

The University of Iowa General Education Fund FY 2021 Budget

The University of Iowa's academic, administrative and shared governance leaders continue their efforts to develop and refine the value-based budgeting process. With the goal of establishing a process that empowers unit leaders to prioritize funding in order to support their respective missions and to improve financial transparency, the following principles guided decisions in forming the FY 2021 budget:

- **Budget Model – Characteristics**

- Value-based, transparent, and shaped by guiding principles (Student Success, Quality Indicators, Our Values, Our Future)
- Flexible design to support and finance the 2016-21 University of Iowa Strategic Plan
- Based on annual increases/decreases to the GEF “Collegiate Economic Analysis” report

- **Budget Model – Goals**

- Maximize annual net tuition revenue
- Improve predictability and stability in the face of a generational decline in state support
- Incentivize new revenue generation
- Provide recurring/non-recurring funding for strategic initiatives
- Ensure collegiate/non-collegiate unit financial accountability
- Improve salary competitiveness
- Reward collaboration within and among colleges
- Fund salary and benefit adjustment and/or other inflationary increments through new revenues, efficiencies or reprioritization
- Provide guidelines for equitably sharing centralized costs
- Develop multi-year revenue/expense projections

This collaborative process and budget model allows the University to develop a General Education Fund budget reinforcing its principles and mission of education, research and discovery.

All other University of Iowa FY 2021 budgets were developed simultaneously with the General Education Fund budget and utilized similar policies and budget guidelines.

A. REVENUE PROJECTIONS

\$ 746.0 million	FY 2020 GEF Budget
\$ (3.1) million	State Appropriations
\$ (14.8) million	Tuition
\$ (0.2) million	Indirect Cost Recoveries
<u>\$ 0.0 million</u>	Interest and Other Income
\$ (18.1) million	Total Revenue Decrease
\$ 727.9 million	FY 2021 GEF Budget

1) State Appropriations

The University's General Education Fund (GEF) support from state appropriations in FY 2020 was \$218.7 million or 29.6% of the University's GEF budget.

For FY 2021, the Board of Regents requested a \$7.0 million increase for the University of Iowa. The 2020 Iowa General Assembly, instead, reduced incremental funding of \$8.0 million for FY 2021 to be allocated by the Board of Regents to the three Regent institutions. The Regents approved a \$3.1 million (1.4%) reduction to the University of Iowa.

2) Tuition

In June 2020, the Board of Regents approved zero base tuition increases for FY 2021.

For the fall of 2020, the University is anticipating a smaller incoming freshman class due to numerous uncertainties related to the unprecedented impacts of the COVID-19 epidemic across the country. However, focused enrollment management efforts plan to yield a diverse yet more prepared freshman class allowing for improved retention and time to graduation. Graduate and professional student enrollments are anticipated to decrease slightly. In total, the University is projecting a decrease of \$14.8 million (3.1%) in tuition revenue.

The FY 2021 estimated total gross tuition budget is as follows:

	<u>Resident</u>	<u>Non Resident</u>	<u>Total</u>
Undergraduate	\$118,756,000	\$222,486,000	\$341,243,000
Graduate	37,406,000	10,138,000	47,544,000
Professional	48,877,000	24,743,000	71,620,000
Other	<u>1,103,000</u>	<u>1,397,000</u>	<u>2,500,000</u>
Total	\$204,142,000	\$258,764,000	\$462,907,000

3) Other Income

The University is estimating a slight decrease of \$0.2 million (0.5%) in indirect cost recoveries due to an anticipated decrease in federal research activities.

Interest and other income within the General Education Fund are estimated to remain the same as FY 2020. All earnings of General Education Fund balances remain within the General Education Fund for budgeting and expenditure purposes.

4) Reallocations/Reprioritization and Cost Saving Measures

During FY 2021, the University will continue to use the budget model to identify, evaluate and possibly discontinue or close activities in which state resources are no longer sufficient to support these functions. The University must ensure available resources align with the University's strategic plan and sustain financial viability. Scarce resources will continue to be directed to student success, research, and economic development programs.

Due to cuts in state funding, shifts in enrollment demographics, and losses related to COVID-19, the University announced the following measures to trim spending in FY 2021:

- President Bruce Harreld has requested a 50% reduction to his base salary for FY 2021 starting on August 1st. The one-time allocation of \$270,416 will be directed to the Student Emergency Fund which is available to students who experience an event or unforeseen circumstance, such as COVID-19, that negatively and severely impacts their academic success.
- For FY 2021, the University will reduce General Education Funding support for Hancher Auditorium, beginning a three-year process to transition Hancher to a self-sustaining unit on campus.
- Hiring freezes and salary freezes recommended by many collegiate and administrative units
- One collegiate unit elected to not renew contracts of some instructional-track faculty and assistants in instruction.

B. EXPENDITURE PROJECTIONS

1) Collegiate and Central Core Unit Allocations

The University's budgeting process provides a framework for accelerating advancement in strategically targeted areas while maintaining and contributing to the high quality in core missions and central programs.

Distribution of changes in revenues to collegiate and central units is calculated utilizing predetermined methodologies to improve transparency and predictability for units. For example, new revenue generated by a college that is subject to share, such as tuition and fees, allows for seventy percent of new revenue to remain with the college. Thirty percent is distributed to central service units responsible for providing core administrative services to collegiate and/or auxiliary units.

Increases or decreases in state appropriations are also distributed by apportionment to collegiate and central services units.

Once revenue distributions are calculated, collegiate and non-collegiate units set priorities and create spending plans guided by the four budgeting principles (Student Success, Quality Indicators, UI Values, and UI Future).

a. Salary and Fringe Benefits (see attachment "SUI Salary Guidelines" for details)

The University of Iowa operates on two distinct salary increase cycles and each college/division has made a determination regarding the cycle in which they may provide adjustments. The first cycle occurs on July 1 and the second cycle occurs on January 1.

The University does not set a campus-wide salary policy and instead empowers Deans, Vice Presidents and other unit leaders to make decisions based on their unique needs, priorities, and market conditions.

i. Faculty and Non-Bargaining Professional and Scientific (P&S) Staff

Typically, the majority of GEF units consider potential performance and/or cost-of-living increases for faculty and non-bargaining P&S staff in January. Making salary increase decisions in January allows the University to have a clearer picture of tuition revenue following September enrollment counts and of any potential state budget changes following the State of Iowa's December meeting of the Revenue Estimating Conference.

For FY 2021, due to budgetary challenges, most collegiate and non-collegiate units will not approve salary increases for faculty and non-bargaining staff.

ii. Collective Bargaining Units

The University will fully implement the terms and associated costs of all collective bargaining agreements.

General Education Fund salary costs of the agreements are estimated to increase by \$1.2 million (2.1%) for AFSCME staff and \$0.7 million (2.1%) for COGS represented staff (graduate assistants) in FY 2021.

iii. Fringe Benefits

In February 2020, the University completed negotiations with the federal government establishing the FY 2021 fringe benefit rates for each employee category. Annual changes in the approved rates are attributable to cumulative historic costs of covered benefits, salary changes, and employee utilization of benefits.

For FY 2021, changes in fringe benefit rates on the existing General Education Fund compensation base will decrease total benefit costs. Costs related to AFSCME bargained merit staff will remain flat while P&S and faculty costs will decrease by approximately \$2.3 million.

b. Student Aid

For FY 2021, the University is estimating that the student aid budget will not change significantly from FY 2020.

The University of Iowa is committed to identifying new ways of meeting the needs of its students and will focus efforts on sustainable means of helping students graduate on time and receive the highest value education it can provide.

c. Opening New Buildings: Net costs to occupy new/improved space or to remove facilities

The estimated change in utilities, custodial services, information technology, and general maintenance and renewal costs for new or improved General Education Fund-supported buildings in FY 2021 will decrease by \$0.4 million.

This net decrease includes new costs associated with opening the Oakdale Studio Facility offset by the demolition of the previous Faculty Art Studios and the Communications Center building.

d. Utility Inflation

In March 2020, the University of Iowa received approval from the Board of Regents to enter into a 50-year public-private partnership (P3) involving its utility system with ENGIE North America and Meridiam.

Under the agreement with ENGIE and Meridiam, the University will maintain ownership of its utility system and ENGIE will perform all operations with respect to steam, cooling, water, and electricity.

As expected, most utility system employees have transitioned to become ENGIE employees. This transition results in lower University direct salary and fringe costs but increases utility general expenses at a comparable amount.

Total General Fund utility non-salary expenses are expected to increase by approximately 2%.

The University's General Fund support of utility expenses for the Oakdale Campus will decrease by \$0.3 million in FY 2021. The campus houses the State Hygienic Laboratory, a major consumer of utility services on the Oakdale campus.

e. Iowa Public Radio

In FY 2020, the University provided \$321,184 of support to the Iowa Public Radio. The Board of Regents and Iowa Public Radio agreed to reduce university support to zero in FY 2021.

2) Strategic Investments/Operational Service Needs

Throughout the year, central service advisory committees provided ongoing review and advice to business units. In the spring of each year, committees forward proposals for either operational cost savings or increases for consideration to the University's administrative Budget Review Board.

For FY 2021, the Budget Review Board did not approve any new priorities.

The University will continue to use the six advisory committees to evaluate and implement additional initiatives throughout the fiscal year.

**UNIVERSITY OF IOWA HOSPITALS AND CLINICS
FINAL FY 2021 OPERATING BUDGETS OF THE
UNIVERSITY OF IOWA'S STATEWIDE HEALTH SERVICE UNITS**

STRATEGY

In FY 2021, the strategic focus for the University of Iowa Hospitals and Clinics (UIHC) will continue to center on the offering of a broad spectrum of clinical services to all patients, serving as the primary teaching hospital for the University, and providing a base for innovative research to improve health care.

UI Hospitals and Clinics is committed to providing patient-focused care in an environment devoted to innovative care, excellent service, and exceptional outcomes. These three commitments identified in the strategic plan are the key drivers in drafting the FY 2021 operating budgets. Achievement of each commitment will occur by following defined goals, strategies, and tactics.

- 1) Innovative Care
 - Care Delivery - UIHC will be recognized as a state and national leader in developing and implementing new and more efficient health care delivery models that emphasize quality-driven patient experience.
 - Clinical Programs – Select UIHC clinical services will be leaders in the state and national market by offering cutting edge clinical services, robust clinical research, and strong training opportunities.
- 2) Excellent Service
 - Patient Satisfaction – Patients and families will be highly satisfied with their entire UIHC experience in all settings.
 - Referring Physician Satisfaction – UIHC will be recognized by referring physicians for its efficient and effective support to their patients.
 - Staff, Faculty, and Volunteer Engagement – Staff, faculty, and volunteers are valued and engaged in the pursuit of UIHC's vision.
- 3) Exceptional Outcomes
 - Safety – UIHC will provide a continuously improving, safe environment for all patients and staff at all times.
 - Clinical Outcomes – UIHC will use a continuous improvement process to achieve exceptional clinical outcomes.

The following are key strategies implemented to achieve UIHC's goals:

- Assure patient quality and safety remain a top priority
- Improve patient admission and transfer process
- Aggressive management of labor productivity and effectively flexing to match resources to volumes
- Review staffing efficiency and flex staffing utilization
- Optimize utilization of existing facilities, continue renovations to expand acute and ICU bed capacity as well as conversion to single patient rooms
- Continue to improve off campus access to outpatient services at the Iowa River Landing (IRL), North Dodge and Scott Boulevard offsite medical buildings. These clinics will continue to alleviate the outpatient capacity issues at the current facility on the main campus and allow for more convenient access to services in the community
- Continue to improve patient access through centralized clinic appointment scheduling and allowing patients/families to schedule directly through UIHC MyChart
- Continue the focus to improve the patient experience with emphasis on improved access to services, enhanced communication, reduced wait times and patient satisfaction
- Continued focus on several key product lines, including Orthopedics, Cancer, Heart & Vascular, and Neurosciences.
- Continued emphasis on population health initiatives, including continued Care Coordination focus, Physician Quality and Cost Dashboards, and Payor ACO arrangements
- Focus on appropriate utilization of drugs, patient supplies and ancillary tests

- Continued development of innovative initiatives to reduce the costs of care and expand patient's access to care (i.e. expand telemedicine strategy)
- On-going policy of contracting with third-party payors at fair and reasonable rates
- Maximize the use of the EPIC information technology infrastructure to provide comprehensive patient information under one common platform
- Further enhance philanthropy

CHALLENGES

There are ever-increasing financial pressures on the healthcare industry that have been heightened with the COVID-19 pandemic. Both governmental and non-governmental payors are looking to reduce health care spend. UI Health Care faces continued pressure on reimbursement rates from Medicare and Medicaid, as the U.S. Centers for Medicare & Medicaid Services (CMS) continues to place increasing importance on quality programs and cost reduction. The State of Iowa also continues to face financial challenges that may affect both academic and clinical funding for University of Iowa Health Care. Managed Medicaid programs will continue to look for ways to limit claims spend. With the effects of healthcare reform, we will continue to see a push toward providers taking more risk for quality and efficiency results. Finally, the impacts that the pandemic will continue to have on volumes and payor mix present a risk moving into FY21. These and other external challenges will have an impact in all areas of our mission, ranging from near flat reimbursement for patient care services to continued constraint and competition for research funding. The necessity to continue to maximize revenue opportunities, grow market share, ensure ease of access to our services, ensure the safety of our faculty, staff and patients, improve throughput, further enhance service excellence and be even more cost efficient in our operations continues to be essential.

Expense inflation (salary and non-salary) continues to outpace the level of payor rate increases. An average salary increase of around 2.1% is projected for next year due to base salary increases. In efforts to conserve expenses to address challenges noted above, cost savings initiatives will be employed in FY21. While we continue to standardize product utilization and implement supply chain savings initiatives, medical and surgical supply costs are estimated to rise 3.0% or more due to price increases and changes in technology. Pharmaceutical cost increases are anticipated in the 2.0% range.

VOLUMES

The University of Iowa Hospitals and Clinics predicts continued high demand for its services. Inpatient acute admissions are expected to increase approximately 1.3% from pre-COVID levels while outpatient activity is anticipated to remain nearly flat over FY 2020 pre-COVID levels. The case mix index, reflective of the acuity of care required by inpatients, is anticipated to remain high at a level of 2.1.

RATES

Additional net revenues will be required in FY 2021 to meet a 1.8% operating margin budgeted. These additional net revenues will be achieved through new volumes and a rate increase of 6.0% approved by the Board in April to be effective July 1, 2020. Market data indicates that UIHC continues to have lower rate adjustments when compared to academic medical center peers and other Midwest healthcare institutions.

As always, UIHC is concerned with the effect of higher charges on its patient population. A study completed by the University HealthSystem Consortium shows that the impact on insured patients is minimal, with little or no change to deductibles and co-payments. Self-pay patients, who account for approximately 1.0% of UIHC charges, have limited exposure due to UIHC's discount policy for the medically indigent. The following table summarizes how increases in rates affect various payor groups:

Rate Increase Impact by Payor:

- Medicare
 - Charges and cost affect DRG and APC rate setting
 - Charges affect new technology rate setting
 - Outlier thresholds and payments are based on charges and cost
 - Coinsurance up to policy maximum
- Medicaid
 - Charges and cost affect DRG and APC rate setting
 - Outlier thresholds and payments are based on charges and cost
- Managed Care
 - Payors with outpatient percent of charge payment provisions
 - Stop-loss thresholds and payments
 - Carve-out arrangements (i.e. high cost drugs, prosthesis, new technology, etc.)
 - Coinsurance up to policy maximum
- Commercial Non-Contracted
 - Payment based on charges
 - Coinsurance up to policy maximum
- Self-Pay
 - Individuals not otherwise eligible for uncompensated care discount policy

UIHC Policy Guidelines for Uncompensated Care Discount Percentages:

**2020 Annual Income Guidelines
for Financial Assistance Eligibility Determination**

Effective January 15, 2020

Family Size	Poverty Guidelines	Income Level			
		200%	250%	300%	350%
1	\$ 12,760	\$ 25,520	\$ 31,900	\$ 38,280	\$ 44,660
2	\$ 17,240	\$ 34,480	\$ 43,100	\$ 51,720	\$ 60,340
3	\$ 21,720	\$ 43,440	\$ 54,300	\$ 65,160	\$ 76,020
4	\$ 26,200	\$ 52,400	\$ 65,500	\$ 78,600	\$ 91,700
5	\$ 30,680	\$ 61,360	\$ 76,700	\$ 92,040	\$ 107,380
6	\$ 35,160	\$ 70,320	\$ 87,900	\$ 105,480	\$ 123,060
7	\$ 39,640	\$ 79,280	\$ 99,100	\$ 118,920	\$ 138,740
8	\$ 44,120	\$ 88,240	\$ 110,300	\$ 132,360	\$ 154,420
*	\$ 4,480	\$ 8,960	\$ 11,200	\$ 13,440	\$ 15,680

(*) For family units over eight (8), add the amount shown for each addition:

Source: Department of Health and Human Services – Federal Poverty Guidelines

**The University of Iowa
OAKDALE CAMPUS
Budget Summary
FY 2021**

\$2,390,000

The Oakdale Campus budget outlines the distribution of appropriations and other income components to the University of Iowa for the operation of the Oakdale Campus. Budget decisions were made in accordance with goals and objectives set forth in the University Strategic Plan. The Oakdale Campus budget is designed to provide a working environment to stimulate research, outreach, and support activities on the Oakdale Campus. This budget supports significant building, utility and maintenance costs associated with space occupied by the State Hygienic Lab and other specialized research facilities.

REVENUE

Total projected revenue is \$2,390,000
State Appropriations – 88%
Reimbursed Indirect Costs – 12%

State appropriations for FY 2021 (\$2,103,819) represents a reduction of 1.42% or \$30,301 from last fiscal year.

EXPENDITURES

Salaries: Salaries for Operations and Maintenance in the Oakdale Campus include Building Maintenance, Landscape Services and Custodial Services. Salaries comprise 53% of the Oakdale Campus Budget.

Utilities: Utilities comprise 31% of the Oakdale Campus Budget. The GEF Oakdale subsidy budget decreased by \$276,000 in FY 2021 due to the razing of 3 Oakdale buildings.

All Other Expenses: All other expenses are 16% of the Oakdale Campus Budget. This includes equipment, materials and services that are required to maintain an environment to conduct research, primarily used in the Building Maintenance, Landscape Services and Custodial Services operations.

**The University of Iowa
STATE HYGIENIC LABORATORY
Budget Summary
FY 2021**

\$6,684,829

The State Hygienic Laboratory (SHL) is established in the Iowa Administrative Code to provide the following services, public health and environmental testing and surveillance, food safety testing and surveillance, chemical and bioterrorism response, newborn screening and testing, education and training, and applied research. Key partners include the Iowa Department of Public Health, the Iowa Department of Natural Resources, hospitals and clinical labs throughout the state and region, and university researchers. SHL serves all 99 Iowa counties, in addition to providing services from clients throughout the nation. The overall budget is \$24.4 million (increase largely due to New CDC Biomonitoring grant), with the state portion comprising approximately \$6.7 million, or 27.5% of the overall budget.

REVENUE

FY 2021 projected revenue is \$6,684,829
State appropriation – 72%
Fee for service testing – 27%
Indirect cost recovery – less than 1%
Interest – less than 0.1%

The FY 2021 state appropriation (\$4,822,610) is unchanged from last year. SHL's appropriation had previously been unchanged since FY 2014.

FY 2021 budget dollars will fund laboratory support and administrative functions, infrastructure, supplies, and services.

EXPENDITURES

Salaries: Salaries comprise 79% of the laboratory expenses. Clinical faculty and P&S staff will receive a 2.1% salary increase in FY 2021. Merit staff will receive the 2.1% contractual increase.

Supplies, Services, and Rentals: These expenses constitute 21% of SHL's budget. They include reagents and consumables, service contracts, laboratory software, services, the statewide courier, and DAS leased space for the Ankeny facility.

CHALLENGES AND STRATEGIES

Obtaining funding continues to be a primary concern for SHL. Funding from all sources has not kept pace with increasing costs for staff benefits, reagents, and other supplies. Recruiting and retaining staff as we move to a high through-put laboratory is critical. Furthermore, a key strategy is for SHL to move to an updated LIMS system and obtain new instrumentations to increase testing capacity.

SHL is making multiple efforts to improve its financial position despite the funding challenges. SHL continues to work on opportunities for supply cost reduction and revenue enhancement for both fee-for-service testing and increased collaborative grant funding support.

**The University of Iowa
STATEWIDE FAMILY PRACTICE PROGRAM
Budget Summary
FY 2021**

\$1,726,098

REVENUE

The statewide program's appropriation for FY 2021 is \$1,720,598, a reduction of 1.42% (-\$24,781) from the FY 2020 appropriation. Non-appropriated interest income is estimated at \$5,500. Total revenues, therefore, are anticipated to be \$1,726,098. Eighty percent (80%) of the appropriated funds (\$1,376,478) are scheduled for grants to the UI-affiliated community based family medicine residency training centers consistent with statutory requirements, and 20% of the appropriation (\$344,120 plus \$5,500 in interest income = \$349,620) will be spent on University-sponsored activities in support of the community-based training programs. The Carver College of Medicine Office of Statewide Clinical Education Programs provides educational, administrative and research support for the community sites.

EXPENDITURES

- Family Medicine Physician training grants \$1,376,478
- CCOM Office of Statewide Clinical Education Programs (OSCEP)
support for statewide family practice residency programs \$ 349,620

\$1,376,478 – Statewide UI Affiliated Family Medicine Residency Support

This funding goes directly to each UI Affiliated Family Medicine Residency Program across Iowa. This funding is divided equally between all UI affiliated programs to support the ongoing operations at each site producing family medicine physicians.

The goal of this program is to improve access to primary health care services across the state of Iowa through recruiting and retaining these graduates to practice within dispersed areas of the state. This program serves as a great example of a successful public – private partnership with much of the financial support provided by the local hospitals.

The statewide family practice programs are in Davenport, Waterloo, Mason City, Sioux City and two in Des Moines (Iowa Lutheran and Broadlawns). There are currently 44 positions for new family practice residents each year, replacing 44 graduates or a three year total of 132 residents in training.

\$296,066 – Total Salaries and Benefits

The University salaries and benefits total \$296,066. These positions provide support to the Statewide Family Practice Programs across the state.

\$53,554 – General Expenses

The balance of \$53,554 is for a range of services including the Visiting Professor Program. This funding allows the statewide program to provide minimal compensation to faculty who temporarily leave their regular duties at the University of Iowa to lecture/present as visiting professors at the community-based programs across Iowa. In addition to a small honorarium, the Visiting Professors are compensated for the cost of their travel. Airfare has been eliminated for support to Sioux City and replaced through Zoom. In addition, this covers costs for UI CCOM staff to travel to the sites within the statewide system as needed and faculty and staff from the statewide system are paid the cost of their travel several times a year to the University of Iowa or other sites for various educational purposes.

**The University of Iowa
PRIMARY CARE INITIATIVE
Budget Summary
FY 2021**

\$624,374

REVENUE

The appropriation for the Primary Care Initiative (PCI) for FY 2021 is \$624,374, a reduction of 1.42% (\$8,993) from the FY 2020 appropriation. The Carver College of Medicine Office of Statewide Clinical Education Program (OSCEP) operates four continuing programs with this appropriation. These initiatives fill important gaps in the state's efforts to educate, retain and track health professionals.

EXPENDITURES

Program allocations are as follows:

• Department of Family Medicine Faculty and Staff	\$245,243
• Regional Medical Education Centers Grant Program	\$156,824
• Iowa Health Professions Inventory	\$146,068
• Rural Physician Support Program	<u>\$ 76,238</u>

TOTAL \$624,374

\$245,243– Faculty and Staff Salaries and Benefits for UI Department of Family Medicine

Salary support is provided to the Department of Family Medicine. This money is appropriated and designated by the legislature to provide ongoing support to the UI Family Medicine Department.

\$156,824 – Regional Medical Education Center (RMEC) Grants

The Regional Medical Education Center (RMEC) Grants total \$156,824. The RMECs are located at Cedar Rapids, Davenport, Mason City, Sioux City and Waterloo. This funding supports the sites efforts to coordinate medical education of assigned UI Carver College of Medicine undergraduate medical students. This experience supports efforts to expose students to an experience in Iowa communities.

\$217,495– Office of Statewide Clinical Education, Salaries and Benefits

Salary and benefits are to support the staff within the Iowa Health Professions Inventory and the Rural Physician Support Program. This includes the utilization of two part time graduate students for \$33,199 to economically achieve goals of the program.

\$4,812 – General Expenses/Travel

This funding supports a part of the significant travel required for OSCEP staff along with publication costs of an Opportunities Directory. This directory is provided to residents (Family Medicine, Emergency Medicine, Internal Medicine, Hospital Medicine, Pediatrics, General Surgery, Obstetrics/Gynecology, Psychiatry as well as for Nurse Practitioners and Physician Assistants) in Iowa to make them aware of existing job opportunities to stay in Iowa.

**The University of Iowa
IOWA CANCER REGISTRY
Budget Summary
FY 2021**

\$143,410

Two in five Iowans will be diagnosed with cancer in their lifetimes. In 2020, we expect 18,700 new cancers will be diagnosed among Iowa residents, and an estimated 6,400 Iowans will die from cancer, 17 times the annual number caused by auto fatalities. Cancer surpassed heart disease as the leading cause of death in Iowa in 2007, accounting for about a quarter of all causes of death. Cancer is a major burden in Iowa and throughout the US. Because of the critical need for data, cancer is a reportable disease in all 50 states, although Iowa is one of only a few states that do not currently provide penalties for facilities that do not report.

Statewide cancer incidence data are available due to the existence of the Iowa Cancer Registry (ICR). Since 1973, the ICR has been a member of the National Cancer Institute's prestigious Surveillance, Epidemiology and End Results (NCI SEER) Program. Iowa represents rural agricultural and Midwestern populations and provides data included in many national NCI publications. The goals of the ICR include: 1) collecting data on each Iowan diagnosed with cancer and reporting these de-identified data to the NCI; 2) monitoring annual trends in the incidence of cancer among Iowans and the number of deaths related to cancer; 3) monitoring changes over time in prevalence of cancer, trends in therapy, and survival rates; 4) promoting and conducting research studies designed to assist with cancer prevention and control; and 5) maintaining and protecting the confidentiality of patient, physician and hospital data. A follow-up program tracks more than 99% of the cancer survivors diagnosed since 1973.

The existence of the ICR allows for the study of the cancer experience of Iowans and focuses national attention and research dollars on this issue. The ICR is funded primarily through a contract with the NCI, but the contract requires a portion of the funding for the ICR be obtained from non-federal sources such as the state of Iowa. **Currently, for every dollar the state of Iowa invests in the ICR, approximately, \$30.25 of federal funds are returned to Iowa through the NCI SEER contract.** Additionally, the presence of the ICR and its database have helped attract numerous research projects and funds to Iowa from other federal agencies such as the Environmental Protection Agency, the Centers for Disease Control and Prevention, and the National Institutes of Health. Annually several millions of dollars are received from these agencies that are directly attributable to the existence of the ICR. Furthermore, The ICR provides numerous educational and experiential opportunities for University of Iowa students.

The ICR also serves as the source of data for measuring the cancer burden for the Iowa Cancer Consortium, a cancer prevention and control group that consists of over 150 individuals and partner organizations representing Iowa's communities. ICR data are useful in guiding the planning and evaluation of cancer control programs (e.g., determining whether prevention, screening and treatment efforts are making a difference). This knowledge helps in setting priorities for the allocation of health resources.

The state of Iowa appropriation is used to help meet the NCI's cost-sharing requirement by supplementing core support for the ICR, including salaries, computer services, equipment and general expenses. Additionally, funds are used to support the preparation and dissemination of Cancer in Iowa, an annual report on the status of cancer, and development and dissemination of information regarding the ICR via the internet, SEER*Stat, and other reporting mechanisms. Since 2003, annual funding from the state has been reduced by approximately \$53,250, or approximately 1 FTE. Funds received through the state of Iowa appropriation are essential for maintaining NCI contract funding and for meeting the NCI contractual requirements of timeliness, completeness and quality of reportable data.

The University of Iowa
IOWA CONSORTIUM FOR SUBSTANCE ABUSE RESEARCH AND EVALUATION
Budget Summary
FY 2021

\$53,427

The Iowa Consortium for Substance Abuse Research and Evaluation (Consortium) is an alliance committed to improving prevention and treatment of substance use disorders through collaborative research and evaluation. The Consortium conducts program evaluation and research, and disseminates findings to professionals in the field, public policy makers and others interested in evaluation and research. Administratively located within the National Resource Center for Family Centered Practice at the University of Iowa School of Social Work, the Consortium collaborates with representatives from the University of Iowa, the University of Northern Iowa, Iowa State University; state departments of Public Health, Human Services, and Corrections, the Governor's Office of Drug Control Policy, the Iowa Judicial Branch; and representatives from local substance use disorder service agencies.

The Consortium facilitates multidisciplinary research to evaluate substance use disorder prevention and treatment efforts in the State of Iowa. Research and evaluation activities involve practitioners, treatment providers, state agency representatives, government policymakers, and researchers from institutions of higher education. The Consortium addresses its mission through the following activities:

- Supporting and conducting substance use disorder research and evaluation within the State of Iowa;
- Strengthening substance use disorder prevention and intervention strategies operating within the State of Iowa;
- Supporting the education of new researchers in substance use disorders and related areas;
- Contributing to the education of students and professionals in fields such as social work, health care, education, corrections, human services and counseling; and
- Contributing to the development of public policy related to substance use disorders.

In the coming year, the Consortium will continue its unique capacity for interdisciplinary alcohol and drug research and evaluation in Iowa. Specific projects include:

- Evaluating prevention, treatment and medication assisted treatment effectiveness in substance use disorder services offered at the community and state level in Iowa.
- Assisting the State in implementing quality improvement techniques at the state and agency levels.
- Assist state agencies with epidemiological surveys and monitoring of substance use issues. This will also provide a resource for academic researchers, local, and state agencies in establishing priorities for programs, research, and prevention.

Funds for FY2021 will provide administrative salary support and other operating expenses for the continuation of the Consortium's unique capacity for interdisciplinary alcohol and drug research and evaluation in Iowa.

The University of Iowa
CENTER FOR BIOCATALYSIS AND BIOPROCESSING
Budget Summary
FY 2021

\$696,342

The Center for Biocatalysis and Bioprocessing (CBB) is an interdisciplinary academic research center at the University of Iowa. Its mission is to: a) enhance faculty and student development in the broad areas of biocatalytic science and bioprocess engineering, b) drive innovative industrial fermentation processes through efforts within its state-of-the-art bioprocessing pilot plant facility, and c) accelerate economic development through translational research and academic derived intellectual property.

The Center's activities stem from a world-renowned group of faculty, scientist, laboratory personnel, graduate students and postdoctoral associates focused on the creation and dissemination of knowledge in biocatalytic science. Our academic group is recognized for its scientific talent that has secured in excess of \$15 million annually in extramural research support. The Center operates a long-standing NIH-funded Training Grant in Biotechnology. A portion of the Center's operating budget supplements these NIH fellowships and, more importantly, supports additional fellowships for top caliber graduate students across academic disciplines. The Center also provides resources for undergraduate students in the form of employment within the Center's Fermentation and Bioprocessing Facility as well as with a hands-on instructional lab-course entitled Upstream Biotechnology Processes. A new CBB Student Affiliates program is under development to better engage both graduate and undergraduate students to explore careers in biotechnology, in accord with the State's emphasis on a bioscience driven economy.

The CBB Fermentation and Bioprocessing Facility is a world-class pilot-scale operation that is unmatched by any other university in the United States. This facility serves as a contract development and manufacturing organization (CDMO) with the objective of creating high value biotechnology products. This facility serves as the primary scale-up pilot plant operation for biotechnology processes within the State of Iowa. The CBB also operates the only facility in the State of Iowa that manufactures vaccines and therapeutic proteins for Phase I clinical testing.

The Center continues to support workforce development and economic development. The Center helps Iowa startup companies to produce novel biomaterials and to create commercially viable manufacturing processes, both of which enhance investment opportunities. Our ability to manufacture bio-based chemicals is central to our support of investigative new drug (IND) applications for Iowa entrepreneurs. The Center also works with well-established companies in Iowa, and from around the world, to produce high value protein-based products.

FY 2021: Funds for FY 2021 will provide administrative salary support (faculty and P&S), support for academic as well as economic development programs, and resources to enhance biomanufacturing for both startup and established companies in Iowa and elsewhere. Owing to the coronavirus, the Center's Fermentation and Bioprocessing Facility was forced to shut-down for several weeks and this lost revenue plus a reduction in our State appropriation resulted in a reduction in CBB supported post-doctoral fellowships and a one year hiatus of its biotechnology seed grant program. The objective of each seed grant is to stimulate fresh ideas and to create new collaborations for the purpose of solving long-standing societal problems, strengthening graduate programs, and stimulating the submission of grant applications to federal granting agencies. On a more positive note, commercial demand for our Fermentation and Bioprocessing Facility has grown substantially since the coronavirus shut-down and many of the facility's new projects center on manufacturing novel products associated with therapeutics, diagnostics, and vaccines for mitigating covid-19.

The University of Iowa
IOWA REGISTRY FOR CONGENITAL AND INHERITED DISORDERS
Budget Summary
FY 2021

\$36,839

In the United States (US), every 4½ minutes, a child is delivered with a major birth defect. Major birth defects are abnormalities of an organ structure or function that result in physical disability, mental disability, or death. They also are a leading cause of infant mortality and contribute substantially to morbidity and long-term disability, as well as the expenditure of millions of dollars annually in health care costs.

The Iowa Registry for Congenital and Inherited Disorders, or IRCID (formerly the Iowa Birth Defects Registry), was established by the Iowa General Assembly (Chapter 23 of the Iowa Code) in 1983 to maintain statewide surveillance for birth defects and to monitor trends in birth defect occurrence and mortality. Data collected permit comparison of birth defect rates in geographic areas of interest (e.g. cities or counties) with state and national rates. In addition, data are used to monitor trends in birth defect occurrence by population characteristics such as maternal age. Statewide surveillance is necessary to accurately evaluate such trends and to guide health promotion and birth defect prevention efforts in Iowa.

IRCID operations are chartered to The University of Iowa. As such, a number of faculty investigators and public health professionals utilize IRCID data to: 1) conduct research to identify risk factors for birth defects; 2) promote education activities for the prevention of birth defects; and 3) provide outreach to patients and families to appropriate clinical, educational, and social services. As examples, since 1996, Dr. Paul Romitti, IRCID Director, College of Public Health and faculty in the College of Public Health and Carver College of Medicine have been funded as a 'Center for Excellence in the Research and Prevention of Birth Defects' in Iowa. In 2016, Dr. Romitti and faculty in the Carver College of Medicine led the efforts in Iowa to identify birth defects related to maternal Zika virus infection. Securing such grants and contracts requires annual funding to support the IRCID surveillance infrastructure.

Education and health promotion efforts that use IRCID data include lectures, press releases, articles, public service announcements, and disseminating educational materials. Annually, IRCID provides a web-based report to disseminate information regarding congenital and inherited disorder surveillance, research, and prevention efforts ongoing in Iowa. Collaborating with the Iowa Department of Public Health, IRCID implemented a program to engage the Iowa community by providing parents of live born children diagnosed with birth defects resource materials and referrals to appropriate clinical, educational, and social services.

IRCID is a public health registry in vigorous pursuit of promoting the health and welfare of infants and children in Iowa, serving families in all 99 counties. IRCID has served as a model for other states establishing birth defect surveillance programs and received national recognition for its role in birth defect surveillance, including the State Leadership Award from its peer registries in the National Birth Defects Prevention Network (NBDPN). IRCID has been an active member of the NBDPN since 1997. Dr. Romitti, IRCID Director, has served as a member of the NBDPN Executive Committee, and as NBDPN President-Elect (2013), President (2014-15), and Immediate Past President (2016). He received the prestigious Godfrey P. Oakley Jr. Award in 2020 for significant lifetime contributions to the field of birth defects. In 2013, IRCID was accepted as a full program member in the International Clearinghouse for Birth Defects Surveillance and Research (ICBDSR). Dr. Romitti was elected as Vice Chair of the ICBDSR Executive Committee in 2017 and as Chair in 2018. Participation in the NBDPN and ICBDSR has allowed IRCID to engage with national and international partners, including the World Health Organization. The state of Iowa appropriation to IRCID is used to support reporting and sharing of IRCID data with these partners to advance for birth defect surveillance, research, and primary prevention activities.

The University of Iowa
CENTER FOR ADVANCED DRUG DEVELOPMENT (CADD)
Budget Summary
FY 2021

\$93,645

The Center for Advanced Drug Development (CADD) is a division of the University of Iowa, College of Pharmacy and a component of University of Iowa Pharmaceuticals (UIP). The Center offers contract analytical services to the pharmaceutical and biotechnology industry and is part of UIP - the only comprehensive FDA registered facility in a College of Pharmacy in the United States. UIP offers the unique capability to produce under contract limited quantities of new medicines under FDA regulations. This capacity is particularly valuable to firms wishing to bring new products through clinical trials. The present budget seeks funds to continue support for the companion CADD.

This Center, which is an integral resource in the bioeconomy economic development agenda of the state, offers analytical services and contract services relevant to the clinical trials process which complement those of UIP, and explicitly include:

- Management of FDA requirements for clients, especially in the processing of drug applications
- Development and execution for new chemical assays for new dosage forms and chemical entities
- Development and execution of stability studies of candidate medicine dosage forms
- Testing of active pharmaceutical ingredient/excipients for compliance

The CADD addresses a crucial economic need to shorten the lead time between new pharmaceutical discoveries in the laboratory and their commercialization in the market place. Because pharmaceuticals occupy such a potentially important part of the state's high technology portfolio as well as a critical role in the University's economic development efforts, continued investment in the Center will increase economic resources in a strongly competitive environment. In addition, as the state looks ahead to an investment to enhance its biotechnology infrastructure for both animal and human health, the Center will play a major role (along with the Center for Biocatalysis and Bioprocessing and the College of Pharmacy) in the University's ability to interact with the biotechnology industry to shorten the time to market for new therapies. This new initiative will also attract interest from a completely new industry base, composed of mainly start-up companies, who may be recruited to Iowa.

Use of State Budget Revenues

The allocation from the economic development appropriations for the Center for Advanced Drug Development for FY 2021 (\$93,645) is used to help support the salary and fringe of one Associate Chemist and one Manager of Laboratory Quality at CADD.

The Associate Chemists provide analytical expertise to perform qualitative and quantitative chemical analyses of pharmaceutical products, conducted following cGMP and ICH guidelines, internal SOPs, United States Pharmacopeia (USP) monographs, and client-supplied methods. The Manager of Laboratory Quality assures testing is conducted in full compliance with FDA cGLP/cGMP regulations.

The University of Iowa
UNIVERSITY OF IOWA RESEARCH PARK AND BIOVENTURES CENTER
(Includes previous Technology Innovation Center)
Budget Summary
FY 2021

\$115,634

Established by the university in 1989, the Park has built a nucleus of businesses in Iowa that are drawn by the strengths of the University. The labor shed for over 1,600 employees of laboratories and companies affiliated with the Park, and the BioVentures Center, the state's largest wet lab incubator. This is in keeping with the UI's strategic plan for engagement with external constituencies and participation in Iowa's economic growth.

A total of 35 companies are currently located on the UI Research Park. A list of our current companies can be found at <https://researchpark.uiowa.edu/park-overview/companies>

Integrating researchers and entrepreneurs is the goal of the park and the BioVentures Center and as such it is critical that the following assets are located and co-located at the park:

- The State-funded laboratory of the Center for Biocatalysis and Bioprocessing (CBB)
- The National Advanced Driving Simulator, a major, fully operational co-venture with the U.S. Department of Transportation
- A state-of-the art, 16,000 sq. ft. Hydraulics Wave Basin facility
- The analytical method development and drug stability testing unit of the University of Iowa Pharmaceuticals facility, a unit of the College of Pharmacy, and The State's Hygienic Laboratory

FY 2021 funding will partially support the essential operation and maintenance expenses for the Research Park and the BioVentures Center. Additionally, the funding supports a variety of professional services that enhances the growth of the park itself and the startups that exist in the BioVentures Center.

**The University of Iowa
IOWA FLOOD CENTER
Budget Summary
FY 2021**

\$1,154,593

The Iowa Flood Center (IFC) at the University of Iowa provides Iowans with accurate, state-of-the-art, science-based information to help individuals and communities better understand and reduce their flood risks. The IFC's overarching objective is to improve flood monitoring and prediction capabilities in Iowa, while studying and developing strategies to mitigate flood impacts.

The FY21 funds will be used to provide support for faculty, staff, researchers, and graduate students who dedicate their time to the mission and work of the Iowa Flood Center. The IFC will use the FY21 appropriation, along with additional grant funding from other sponsors, to support projects that include:

- Hosting and continuing to refine and add new tools to the Iowa Flood Information System (IFIS)—an easy-to-use online application that communicates real-time flood alerts and forecasts, precipitation and hydrologic conditions, and stream levels across Iowa.
- Continuing to maintain instrumentation and data plans for over 260 stream stage sensors across the state. This year we need to finish replacing their modems, which will no longer be supported by our provider (Verizon) after 12/31/2021;
- Expanding the statewide network of rain gauge and soil moisture/temperature monitoring platforms to improve flood monitoring and forecasting in partnership with other IIHR projects (i.e. the Iowa Watershed Approach) and with other external partners;
- Continuing development of high-resolution, web-based flood inundation maps;
- Providing engineering services and developing preliminary flood assessments for small, under-resourced communities in Iowa to help them better understand local flood challenges and provide recommendations to mitigate flood impacts;
- Continuing watershed-scale research to understand how small-scale mitigation projects can reduce flood damage in a watershed (In FY21 we will start researching distributed storage with one of our new PhD students);
- Educating graduate students;
- Organizing public outreach programs (STEM festivals for K-12, public presentations, press releases, updated online information, social media, and other activities to share IFC tools and information with the general public and key stakeholders). During the pandemic, we will seek ways to develop and participate in these events remotely as necessary;
- Maintaining and building new relationships with federal, state, and local partners to ensure effective communication and coordination; and
- Beginning a new project to develop a Missouri River Modeling and Information System following the devastating 2019 spring floods.

The University of Iowa
LARNED A. WATERMAN IOWA NONPROFIT RESOURCE CENTER
Budget Summary
FY 2021

\$156,389

The Larned A. Waterman Iowa Nonprofit Resource Center (INRC) is a university-wide interdisciplinary center that strengthens Iowa's nonprofit sector through direct services, education, and research. Services range from the development of board and executive leadership to strategic planning to clarifying local, state, and federal rules that regulate nonprofit organizations. Education includes creating and delivering presentations and workshops to professionals from across the state, as well as teaching a series of nonprofit courses at the University of Iowa. Research involves quantitative and qualitative analyses of data that inform on sector conditions and trends. The activities of the INRC are made possible by a strong network of public and private partners and supporters.

In FY 2020, over 1,000 nonprofit leaders participated in an INRC conference, workshop, or lecture. The INRC provided guidance to over 600 organizations on a host of issues including management, governance, fundraising, tax filing, and more. Our publications featured stories on topics ranging from nonprofit education programs to improving board performance to understanding financial statements and were circulated to over 1,500 subscribers and read by thousands more online. Along with several partners, the INRC helped deliver two conferences in FY 2020, including the state's largest nonprofit conference that offered over forty workshops and was attended by hundreds of nonprofit leaders.

The proposed FY 2021 appropriation of \$156,389 is a reduction of \$2,252 from the FY 2020 amount of \$158,641. This funding supports 1.85 FTEs.

- This funding fully supports our creative media developer. Our developer manages a website that had over 30,000 unique users in FY20—up from 21,000 unique users in FY 2019. The developer edits our online content, maintains the Iowa Register of Accountability, curates the Iowa Grants Guide, and assists with content and editing for publications such as the *Iowa Principles and Practices for Charitable Nonprofit Excellence*—originally developed by the Iowa Governor's Nonprofit Task Force in conjunction with the Office of the Iowa Secretary of State. For FY 2021, the developer will continue to assist in the creation and distribution of a series of online tutorials focused on contemporary nonprofit issues.
- This funding partially supports our program assistant. Our assistant maintains our client database, responds to client inquiries, and distributes important informational resources directly to Iowa nonprofits. The assistant also supports the director on projects—including the assembly of program materials and the compiling of survey data.
- A portion of this appropriation supports our director. The director is responsible for leading all aspects of the INRC. The director delivers presentations and workshops, works one-on-one with individual organizations, teaches courses at the University of Iowa, researches and authors content for publication, forges mutually beneficial collaborations, and more.

The INRC's work improves nonprofit leadership, organization, and management in the state at a time when the demands on the charitable and philanthropic sector continue to grow. During this pandemic, the INRC has seen an increase in requests for guidance, services, and materials from nonprofit leaders, as well as the professional who serve the nonprofit sector. The INRC has developed strong partnerships with public and private entities from across the state to continue to offer excellent services at a time when financial challenges for many organizations and individuals have increased throughout Iowa.

The University of Iowa
IOWA ONLINE ADVANCED PLACEMENT ACADEMY
Budget Summary
FY 2021

\$463,616

The Iowa Online Advanced Placement Academy (IOAPA) was established in 2001 and is administered by the University of Iowa's Belin-Blank Center. The program provides advanced placement (AP) courses to all high schools in Iowa with an emphasis on small/rural schools. IOAPA also provides training for Iowa teachers to deliver AP courses in their home schools and is critical in helping Iowa meet the requirements of the Senior Year plus statute.

At the beginning of the 21st century, Iowa's students were limited in opportunities for AP courses and exams because of the large numbers of rural and small schools. According to the National Center of Education Statistics, 70% percent of public school districts in Iowa are in rural communities. Approximately 42% of all public school districts in the state of Iowa have a K-12 enrollment of 599 or fewer. It is not cost effective to offer AP courses in rural and small schools because of too-small class sizes. As a result, a culture of knowledge about and appreciation for AP continues to be developed in these schools.

In response to the inequitable access to AP coursework, the University of Iowa's Belin-Blank Center for Gifted Education has made a concerted effort since 2001, through the Iowa Online Advanced Placement Academy (IOAPA), to bring AP and advanced learning opportunities to schools throughout Iowa. IOAPA has a special focus on serving rural and small schools so that Iowa geography does not determine educational opportunity.

EXPENSE

Salaries and Benefits: Salaries and benefits are estimated at \$133,736 for FY 2021. This includes costs for 1.3 FTE in addition to graduate assistants who provide support to the program.

Supplies and Services: In FY 2021 the budget is estimated at \$329,880. Included in this total is travel, curriculum guides for teachers, pre-AP and post-AP curriculum materials, online course contracts, and expenses for mentors and teacher training institutes.

Travel is required for the continuation of local school partnership development, program improvement, pursuit of external funding opportunities, and updates on the cutting edge resources/technology and requirements for the Advanced Placement Program.

Key to IOAPA activities is the purchase of four online products from Apex Learning and Edhesive, leading providers of digital curriculum for secondary education. The company's comprehensive, standards-based online courses help schools successfully engage all students in rigorous coursework and prepare them for high school graduation and beyond.

The University of Iowa
ENTREPRENEURSHIP AND ECONOMIC DEVELOPMENT GROWTH INITIATIVE
Budget Summary
FY 2021

\$2,000,000

The entrepreneurship and economic development growth initiative is a collaborative partnership among the University of Iowa's John Pappajohn Entrepreneurial Center (Iowa JPEC), the Office of the Vice President for Research, the Office of the Executive Vice President & Provost, and the colleges of Business, Engineering, Liberal Arts and Sciences, and Health Sciences.

Iowa JPEC offers nationally recognized, comprehensive entrepreneurial education programs to all Iowans. A wide variety of programs are available on campus and online and to MBA students at several locations across the state of Iowa. Entrepreneurial training programs are available to all Iowans from numerous cities throughout the state. JPEC and its university partners also play an important role in the development of Iowa-based technology and high-growth start-up companies. Whether providing one-on-one consulting services and group training, working with startup companies on technology transition, directing UI students on advanced field study projects, or providing training and seminars to business executives, the University seeks to support the next generation of entrepreneurs and business leaders.

The recurring allocation of \$2.0 million will develop entrepreneurship curriculum and programs, expand direct support to Iowa startups and small-to-medium enterprises, and accelerate new venture formation across Iowa.

Entrepreneurship Curriculum and Education Programs:

- New campus-wide graduate student education and co-curricular programs in entrepreneurship, innovation, and tech management
- Develop partnerships with Iowa community colleges, creating connections to UI entrepreneurship faculty, programs, and resources
- Develop faculty campus-wide in innovation and entrepreneurship
- Expand development and dissemination of the UI's STEM innovation program for Iowa high school teachers and students through the UI's Jacobson Institute for Youth Entrepreneurship

Direct Support to Iowa Startups and Small-to-medium Enterprises:

- Support technology-based student internships and engagement with Iowa startups
- Connect students with startups and early-stage companies participating in Iowa JPEC's statewide Venture School program for market assessment and strategic business planning
- Provide strategic business consulting services to existing Iowa small-to-medium size companies through Iowa JPEC's faculty/student business consulting program

Acceleration of New Venture Formation:

- Continue offering the National Science Foundation I-Corps technology commercialization training program to University of Iowa faculty and graduate students
- Expand statewide delivery of Iowa JPEC's Venture School business acceleration training program, partnering with community colleges and entrepreneurial development organizations
- Strengthen technical support for faculty and student entrepreneurs through campus-wide collaborations for prototype creation and software application development
- Develop and pilot an innovation and entrepreneurship training program targeting existing Iowa small businesses to help them identify new products and growth opportunities

**The University of Iowa
BIOSCIENCES INNOVATION
Budget Summary
FY 2021**

\$271,095

Biosciences are critical to Iowa's economy and are vital to the state's future economic development and growth. In the TEconomy report released by the Governor, four bioscience platforms were identified where Iowa has the greatest likelihood of achieving a differentiated leadership position to grow and diversify the state's economy: biobased chemicals, precision and digital agriculture, vaccines and immunotherapeutics, and medical devices.

The University of Iowa (SUI) Medical Device Platform Development

The Medical device platform development is core to the University of Iowa area economic development success. Per the TEconomy summary, "In Iowa, technology development and startup activity is occurring around the convergence of University of Iowa biomedical research specialties and the University Hospitals' clinical practice."

In order to execute the recommendations identified in the report the SUI is investing in a variety of initiatives that will support and nurture faculty discoveries in an attempt to address unmet needs in healthcare. The SUI has focused four key areas of development in fiscal 2020, thanks to the State's allotment for the medical device platform:

Protostudios

Protostudios is a state-of-the-art rapid-prototyping facility currently located in the MERGE co-working labs in downtown Iowa City. Working with faculty, staff, students and the community, Protostudios, contracts with innovators to develop fully functional prototypes, including medical devices as well as printing of human organs and anatomical models to support complex surgical prep and training

The presence of Protostudios has dramatically changed the pathway for surgeons and others medical device inventors at the University. The proximity to the equipment, competitive pricing and turnaround times have eliminated the need to send prototyping jobs out of state thereby increasing efficiency and accelerating all aspects of early device development.

MADE

The presence of Protostudios has allowed the SUI to create a one of a kind program –MADE, a student managed manufacturing and e-commerce initiative whose mission is to encourage and facilitate innovative, needs based products reaching the market with the twin goals of solving problems and enhancing economic development as an extension of research and scholarship. The MADE program is almost entirely student run, allowing real world experience for the next generation of entrepreneurs while offering UI faculty and staff a unique outlet encouraging the development of simple solutions to everyday tasks in surgery or clinical practice.

Concierge Service

In an exhaustive needs-based discovery exercise across campus, the number one unmet need for entrepreneurs and innovators was the need for a one stop shop capable of coordinating and connecting the right resources at the right moment in development. In an environment as diverse and multifaceted as the SUI, a concierge service capable of connecting innovators to technical expertise, regulatory and legal support, industry talent and capital, and like-minded individuals on campus in order to assemble collaborative teams is essential.

Expert Advisory Council

The SUI is assembling a world class group of medical device executive advisors and venture capitalists to vet, mentor, support and in some cases invest in our entrepreneurs. Core to success is creating a vehicle for industry execs meet with our entrepreneurs and researchers, and to engage their wisdom and experience consistently over an extended period of time. This community of experts is fundamental to creating an Iowa medical device industry.

The University of Iowa
IOWA'S CENTER FOR AGRICULTURAL SAFETY AND HEALTH
Budget Summary
FY 2021

\$128,154

High rates of illnesses, injuries and fatalities among farmers, farmworkers, and their families have long been recognized as a challenge to Iowa's agricultural sustainability. To address this problem, in 1990, Iowa legislators Wendell Pellett (R) and Josephine Gruhn (D) co-sponsored the bill that established Iowa's Center for Agricultural Safety and Health (Iowa Code, 262.78). Although the center was established at the University of Iowa, it brings together the expertise of Iowa State University, the Iowa Department of Public Health, and the Department of Agriculture and Land Stewardship to reduce the rates of injuries and illnesses associated with agriculture.

Although the numbers of agricultural fatalities and injuries have gone down over time, so have the number of farmers. This means that rates of injuries and fatalities have remained steady over time and they are consistently six to seven times higher than other industries. Farmers make up only 5% of Iowa's workforce, but they suffer more than 30% of the state's occupational injuries and fatalities. Most years, agriculture is responsible for the highest proportion of occupational fatalities of any industry in Iowa.

I-CASH's mission is to lead statewide partnerships that promote agricultural safety and health. Because most farms in Iowa employ ten or fewer non-related employees each year, farms are not subject to the oversight of the Occupational Safety and Health Administration, nor do they have easy access to the resources and training that OSHA provides other industries. Thus, I-CASH fills a critical gap by disseminating best practices for safe and healthy farms.

As a partner-based organization, I-CASH works with ISU Extension and Outreach, Farm Service Agency offices, commodity groups, and others to ensure statewide coverage of the materials developed by the center. I-CASH distributes health and safety resources to every ISUEO and FSA office the state four times per year. Over 50,000 farm safety and health items have been distributed since summer 2015 on topics such as lock-out-tag-out procedures, livestock handling safety, pain management and physical health, skin cancer prevention, and ATV safety. In recent evaluation surveys, personnel at FSA and extension offices reported enhanced knowledge about agricultural safety and health issues as well as frequently using the I-CASH resources in their own work with Iowa farmers.

I-CASH also works in tandem with other UI centers and state organizations to co-host the annual Midwest Rural Agricultural Safety and Health conference, bringing together around 100 researchers, students, agribusiness reps, and producers each year. I-CASH works with Iowa Farmer Today, contributing to a monthly Safety Watch column that is distributed across the region. Since 1998, I-CASH has provided grants in 60 Iowa counties for youth organizations to carry out agricultural safety and health activities.

The state of Iowa appropriation is used to support the development of safety and health materials and resources that are made available to workers in the agriculture industry, including items distributed through ISUEO and FSA offices, tailored safety policy guides for individual farms, support for workshops and trainings, equipment cost-shares, and the annual Agricultural Youth Injury Prevention grant program. In addition, state funds support the annual MRASH conference and enhance I-CASH's ability to be responsive to the needs of Iowa's farmers.

**The University of Iowa
RESTRICTED FUNDS
Budget Summary**

The FY 2021 Restricted Fund budget is based upon revenue and expenditure projections for each of the funds. The Restricted Fund includes the Organized Activities Fund, the Auxiliary Enterprise Fund, the Current Restricted Fund and the Plant Fund and involves virtually every department on campus in revenue and expenditure planning. Revenues are derived from federal and non-federal support for sponsored programs, sales and services, reimbursed indirect costs, tuition and fees, bond proceeds, transfers from current unrestricted funds, and appropriations. The expenditure plan provides for salary adjustments, meets certain non-discretionary cost increases, reflects the University's best efforts at planning to meet its most critical needs, and provides essential services within the limits of available resources.

The Organized Activities Fund includes Medicine and Dentistry Practice Plan funds, sports camp activities, Conferences and Institute and mandatory fees (partial). It also includes various tuition and program specific fees, publications, and workshops related to academic departments.

The Auxiliary Enterprise Fund includes Intercollegiate Athletics, University Residence System, Iowa Memorial Union operations, Student Health, Recreational Services, Hancher Auditorium, Parking and Transportation, Cambus, and various smaller enterprises serving faculty, staff, students and the public.

The Current Restricted Fund includes sponsored activities, predominately research and student financial aid funded from federal and non-federal sources.

Capital

There are no new capital appropriations for the University of Iowa for the budget year FY2021.

Tuition Replacement

The budget contains \$15.1 million for Tuition Replacement which has been appropriated to address the FY 2021 debt service on Academic Building Revenue Bond issues.

Innovation Fund

The University of Iowa received a recurring allocation of \$1.05 million from the Skilled Worker and Job Creation Fund for the development of technology commercialization, marketing and business development efforts in areas related to technology commercialization, entrepreneurship, and business growth.

The University will leverage these funds from the Innovation Fund with matching funds dollar for dollar to:

1. To support the development of innovations with commercial potential, with the result that more University of Iowa technology reaches the marketplace.
2. Build effective partnerships for economic development between the private sector and the University of Iowa.
3. To provide dry-lab and wet-lab space for researchers, and biomedical and electronics prototyping facilities for medical device and startup development.
4. To increase the effectiveness of University of Iowa resources in aiding existing state and regional economic development initiatives.
5. To facilitate the economic development of two specific clusters identified by TEconomy on behalf of the state: Ed tech and Med device.

Iowa Regents Resource Centers

The FY 2021 budget includes approximately \$0.3 million for the Iowa Regents Resource Centers. These Centers serve the educational needs of students in western Iowa and the Quad-Cities. The Centers are part of the Regent Enterprise and include the University of Iowa, Iowa State University, and the University of Northern Iowa.

Iowa Geological Survey

A recurring allocation for the Iowa Geological Survey of \$695,000. Funding from the Environment First Fund will be used for operations and water resource management and will help provide Iowans with the knowledge to manage effectively natural resources for long-term sustainability and economic development. The appropriation, along with additional grant funding from other sponsors, will provide support for staff, researchers, and students who dedicate their time to the mission and work of the Iowa Geological Survey.

Bond Sales/Master Lease/Debt Service

The Bonds and Loans line includes the following potential bond sales for FY 2021 subject to the refinement of schedules and final approval by the Board:

Bond Financings:	
UI Hospitals and Clinics	\$ 150 million

In addition to FY 2021 projected debt service on existing issues (\$93.7 million for bonds, \$ 1.3 million for existing notes payable, \$ 1.9 million for existing capital lease payable).

Breakdown of Other Income

Other income includes non-federal gifts, grants and contracts of \$170.1 million, commissions and royalties of \$5.6 million, parking and other fines of \$1 million, and Other Miscellaneous Revenue of \$22.9 million.

The University of Iowa
INTERCOLLEGIATE ATHLETICS
Budget Summary
FY 2021

The Iowa Athletic Department is a self-sustaining auxiliary enterprise and receives no General Education Fund support. Given the projected effect of COVID-19 on our revenues, the overall proposed budget for FY2021 is decreasing by approximately \$100 million in comparison to the FY2020 budget. The department transferred \$3.6 million from reserve funds in FY2020 to balance our budget, leaving a balance of over \$4 million in reserve. The FY2021 budget assumes having normal winter and spring competitions, with reduced attendance capacity. Additionally, this budget assumes not having fall sports in the spring, as a worst-case scenario. If the circumstances change, there would be the potential for additional income and expenses for those fall teams competing in the spring. Additionally, if the winter and spring sports do not compete, there would be additional reductions in revenue and expenses. The Iowa Athletics Department is estimating a \$74.7 million deficit and will require outside assistance to bridge the financial shortfall.

Line item highlights are noted below:

Revenues:

- In general, overall FY2020 revenues were down related to the effects of COVID-19.
- Football income is not expected in FY2021, based the elimination of home contests.
- Men's Basketball, women's basketball and wrestling revenues are anticipated to be lower due to the residual effects of COVID-19.
- All other ticketed events are anticipated to be significantly lower due to COVID-19.
- Learfield multi-media income is anticipated to be lower in FY2021 due to the residual effects of COVID-19.
- Athletic Conference revenue includes an estimate of NCAA funding and winter sport television income.
- Foundation support is anticipated to be down in FY2021, related to the residual effects of COVID-19 on annual fund and project donations.
- Premium Seat Revenue is anticipated to decrease in FY2021 as a result of residual effects of COVID-19, considering no home football contests, lower attendance and non-renewals in other sports.
- All other income streams are anticipated to be lower in FY2021 due to the impact of COVID-19.

Expenses:

- Overall expense assumptions for FY2021 include scholarship costs at similar levels to FY2020; general salary and fringe benefit costs include contracted increases, as well as salary reductions between 2%-15%; operations cost adjustments include reductions averaging 45%, relating to team travel and recruiting expenses.
- Facility Debt Service for FY2021 include savings from refinancing options.
- Expense reductions related to the recently announced sport sponsorship adjustments will mostly be realized in our FY2022 budget.

The University of Iowa
Residence System Proposed Final Budget
2020-21

The University of Iowa is proposing the attached annual budget for the residence system for fiscal 2020-21. Estimated revenues total \$72,572,881 and proposed expenses for operations total \$55,223,142, leaving \$17,349,739 net revenue available for debt service, mandatory transfers, and transfers to voluntary reserves. These projected net revenues are \$6,017,907 lower than the preliminary budget submitted to the Board in March.

The decreased net revenue projection is due to an decrease in projected occupancy numbers, leading to an decrease in projected room and board contract revenues, no summer 2020 revenues, and significant reductions in non-contract dining revenues. Projected operating expenses are lower than originally budgeted, but not to the level of revenue reductions. Most of the reductions in revenues and expenses are attributed to changes in operations resulting from the COVID epidemic.

Projected residence hall revenues are based on rates approved by the Board at its April 2020 meeting, fall residence hall occupancy of 5,700 (84.5% of capacity), and residence hall board contracts numbering 6,530.

Voluntary reserve balances at June 30, 2021 are projected to be \$6,506,396. This amount is \$10,229,870 lower than projected in March, reflecting funding \$11.1M of spring 2020 room and board refunds due to COVID-19, the decrease in projected net revenues, as well as adjustments to spending from reserves.