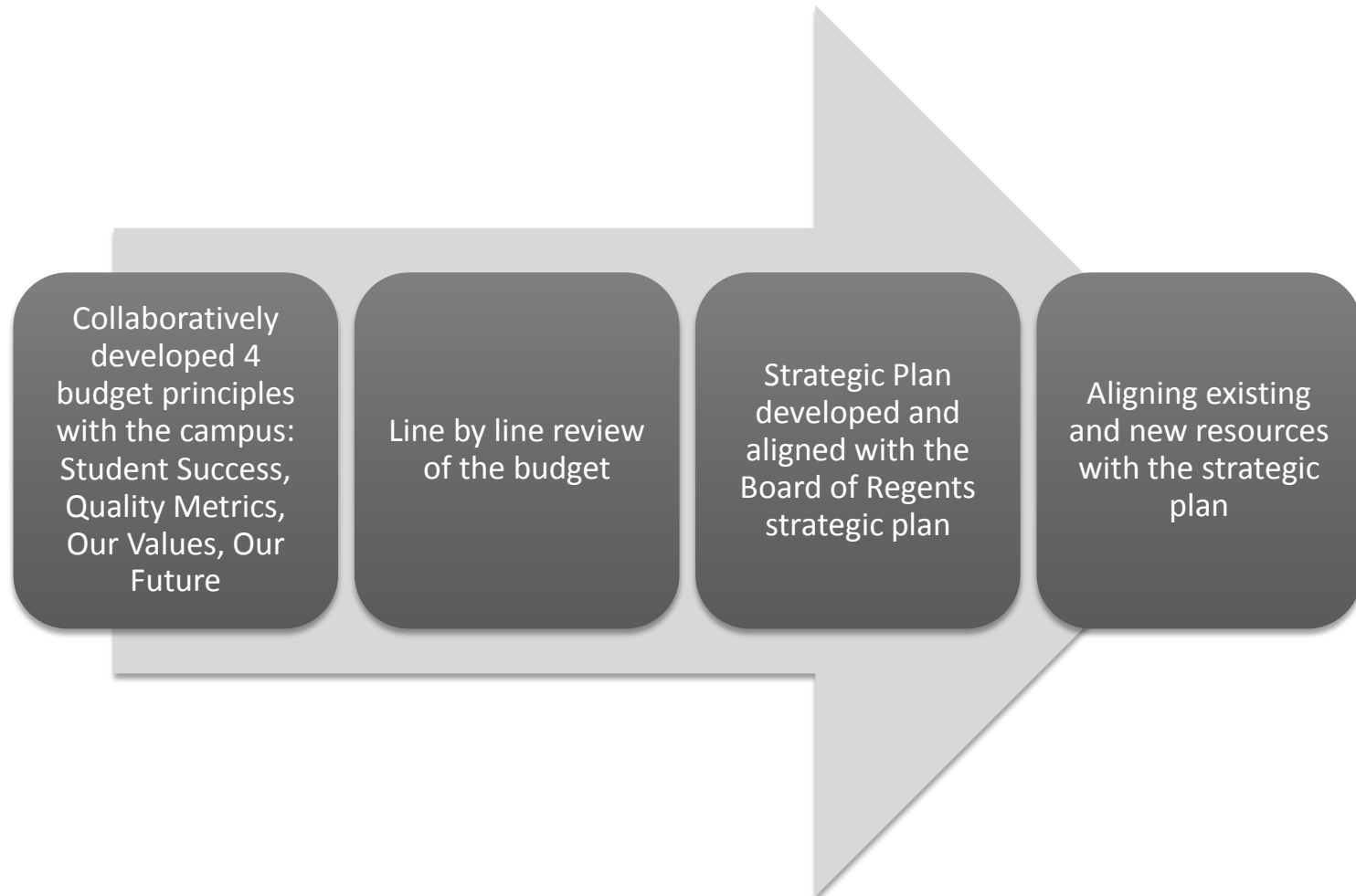


State Assets





Strategic Planning and Budgeting



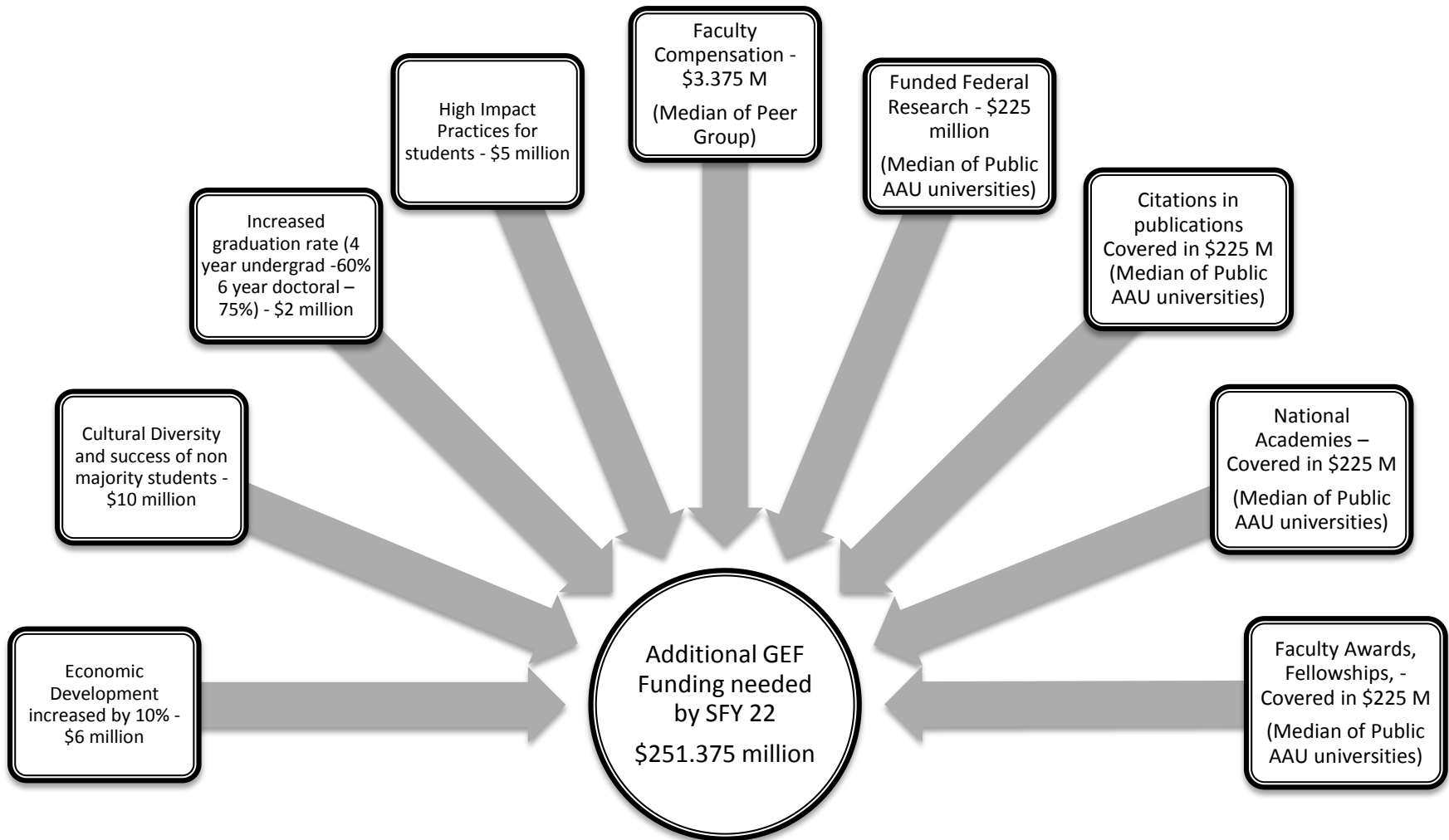
The University of Iowa Strategic Plan

Student Success: Provide a transformative educational experience for all UI students that leads them to be engaged citizens.

Research and Discovery:
Perform high-impact research

Engagement: Engage with Iowa and the world to broaden education, improve health, and enhance economic development.

Implementing the University of Iowa Strategic Plan



Turning the Fiscal Dials 2 – 1 - 2



- TIER
- Aligning Budget with Strategic Plan



- Affordable Tuition



- State Appropriations
- Stable resource allocation

Turning the Dials @ the University of Iowa - TIER



Operating efficiency is significant part of our culture. As of December 2016:

- The UI has saved \$4.5 M (IT, Shared Services, Procurement) and redirected \$2.5 M of employee effort (HR and Shared Services) from administrative tasks to the core functions of teaching and research.
- The UI expects to save an additional \$4.5 M across all initiatives by the end of FY18.

The next phase of **TIER@IOWA** includes the on-going realignment of IT services and support (OneIT), consolidation of key HR functions between central campus and health care, and full implementation of the academic cases that will include the optimization of classroom utilization and scheduling, improving both time to graduation and retention rates, and enhancing E-learning offerings in partnership with UNI and ISU.

This commitment is in line with the Board of Regents strategic plan objective 3.1:

- “The Regent Enterprise will continue to seek, implement, and strengthen operational efficiencies and effectiveness.”

Turning the Dials @ the University of Iowa



The UI conducted a line by line review of the entire budget in order to align resources with the UI's strategic plan.

In addition, the UI has launched a larger study, led by academic leadership, to review the UI's overall structure.

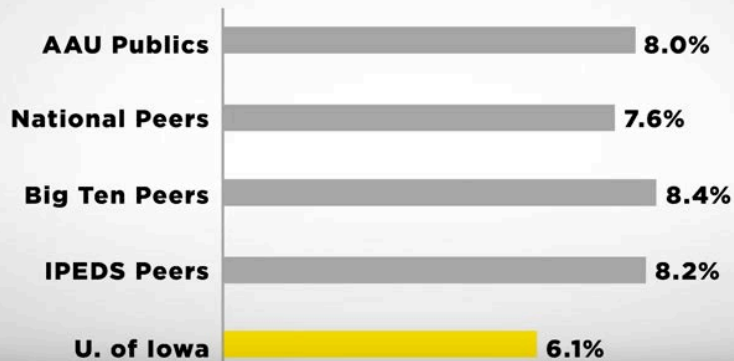
This commitment is in line with the Board of Regents strategic plan objective 3.3:

- "The Regent Enterprise will advance capital and operational forecasting and predictability for maximum resource allocation."

Turning the Dials @ the University of Iowa – Low Overhead Costs

ADMINISTRATIVE OVERHEAD

As % of Core Expense



The administrative overhead at the University of Iowa is 1.5% lower than our national peers which has allowed us to make up some of the resource gap.

This commitment is in line with the Board of Regents strategic plan objective 1.2:

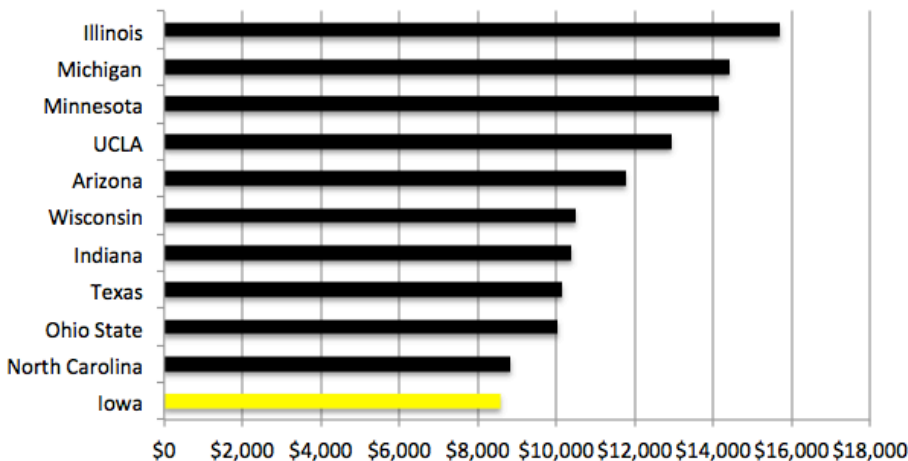
- “The Board of Regents will incorporate strategies for a system that ensures the accessibility and affordability of higher education at the Regent Institutions.”

Turning the Dials @ the Board of Regents – Affordable Tuition

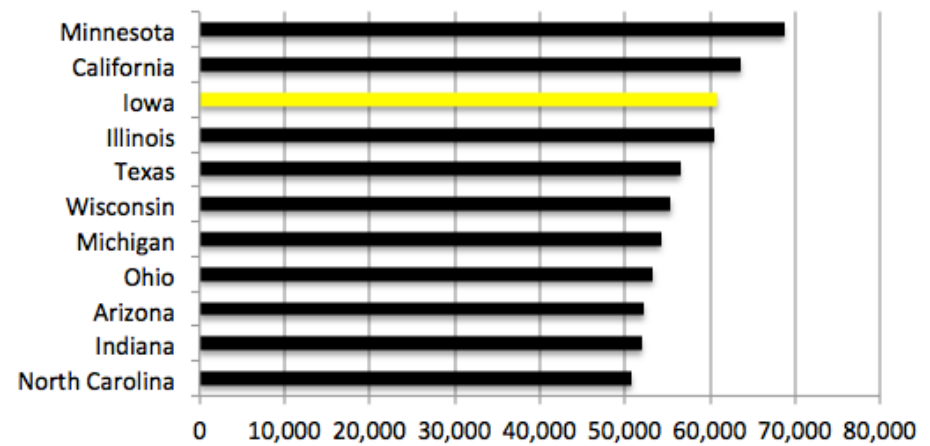
The University of Iowa has a Board of Regents approved national peer set which includes 6 Big Ten schools and 4 additional schools spread across the nation.

If the UI would raise its tuition to the average of its peer set the UI would see a \$91 M increase in its budget.

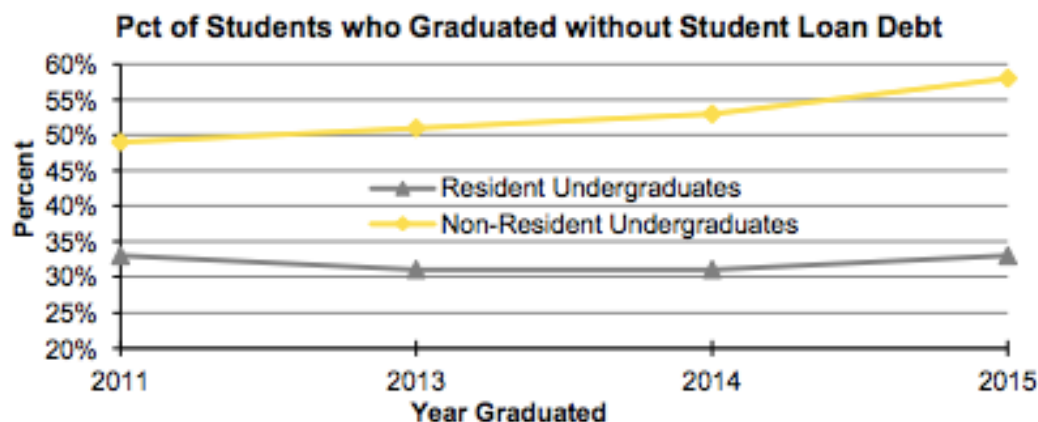
Resident Tuition and Fees (15-16)



Average Household Income (2015)



Turning the Dials @ the Board of Regents – Affordable Tuition



The University of Iowa continues to work with our students to manage the debt they take on while pursuing a degree at the UI.

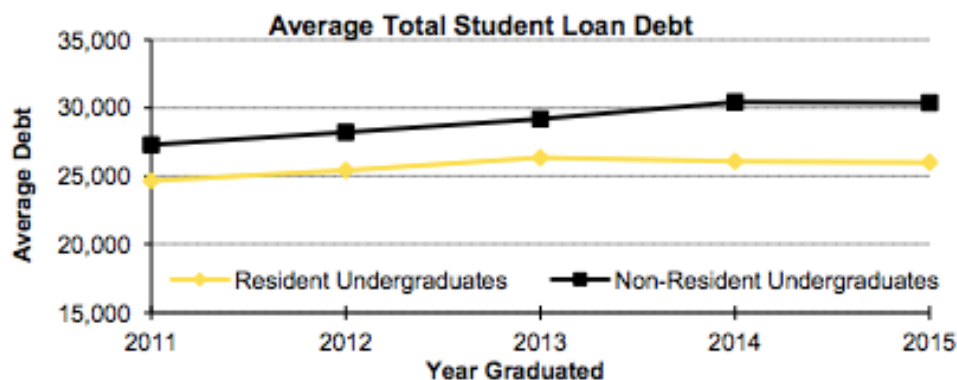
To that end, 44% of our undergrad students graduated last year with zero debt.

Those that did graduate with debt had on average a total debt load of \$27,415. The average debt of **ALL students** is \$15,352.

Of those that did graduate with debt only \$12,385 of the \$27,415 is classified as need based debt.

This commitment is in line with the Board of Regents strategic plan objective 1.2:

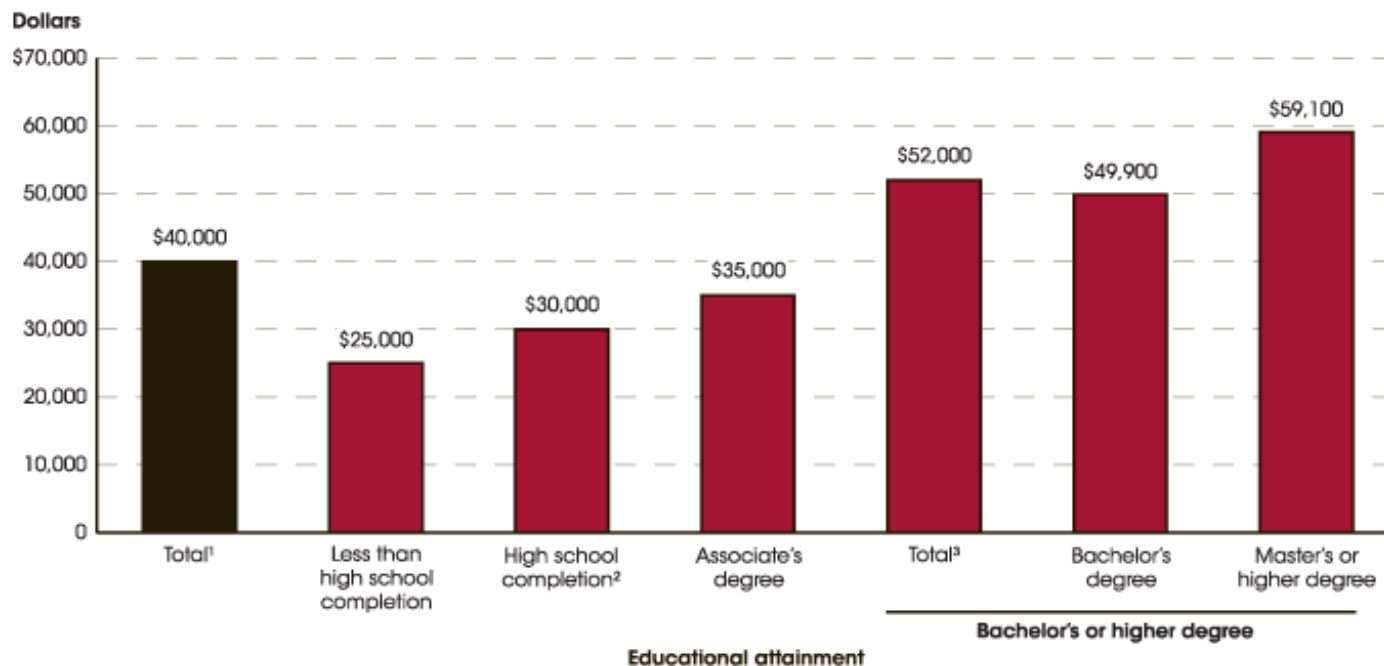
- “The Board of Regents will incorporate strategies for a system that ensures the accessibility and affordability of higher education at the Regent Institutions.”





Turning the Dials @ the Board of Regents – ROI

Median annual earnings of full-time, year-round workers ages 25–34, by educational attainment: 2014



According to the latest Census Bureau data a bachelor's degree, on average, allows an individual to earn nearly \$20,000 more per year than a high school degree and almost \$15,000 more than an associate's degree.

In addition a Pew Research study has shown that Millennials with a bachelor's degree have lower unemployment and poverty rates, are less likely to be living with their parents and have more satisfaction in their career.

Turning the Dials @ the General Assembly – Stable Resources



The UI is committed to working with our state partners to create a stable economic picture for our students, campus, and the state.

If the UI is permitted to increase its tuition to the 2016-2017 average of its peer set over the next 5 fiscal years, the UI will commit any additional general funding provided by the state—above the new SFY 17 commitment of \$224 M—to be used as aid for resident students.

Due to the decrease in state support this fiscal year, the UI has ended some non-merit and non-need based scholarships.

This decrease will impact 2,440 resident undergraduate students.

This commitment is in line with the Board of Regents strategic plan objective 1.2:

- “Advocate for state appropriations and resources to be used for student financial aid at Regent institutions.”

Turning the Dials @ the General Assembly – Economic Opportunities



Opportunities for university and industry relationships that spark economic development are limited because:

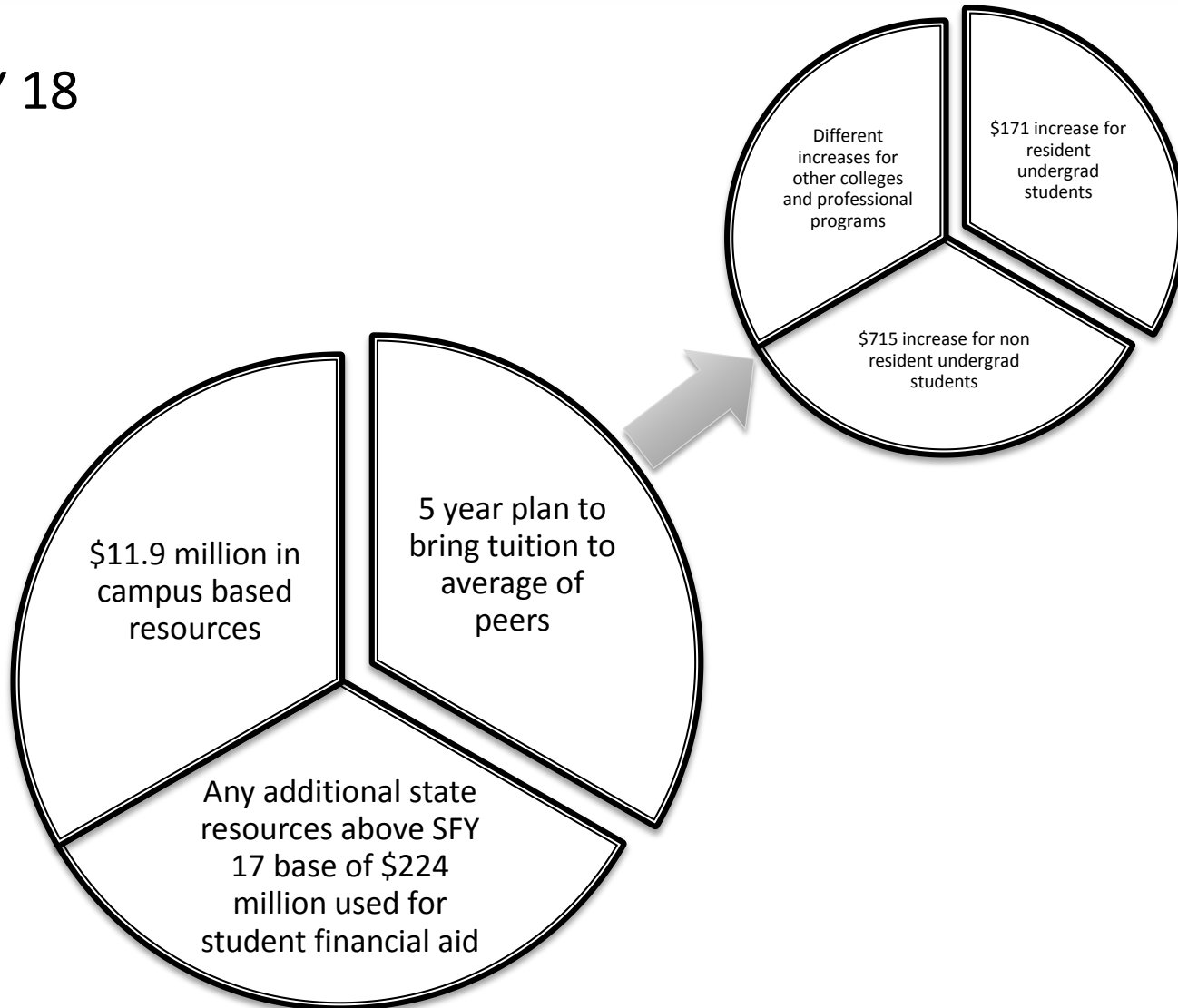
- The perception that the UI cannot protect trade secrets.
- A lack of clarity around how the Commercialization of Research for Iowa Act permits regents institutions, or their affiliated entities, to use their retained earnings to modestly invest in private start-up companies which license technology from regents institutions and/or spin out of regents institutions-related research and development efforts.

This commitment is in line with the Board of Regents strategic plan objective 2.3:

- “The Regent Enterprise will build strategic collaborations among universities and with outside entities to foster opportunities for innovations and economic development.”

Implementing the Strategic Plan

SFY 18



Implementing the Strategic Plan

SFY 19 - 22

