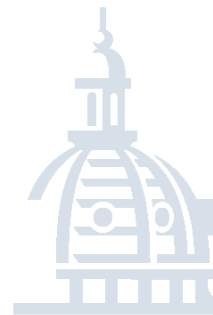


FISCAL UPDATE

Fiscal Services Division

October 2, 2013



In This Issue

Senate Government Oversight Meeting, page 2
FY 2013 Appropriation Transfers, page 2
Appropriation Transfers:
 Regents Regional Study Centers, page 3
 Terrace Hill Quarters, page 4
Appropriation Reallocation, page 4
Board of Regents FY 2015 Budget, page 4
Iowa Building Demolition, page 6
Rowhouse and Community College Buildings, page 6
School Reorganizations for FY 2015, page 7
Map – FY 2013 Taxable Valuation by County, page 8
School Aid Funding for At-Risk Students, page 8
FY 2014 Minimum School Aid Per Pupil, page 9
Office Hours – Clerk of Court Offices, page 10

Veterans Trust Fund Update, page 10
Electronic Document Management System, page 11
ICN Purchase Bids Rejected, page 12
Meeting Summaries:
 State Appeal Board Meeting, page 12
 College Student Aid Commission, page 13
 State Historical Society Board, page 14
 Economic Development Authority Board, page 15
 Crim. and Juvenile Justice Advisory Council, page 16
 Board of Corrections, page 17
 Public Safety Advisory Board, page 19
Audit Report – Office of Secretary of State, page 19
Audio Fiscal Topics, page 20
Meetings Monitored, page 20

REVENUE ESTIMATING CONFERENCE (REC) – OCTOBER MEETING DATE SET

REC Meeting Date. The REC is scheduled to meet on October 10, 2013, at 10:00 a.m. in Room 116 of the State Capitol Building.

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LEGISLATIVE FISCAL COMMITTEE MEETING

Committee Meeting. The Legislative Fiscal Committee met on September 12, 2013, at the University of Northern Iowa (UNI) in Cedar Falls. Agenda items included:

- **Drug and Mental Health Courts.** Representatives from the Department of Corrections (DOC) and the First Judicial District gave background and funding history of drug and mental health courts. These programs provide rehabilitative services to offenders. Recidivism rates are significantly lower in those judicial districts where drug courts are in operation. The DOC published findings of projected savings for a 10-year period indicating savings of \$4,961 per mental health court participant and \$4,450 per drug court participant. This information is summarized in a report on the DOC website titled "[Return on Investment: Evidence-Based Options to Improve Outcomes.](#)"
- **Board of Regents FY 2015 Budget Request.** Board President Bruce Rastetter gave an overview of the Board of Regents budget request for FY 2015.
- **UNI FY 2015 Budget Request.** President Bill Ruud gave an overview of the UNI FY 2015 budget request.
- **Additive Manufacturing in Metal Casting.** The UNI Metal Casting Center, in cooperation with Cedar Valley TechWorks, gave an update on the state investment of \$1.5 million in a 3D printer that is currently being installed at Cedar Valley TechWorks. The printer will provide UNI students with cutting edge technology education and experience.
- **Legislative Services Agency (LSA) Reports.** The Committee received updates on the following from LSA staff:
 - General Fund revenues and the Iowa economy.
 - General Fund balance sheet.
 - FY 2015 enacted appropriations and built-in expenditures.
 - FY 2013 performance of duty expenditures.

- **Tour.** Fiscal Committee members and staff participated in a tour of the UNI campus that included Lang Hall, the Innovative Teaching and Technology Center (formerly the East Gym), and the Schindler Education Center.

Meeting Materials. Meeting handouts and other Fiscal Committee documents are available at: <https://www.legis.iowa.gov/Schedules/committeeDocs.aspx?GA=85&CID=46>

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SENATE GOVERNMENT OVERSIGHT MEETING

Senate Government Oversight. The Senate Government Oversight Committee met on September 17, 2013, in Des Moines, to discuss the Iowa Juvenile Home located in Toledo. Chairperson Senator Petersen called the meeting to order and others in attendance included: Senators Greiner, McCoy, Schoenjahn, and Sorenson. The following was discussed:

- Jane Hudson, Executive Director, Disability Rights of Iowa (DRI), provided background information on the DRI and the organization's monitoring activities at the Iowa Juvenile Home.
- Representatives from the Department of Human Services (DHS) included Director Chuck Palmer, Division Administrator Rick Shults, and Iowa Juvenile Home Interim Superintendent Mark Day and they discussed the operations of the Iowa Juvenile Home. Mark Day presented:
 - Basic information about the Home.
 - Overview of buildings and infrastructure.
 - Profiled characteristics of the children currently residing at the Home.
 - Information regarding seclusion areas and restraints used on residents.
 - Update on the education component at the Iowa Juvenile Home.
- Representatives from the Department of Education included Director Brad Buck, Deputy Director David Tilly, and Administrative Services Division Director Jeff Berger, and they answered questions related to the Education Program offered at the Iowa Juvenile Home. They stated the Department is investigating the Iowa Juvenile Home and will have a report with recommendations in two weeks.

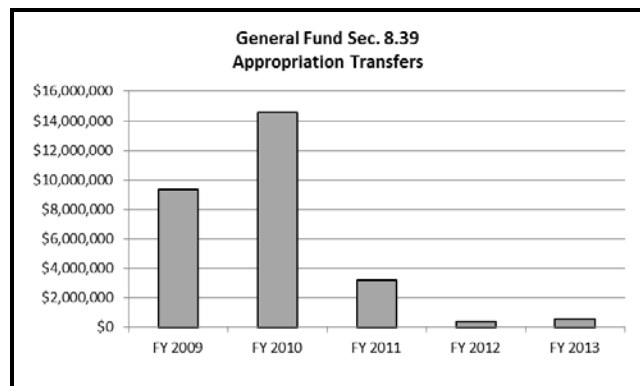
Additional Information. For more information refer to the [Senate Government Oversight Committee](#) website that has copies of information distributed at the meeting.

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FY 2013 APPROPRIATION TRANSFERS

Appropriation Transfers. [Iowa Code section 8.39](#) requires appropriations to be used only for the purposes enacted. However, the statute, under certain conditions, permits state agencies to transfer a portion of unexpended appropriated funds to another appropriation. The transfer must be approved by the Governor and the director of the Department of Management. The primary purpose of the transfer authority is to assist Executive Branch agencies in meeting financial obligations when unforeseen circumstances arise that could disrupt day-to-day operations.

Recent Transfer History. Over the last two fiscal years, the transfer authority has been used sparingly by the Executive Branch. In FY 2012 and FY 2013, the Governor authorized transfers between appropriations totaling \$369,000 and \$579,000, respectively. During fiscal years 2009 through 2011, the transfer authority was used to a much greater extent to respond to budget reductions brought on by the 2008 economic recession. During this three-year period, as appropriations were reduced the transfer authority was used to help stabilize operations of various state programs.



In FY 2009, transfers totaled \$9.3 million and grew to \$14.6 million in FY 2010. In FY 2011, the state's General Fund budget began to stabilize, and the transfers between appropriations declined to \$3.2 million.

Changes Enacted. During the 2011 Legislative Session, changes were made to Iowa Code section 8.39 that placed limits on the Governor's transfer authority. The determination of the new transfer limits are based on total appropriation spending authority for a fiscal year. The amount of an individual transfer is limited to 0.1% of all appropriations made from the same funding source for the fiscal year and the aggregate amount of all transfers is limited to 0.5% of the total appropriations.

Limit Calculation. The table shows the calculation of the individual and aggregate transfer limits for FY 2013 for the General Fund. The total spending authority for appropriated funds in FY 2013 totaled \$6,499.5 million. Based on this total, the limit for an individual appropriation transfer was \$6.5 million, and the aggregate of all transfers was limited to \$32.5 million.

Calculation of Sec. 8.39 Appropriation Transfer Limits	
Appropriations	FY 2013
Enacted	\$ 6,222,607,213
Adjustments to Standings	8,028,727
Supplemental Appropriations	204,061,793
Appropriations Carried Forward from FY 2012	64,790,564
Total Available Appropriated Funds	<u>\$ 6,499,488,297</u>
0.1% Limit on Individual Transfers	\$ 6,499,488
0.5% Limit on Aggregate Transfers	\$ 32,497,441

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APPROPRIATION TRANSFER – REGENTS REGIONAL STUDY CENTERS

FY 2014 Appropriation Transfer. The General Assembly received notification from the Board of Regents of a transfer of appropriated funding between the regional study centers. The 2013 General Assembly authorized the transfer of appropriated funds between the three centers in [HF 604](#) (FY 2014 Education Appropriations Act). The transfer was effective July 1, 2013, and shifted \$29,513 from the appropriation to the Quad Cities Graduate Center to the other two centers, Southwest Iowa Regents Resource Center (\$20,000) and Northwest Iowa Regents Resource Center (\$9,513). With the transfer, the FY 2014 appropriation amounts are as follows:

- Southwest Iowa Regents Resource Center - \$202,734
- Northwest Iowa Regents Resource Center - \$76,114
- Quad Cities Graduate Center - \$5,000

Funding Need. The Board of Regents cited the following purposes for the transfer:

- Southwest Iowa Regents Resource Center – The funding will be used to hire an instructor/coordinator with both teaching and oversight responsibilities in the area of mathematics to address the instructional needs of community college students, especially in the STEM fields (science, technology, engineering, and mathematics).
- Northwest Iowa Regents Resource Center – The funding will be used to hire an instructor/coordinator with both teaching and oversight responsibilities, in a subject area selected jointly by the community colleges and the Regents universities, to address the instructional needs of community college students, especially in the STEM fields.
- Quad Cities Graduate Center – The reduction in funding reflects the limited value added by the Center because its services are duplicative of services already provided by the universities, including registration and support services.

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APPROPRIATION TRANSFER FOR TERRACE HILL QUARTERS

FY 2013 Appropriation Transfer. Notification was received of an FY 2013 appropriation transfer of funds of \$21,400 from the Office of the Governor and Lt. Governor to the Terrace Hill Quarters. The transfer represents 1.0% of the estimated FY 2013 appropriated funds to the Office of the Governor and Lt. Governor.

Reason for Transfer. The transfer was requested to fully cover the daily operational expenses of Terrace Hill Quarters during FY 2013 and represents 23.0% of the original General Fund appropriation for Terrace Hill Quarters in FY 2013. The funds being transferred were available because staffing and Outside Services expenses were below what was anticipated by the Office. Terrace Hill Quarters exceeded the original budgeted amounts for staffing and communications.

Action Finalized. The actual transfer amount was \$21,400 on August 30, 2013.

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NOTIFICATION OF APPROPRIATION REALLOCATION

FY 2013 Appropriation Reallocation. The LSA was notified August 22, 2013, that the Department of Corrections (DOC) reallocated \$15,000 from the Federal Prisoners Contractual account to the County Confinement Account. The reallocation was required to pay all FY 2013 valid claims from counties for holding alleged violators on parole, work release, or Operating While Intoxicated (OWI) supervision. The DOC has authority to reallocate FY 2013 appropriations in HF 2335 (FY 2013 Justice System Appropriations Act) and in Iowa Code section [904.116](#).

More information. For more information, refer to the *Fiscal Topic* titled [Budget Unit: Federal Prisoners Contractual Account](#) and [Budget Unit: County Confinement Account](#), or contact the LSA.

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BOARD OF REGENTS FY 2015 BUDGET

Budget Adopted. At its meeting on September 11, 2013, the Board of Regents approved the budget request for FY 2015. The request does not include funding for capital projects or the University of Iowa Hospitals and Clinics' (UIHC) IowaCare Program. Those requests will be submitted separately (see the end of this article for information on funding of capital projects).

Overall Request. The Board is requesting an increase in General Fund appropriations of \$49.3 million (8.7%) for FY 2015 and \$2.1 million (5.9%) in non-General Fund appropriations. Increases and decreases are summarized below by appropriations subcommittee category.

Education Appropriations – The Board is requesting an increase of \$41.5 million in FY 2015 from the General Fund as part of the Education Appropriations budget. This is a 7.4% increase compared to FY 2014. This includes a 4.0% increase for general education at the three universities and an additional \$10.0 million to annualize an FY 2013 supplemental one-time appropriation for fiscal stabilization for the UNI. The 4.0% increase for UNI is calculated on a base of funding that includes the FY 2013 supplemental appropriation, making the UNI increase 4.5% compared to estimated FY 2014. The Board proposes freezing resident undergraduate tuition for a second consecutive year in FY 2015 if the General Assembly approves this portion of the budget request.

In addition, the Board is proposing the following increases and new appropriations from the General Fund:

- A 4.0% increase for the four appropriations to the Braille and Sightsaving School and the School for the Deaf.

- A 3.2% increase for 18 of the 19 special purpose appropriations for the three universities, as well as Iowa Public Radio. The exception is the UNI STEM Collaborative; the Board is recommending no increase in funding. The line item received a 10.6% increase in FY 2014.
- An additional \$1.9 million (6.8%) for Iowa State University (ISU) for the Agriculture Experiment Station, for a total increase of 10.0%, to support new faculty, staff and expenses related to animal agriculture and crop production research, clean water and long-term soil productivity, human nutrition and wellness, and agricultural innovation.
- An additional \$329,000 (1.7%) for ISU's Cooperative Extension Services, for a total increase of 5.0%, to restore staffing levels and address the demand for programs.
- A 3.3% increase (\$35,000) for the Regents' Board Office.
- A 3.2% increase for the three Regents Resource Centers (\$9,000) and an additional \$200,000 increase for the Northwest Iowa Regents Center to implement a model similar to the one currently used at the Southwest Iowa Regents Center.
- A new appropriation of \$3.0 million (with similar appropriations requested for FY 2016 and FY 2017) for the University of Iowa (UI) for the Accelerating Iowa's Knowledge Economy Initiative to launch a statewide center of excellence in data management, business analytics, and computational research and development.
- A new appropriation of \$500,000 (with similar appropriations requested for FY 2016 and FY 2017) for the UI for the Belin-Blank Academy to establish a STEM academy and support student scholarships, faculty and staff salaries, and materials.
- A new appropriation of \$377,000 for ISU for Small Business Development Centers to address past reductions in State and federal funding.
- A new appropriation of \$400,000 for the ISU Research Park for staff and services to support an increase in building tenants and to enhance marketing and promotion, prospect development, and recruitment of commercial services for tenants.
- A new appropriation of \$1.5 million (with a similar appropriation requested for FY 2016) for the UNI to establish a Bachelor of Applied Sciences degree for an initial cohort of 160 community college graduates.
- A new appropriation of \$1.5 million for the UNI for an Entrepreneur Outreach Program to provide new and expanded services to entrepreneurs and small businesses across Iowa.

The Board is also requesting 3.2% increases for FY 2015 from the Skilled Worker and Job Creation Funds (SWJCF) for the Regents Economic Development Funds, the UI Entrepreneurship and Economic Growth Initiative, and the Regents Innovation Funds. The increases total \$278,000.

Agriculture and Natural Resources Appropriations – The Board is requesting the following FY 2015 increases for General Fund appropriations:

- An increase of \$237,000 (6.3%) for the ISU Veterinary Diagnostic Laboratory to increase the annual appropriation to \$4.0 million to support the statewide mission and services of the laboratory.
- An increase of \$48,000 (3.2%) for the ISU Nutrient Research Center, established in 2013 to address Iowa's water quality needs.

Economic Development Appropriations – The Board is requesting a General Fund appropriation of \$7.5 million for the ISU Bioeconomy Initiative to maintain the level of funding established by a FY 2013 supplemental appropriation of the same amount.

Transportation, Infrastructure, and Capitals Appropriations – The Board is requesting an increase of \$1.9 million (6.7%) for Tuition Replacement, currently funded from the Rebuild Iowa Infrastructure Fund. Tuition Replacement funding covers debt service costs for the universities, making the use of tuition revenue for that purpose unnecessary.

FY 2015 Capital Projects Funding – At the September 12th Legislative Fiscal Committee meeting at the UNI, the Board presented the following funding requests for capital projects for FY 2015, totaling \$89.0 million. More detail for these projects will be provided at a later date.

- \$75.0 million to correct fire and environmental safety deficiencies, address deferred maintenance, provide campus safety improvements, and address regulatory compliance.
- \$6.0 million for the planning phase of the UI Pharmacy Building Replacement/Improvement Project.
- \$5.0 million for the planning phase of the ISU Biosciences Building Project.
- \$3.0 million for the planning phase of the UNI Schindler Education Center Renovation Project.

More Information. The FY 2015 budget request is available on the Board of Regents website at: http://www.regents.iowa.gov/Meetings/DocketMemos/13Memos/September2013/0913_ITEM07.pdf.

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IOWA BUILDING DEMOLITION

December Completion. The abatement of the Iowa Building (former Mercy Capitol Hospital) began in July 2013 and is nearly completed. After abatement, the building will be disassembled. A complete building implosion is not viable due to the proximity of neighboring buildings. The Department of Administrative Services anticipates the Iowa Building will be demolished by December 2013 and seeding and grading of the land will be completed, unless an early winter delays the project.

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ROWHOUSE AND COMMUNITY COLLEGE BUILDINGS

Demolition of 707 E. Locust Completed. The former Iowa Association of Community College Trustees (IACCT) building at 707 E. Locust Street in Des Moines has been demolished. The building remained empty after the IACCT moved to its new location at 855 E. Court Avenue. In its early history, 707 E. Locust was a doctor's office.

Relocation of 709 E. Locust Scheduled. The building at 709 E. Locust Street, formally known as Norden Hall, but referred to colloquially as "the Rowhouse," was moved at midnight on September 26, 2013. According to the [nomination form](#) submitted to the Landmark Review Board for the City of Des Moines, the Rowhouse was built in 1894 for local businessman Samuel Green. The building is the last intact 19th century rowhouse known to exist near the East Side of Des Moines, and is a rare surviving example of Romanesque Revival architecture in the city. For many years, the building was rental property for the family until in 1949, Norden Singers, Inc., a Swedish choral and cultural group, purchased the house for a rehearsal hall and clubhouse. It became a Swedish cultural heritage club during the 1950s and 1960s. The building was designated a landmark by the City Council of Des Moines on April 17, 2000, and was purchased by the State in 2006 for \$412,000. The Rowhouse is being moved to 425 E. Grand Avenue by a local developer and is slated to hold a restaurant after relocation and renovation occurs. On August 26, 2013, the City Council of Des Moines approved the relocation of the Rowhouse and designated the new address, 425 E. Grand Avenue, as a local landmark after relocation of the building. The landmark designation for 709 E. Locust Street was terminated in the same council action.

State Grant for Relocation. The Department of Administrative Services (DAS) is providing a grant of \$250,000 to assist in the relocation of the Rowhouse. During the 2013 Legislative Session, in [HF 638](#) (FY 2014 Infrastructure Appropriations Act), the General Assembly allocated \$250,000 from the FY 2014 Rebuild Iowa Infrastructure Fund (RIIF) appropriation for major maintenance specifically for disposition of the two buildings.

West Capitol Terrace Project. After relocation of the Rowhouse, the DAS will complete the last of its landscaping work for Phase II of the West Capitol Terrace project that has been on hold pending disposition of the two buildings. In addition to the removal of the buildings at 707 and 709 East Locust, the [2010 Master Plan](#) for the Capitol Complex recommended the relocation of the Fleet Operations and Vehicle Dispatcher to allow for the completion of Phase III of the West Capitol Terrace and enhancement of the public green space. Completion of Phase III and relocation of the Fleet Operations is dependent on additional funding appropriated by the General Assembly. Remaining funding from an FY 2008 RIIF appropriation of \$1.6 million is funding the completion of Phase II. The FY 2008 appropriation received extensions on its reversion in the 2011, 2012, and 2013 Legislative Sessions and is available through the end of FY 2014.

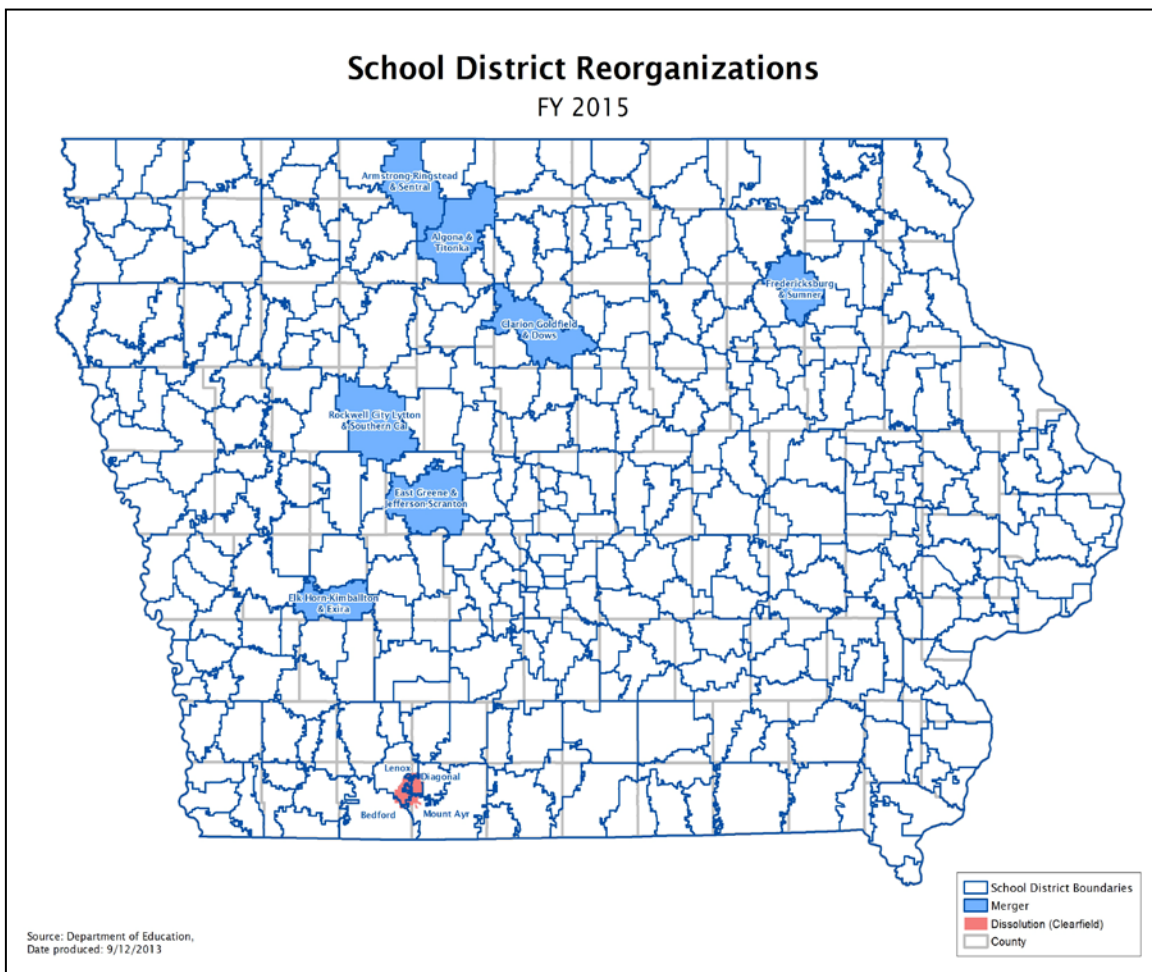
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SCHOOL REORGANIZATIONS FOR FY 2015

Update. As of September, there are currently seven school district reorganizations and a dissolution that have been approved for the 2014-2015 school year. The approved reorganizations include (each school district's FY 2014 budget enrollment is provided in parenthesis):

- Algona (1,199.1) and Titonka (145.0)
- Fredericksburg (255.0) and Sumner (573.5)
- East Greene (321.2) and Jefferson-Scranton (1,002.0)
- Rockwell City-Lytton (472.1) and Southern Cal (469.4)
- Clarion-Goldfield (798.6) and Dows (124.3)
- Elk Horn-Kimballton (223.5) and Exira (223.3)
- Armstrong-Ringsted (298.2) and Central (472.1)

Dissolved. Clearfield (82.0) will be dissolved following the 2013-2014 school year. These actions will lower the number of school districts from 346 in FY 2014 to 338 in FY 2015. The following map provides the locations of the school districts impacted.



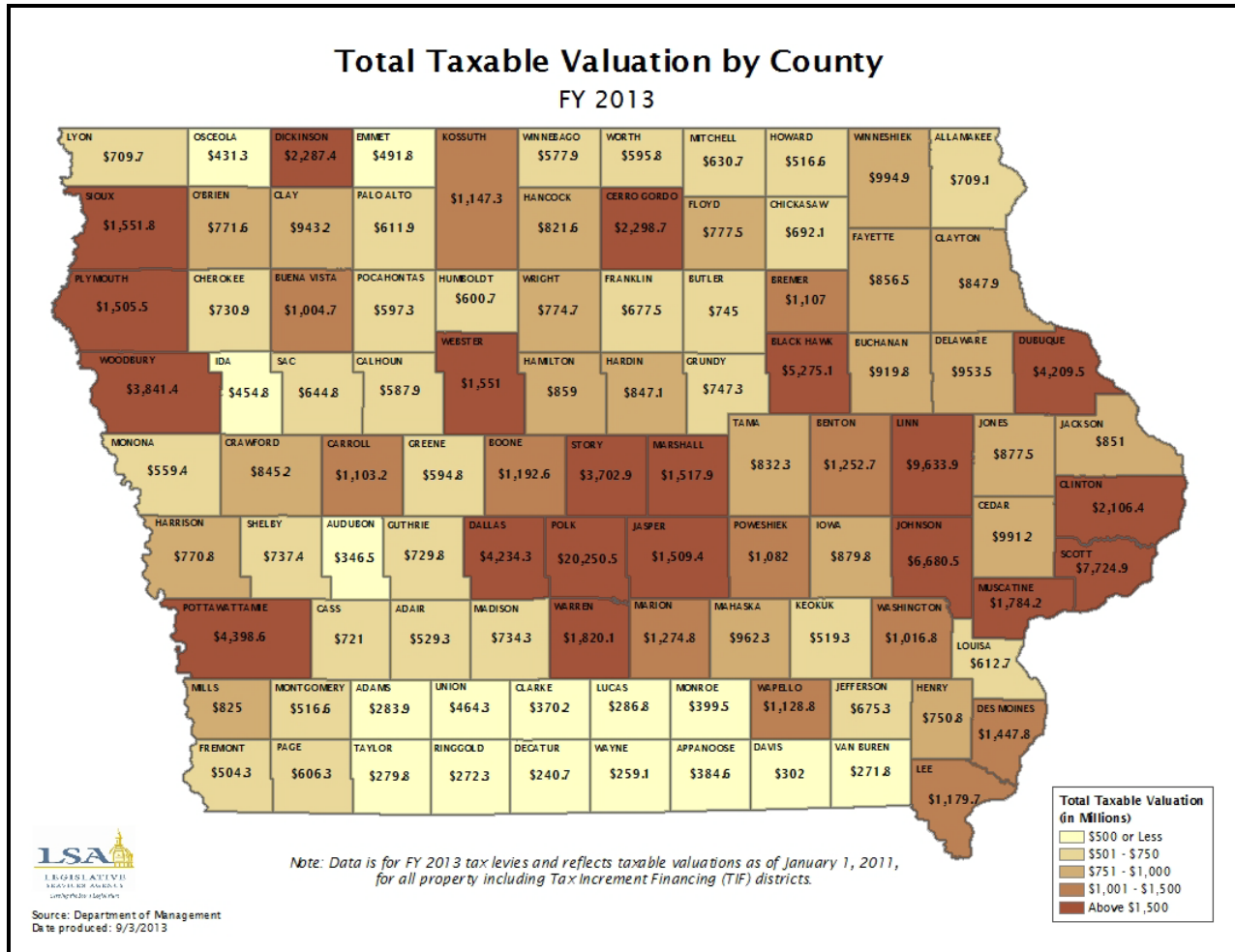
Incentive. School district reorganization incentives (uniform levy rate reductions and reorganization supplementary weightings) are set to expire and in order to qualify for the incentives, school districts must reorganize or dissolve before July 1, 2014.

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MAP – FY 2013 TAXABLE VALUATION BY COUNTY

Map. The following map shows the total taxable valuation for each Iowa county using FY 2013 tax levies and reflects valuations as of January 1, 2011, for all property, including Tax Increment Financing (TIF) districts. This map and others are available online at:

<https://www.legis.iowa.gov/Resources/Mapping/mapOfTheWeek.aspx>.



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SCHOOL AID FORMULA FUNDING FOR AT-RISK STUDENTS

Formula. In addition to providing funding for regular education programs, the Iowa school aid formula generates funds specifically for programs designated for at-risk students. These provisions include:

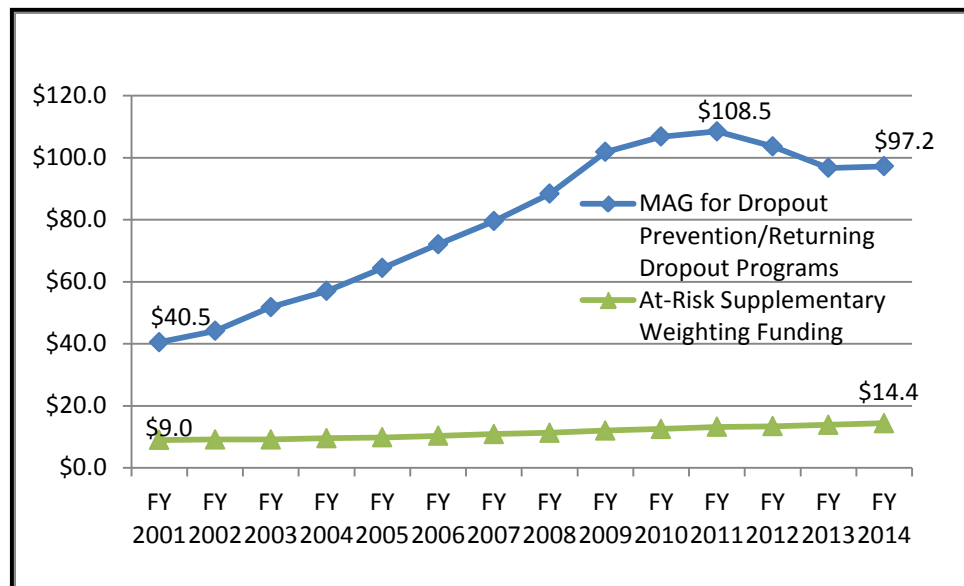
- **At-Risk Supplementary Weighting:** This supplementary weighting is formula based and generates at-risk funding for each school district. The calculation of the supplementary weighting is based partially on the number of students in grades 1-6 eligible for free or reduced-price lunch and partially based on the district's budget enrollment. Statewide, the portion of weighting for free and reduced-price lunch was 58.5% of the total weighting and the enrollment portion was 41.5% (amounts will vary between school districts). The supplementary weighting for each district is multiplied by the district cost per pupil to generate the funding total. In FY 2014, the statewide supplementary weighting totaled

2,340.68 and generated \$14.4 million (\$12.6 million in State aid and \$1.8 million from local property taxes). Funding generated through at-risk supplementary weighting must be used to develop or maintain at-risk pupil programs, including alternative school programs.

- **Programs for Returning Dropouts and Dropout Prevention:** School districts may request modified allowable growth (MAG) based on a percentage of the district's regular program cost. If the programs and MAG request are approved by the Department of Education, the Department of Management includes the modified allowable growth amount in the school district's combined district cost for the budget year, and the amount is included in the school district's additional levy (funded through local property taxes). In FY 2014, 298 districts (86.1%) received MAG for returning dropouts and dropout prevention programs totaling \$97.2 million.

Historic Funding. The following chart provides the historic funding levels for at-risk supplementary weighting and MAG for returning dropouts and dropout prevention programs. At-risk supplementary weighting funding has increased steadily, averaging a growth rate percentage of about 3.7% annually (see green line in chart). The MAG amount has an average annual growth rate of 7.0% since FY 2001 (see blue line) despite two years of decreases (FY 2012 and FY 2013). Growth in the dropout prevention and returning dropout programs has been impacted by the increase in the number of districts utilizing the MAG funding provision for the programs with 57.8% of districts implementing in FY 2001 and 86.1% implementing in FY 2014.

At-Risk Funding – FY 2001 through FY 2014
(Dollars in Millions)



More Information. For additional information pertaining to MAG for dropout prevention and returning dropout programs or at-risk supplementary weighting, please contact the LSA.

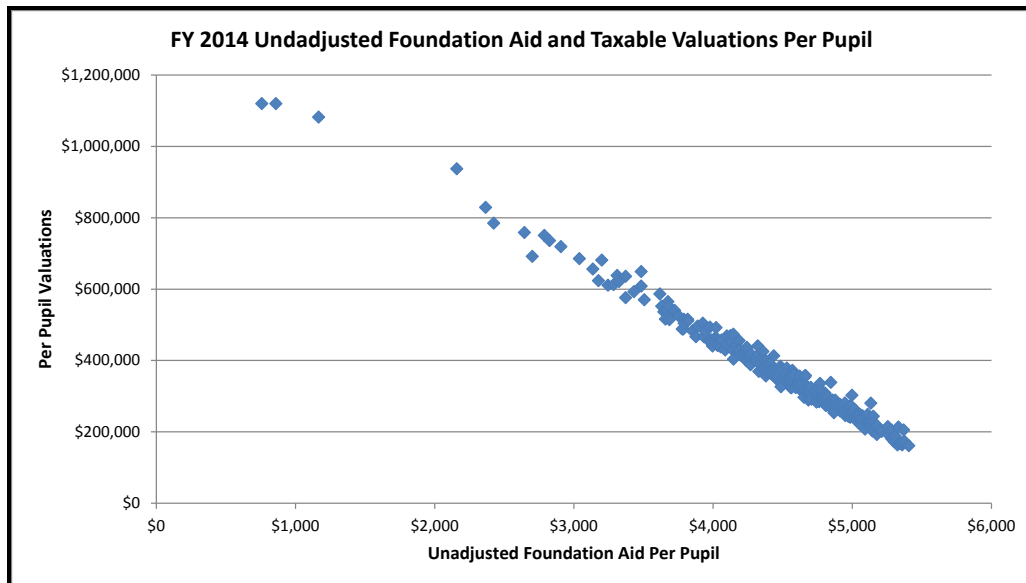
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FY 2014 MINIMUM SCHOOL AID PER PUPIL

State Aid. The school aid formula requires each school district to receive a minimum of \$300 per pupil in State aid. This provision ensures that property rich school districts receive State aid, even if the district has enough valuation to generate a uniform levy amount above the foundation level amount. The calculation includes the sum of all the foundation level amounts for each school aid provision minus the uniform levy total (this amount is referred to as unadjusted foundation aid per pupil), then divided by the

district's weighted enrollment. If that calculation is less than \$300, the provision requires that the district receive additional State aid with a corresponding reduction in the district's additional levy.

Foundation Aid. To date, the minimum aid per pupil provision was used once (FY 1995), when the Amana school district received \$1,495 in minimum aid. In FY 2014, the minimum level of unadjusted foundation aid per pupil is \$757 (LuVerne School District). The following graph provides a comparison of each school district's unadjusted foundation aid per pupil compared to their valuation per pupil. The graph shows the correlation between the two variables: districts with a high valuation per pupil have the lowest unadjusted foundation aid per pupil and vice versa.



More information. For additional information pertaining to minimum per pupil aid, contact the LSA.

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OFFICE HOURS – CLERK OF COURT OFFICES

Announcement. The Judicial Branch recently announced that Clerk of Court offices are now open to the public from 8:00 a.m. to 4:30 p.m., Monday through Friday. Due to staffing shortages, the offices had been closing every Tuesday and Thursday afternoon from 2:30 p.m. to 4:30 p.m. since fall 2009. The FY 2014 budget for the Judicial Branch is \$167.7 million, a 3.5% increase compared to the previous year. The increased funding permitted the Judicial Branch to hire an additional 40 positions at the Clerk of Court offices. Some offices may be closed over the lunch hour or due to special circumstances such as training. The complete schedule for all Iowa counties is available on the Judicial Branch website at: http://www.iowacourts.gov/Administration/Judicial_Budget/Clerk_of_Court_HoursClosures/index.asp

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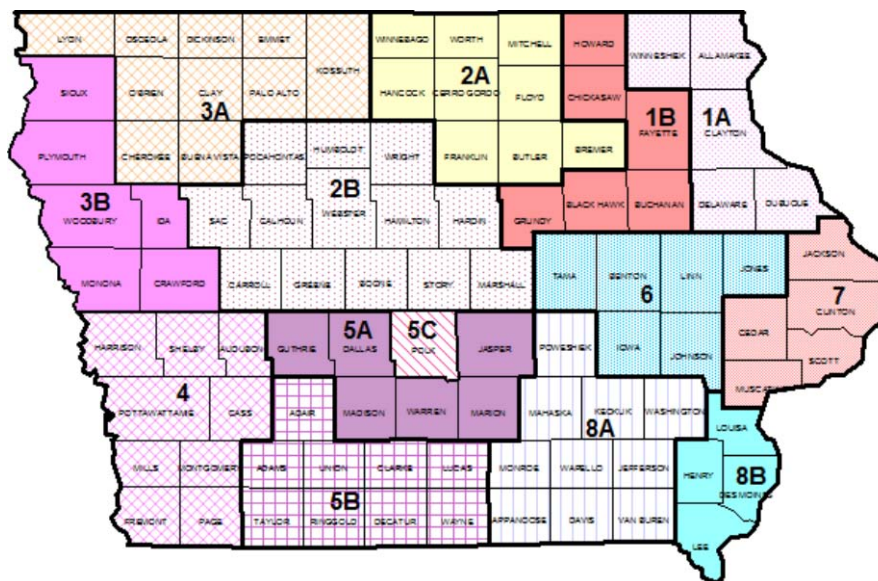
VETERANS TRUST FUND UPDATE

Fund Balance. As of August 31, 2013, the Veterans Trust Fund balance is \$18.2 million. The total principal balance is \$17.6 million. The total remaining for expenditure (including the interest income and the lottery transfer) is approximately \$379,000. Expenditures to date for FY 2014 total approximately \$5,300.

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ELECTRONIC DOCUMENT MANAGEMENT SYSTEM

EDMS. The implementation of the Electronic Document Management System (EDMS), the electronic filing system for cases and documents with the Iowa Court System, is set to be completed by the end of calendar year (CY) 2015. The following map shows the Judicial Election Districts:



EDMS Implementation Update

- Subdistrict 3B – completed in April 2012.
- Subdistrict 2A – Cerro Gordo and Mitchell Counties are scheduled to come online in October 2013. Hancock, Winnebago, and Worth Counties are scheduled to come online in November 2013.
- Subdistrict 2B – completed in February 2013.
- Subdistrict 3A – completed in June 2013.
- District 4 – Pottawattamie County civil and criminal cases are scheduled to come online in September 2013. Audubon, Cass, Harrison, and Shelby Counties are scheduled to come online in December 2013.
- Subdistrict 5C – Polk County has all civil case types online as of June 2013. Criminal cases are scheduled to come online October 2013.
- Subdistrict 5A – Dallas, Guthrie, and Madison Counties came online in August 2013. The remainder of Subdistrict 5A is scheduled to be completed in January 2014.

Counties to be completed in 2014

Adair	Buchanan	Decatur	Iowa	Lucas	Ringgold
Adams	Butler	Floyd	Jackson	Mills	Scott
Benton	Cedar	Franklin	Johnson	Montgomery	Tama
Black Hawk	Clarke	Fremont	Jones	Muscatine	Taylor
Bremer	Clinton	Grundy	Linn	Page	Union
					Wayne

Counties to be completed in 2015

Allamakee	Davis	Fayette	Keokuk	Monroe	Washington
Appanoose	Delaware	Henry	Lee	Poweshiek	Winneshiek
Chickasaw	Des Moines	Howard	Louisa	Van Buren	
Clayton	Dubuque	Jefferson	Mahaska	Wapello	

IOWA COMMUNICATIONS NETWORK PURCHASE BIDS REJECTED

Two Offers Made For Purchase. The Iowa Communications Network (ICN) received two offers from one vendor, Iowa Network Services (INS), in response to the request for proposal (RFP) to sell or lease the network. The base offer made by INS included a total estimated bid value of \$54.7 million, that included \$12.7 million cash paid and \$3.4 million additional cash for waivers of right-of-way fees for five years. The alternate offer included an estimated bid value of \$44.5 million. This included \$1.00 cash paid and \$3.4 million additional cash for waivers of right-of-way fees for five years. In addition, the alternate offer included a commitment for using \$15.9 million in video network upgrades and the DS3 based end points of the Part III fiber connections (not owned by the State). Both the base and alternative offers incorporated a value of \$5.2 million and \$5.0 million, respectively, for future five-year incremental payments made by INS to the State from property taxes and sales taxes. Both offers assumed the elimination of ICN losses, identified by INS at \$36.1 million for the previous five-year period, as part of the value of the offer.

Commission Recommends Rejecting Bids. The Iowa Telecommunications and Technology Commission (ITTC) recommended that both INS bids be rejected for various reasons. For a discussion of those reasons, see the ICN press release from June 27, 2013 <http://icn.iowa.gov/commission-held-meeting-discuss-two-offers-sale-icn>. The ITTC submitted its recommendation to the Governor's Office for review. Any final decision to sell or lease the network must be approved by the General Assembly and signed by the Governor, in accordance with [Iowa Code section 8D.12](#).

Governor Rejects Both Bids For Purchase. On August 28, 2013, the Governor announced he is rejecting the bids related to the sale of the ICN. The Governor's statement noted that the bids were significantly less than the amount the State has invested in the network over the years, and the bids were less than the recent \$25.0 million upgrade of the network that primarily occurred from the federal Broadband Technology Opportunities Program (BTOP) grant. The Governor said it would be a disservice to taxpayers of Iowa to sell the ICN for pennies on the dollar. The statement noted that the ICN has been an important resource for Iowans over the past two decades and the Governor's Office believes it can continue to provide an important service to those customers that depend on it.

STAFF CONTACT: Marcia Tannian (515-281-7942) marcia.tannian@legis.iowa.gov

STATE APPEAL BOARD MEETING

Funds Transfer Request. The State Appeal Board met September 3, 2013, and discussed a Funds Transfer Request from Des Moines Independent Community School District, filed pursuant to Iowa Code section [24.22](#). The District requested that it be allowed to transfer \$678,000 from its general fund to its Preschool Enterprise Fund to eliminate a deficit. The State Appeal Board discussed the Department of Management's (DOM) recommendation to refer the matter to the Department of Education and the School Budget Review Committee (SBRC). The school district has already cross-filed the request with the SBRC. The State Appeal Board deferred taking action on the matter until the SBRC reviews the request and makes a recommendation.

Administrative Rules. The Board reviewed and discussed proposed revisions to its administrative rules regarding budget appeals. The Board also discussed a proposed amendment to Iowa Code section [24.32](#) to extend the deadline for final disposition of all local budget appeals to 45 days after the date of the local hearing.

General Claims. The Board reviewed general claims and tort claims submitted under Iowa Code chapters [25](#) and [669](#). The Board approved \$5,800 in general claims and referred a \$52,000 claim from the Department of Natural Resources (DNR) back to the DNR with instruction to pay the bill. That claim was the State's 10.0% match requirement under the State Superfund Contract. The Board indicated the claim was filed timely and the DNR should be able to pay the bill within its budget.

Tort Claims. The Board approved \$45,000 in tort claims related to vehicle claims. The largest single payout was \$14,000 for an accident caused by a Board of Regents employee while on State business in Florida. The Board denied \$22.4 million in tort claims filed against the State. There were \$3.0 million in tort claims withdrawn from the Board's consideration.

Settlements/Judgments. The Board approved settlements in the amount of \$214,000 as follows:

- \$36,000 to settle a lawsuit related to alleged age discrimination in awarding a promotion at the Woodward Resource Center. The lawsuit was based on alleged violations of Iowa's Civil Rights Act. The settlement included \$15,000 for back wages, \$8,400 for compensatory damages, and \$12,600 in attorney fees.
- \$1,000 in federal court fees due to an unsuccessful attempt to consolidate inmate litigation.
- \$39,000 that represents the State's share of the cost to settle a lawsuit related to surgeries at the University of Iowa Hospitals and Clinics where the wrong artery was clamped. While the surgeons realized the mistake, the injury to the bowel created ongoing health issues. The patient's hospital stay was prolonged and he had to use blood thinners on a long-term basis. A second surgery was required to close a hole in the bowel. Another \$39,000 will be paid by the University of Iowa Physicians.
- \$100,000 to settle a lawsuit alleging medical malpractice at the University of Iowa Hospitals and Clinics. The patient had been in restraints to prevent her from removing the tracheotomy tube and from falling out of bed. The restraints were removed by staff; the patient then removed the tube and died. The plaintiff alleges negligence including failure to restrain and monitor the patient and improper staffing. The University of Iowa Physicians will not be contributing towards the settlement.

Next Meeting. The next meeting of the State Appeal Board is October 7, 2013.

STAFF CONTACT: Beth Lenstra (515-281-6301) beth.lenstra@legis.iowa.gov

COLLEGE STUDENT AID COMMISSION MEETING

Meeting. The College Student Aid Commission held its regular meeting on September 20, 2013. The following is a summary of some of the topics discussed at the meeting.

University of Phoenix. The Commission approved the University of Phoenix's application for Postsecondary Registration renewal. A representative of the University spoke to the Commission members about accreditation issues. The University of Phoenix is accredited by the Higher Learning Commission (HLC), and the HLC placed the university on notice on June 27, 2013. According to the HLC, "notice is a public status signifying that an accredited institution is pursuing a course of action that, if continued, could make it no longer in compliance with one or more of the [HLC's] Criteria for Accreditation. The period is not more than two years. During the notice period, the institution remains accredited and it has the opportunity to remedy the concerns that led to the notice sanction."

The university representative summarized the reasons for the sanction as related to the following concerns:

- The autonomy of the university's governing board from its parent group, Apollo Group.
- The ability of separate campuses to disaggregate student assessment data.
- The quality of quantitative research in the Doctorate in Nursing program.

The HLC will visit the university again in January 2015 and will determine whether to lift the sanction or discontinue accreditation in June 2015.

The College Student Aid Commission approved the renewal of the registration for University of Phoenix, and staff assured members that future information on the institution's accreditation status will be brought to the Commission for review and possible action.

RFP for Processing System. The Commission authorized staff to issue a Request for Proposals for a new scholarship, grant, and loan repayment application and processing system, as recommended by the State's Chief Information Officer. Staff estimated the initial one-time cost between \$500,000 and \$1.0 million, with annual costs of \$200,000. Funding for the new system would come from the agency's operating fund.

FY 2015 Budget Request. The Commission approved the agency staff's proposed budget for FY 2015 to be submitted to the Governor. The budget is status quo with the exception of a new appropriation of \$2.3 million for the Teach Iowa Scholars program established in House File 215 (Education Reform Act) in the 2013 Legislative Session.

Budget Motion. Commission members agreed that they will submit their own budget recommendations to the Governor separately, as has been done in the past. The Commission directed staff to provide a recommendation for increased funding of State-funded grant and aid programs to cover the costs of administration. The motion included a request for a cost-benefit analysis of the Barber and Cosmetology Tuition Grant and the Registered Nurse and Nurse Educator Loan Forgiveness Program.

Operations. The Commission also directed staff to prepare a proposal to phase out the use of the agency's operating account for administration of State-funded programs. The agency estimates that the operating fund will be exhausted by FY 2021.

More information. The full agenda and materials presented to the Commission are available on the agency's website at: <https://apps.iowacollegeaid.gov/marketing/docs/September2013BoardBook.pdf>. The materials include a listing of FY 2013 student aid payments by program and institution.

STAFF CONTACT: Robin Madison (515-281-5270) robin.madison@legis.iowa.gov

STATE HISTORICAL SOCIETY BOARD MEETING

Board Action: The State Historical Society of Iowa (SHSI) Board of Trustees met on September 19, 2013. The following action was taken by the Board:

- Bill Bartine was elected the new board chair and Maura Pilcher was elected vice chair.
- The Department of Public Safety sought and received approval to amend the State Historical Building Code.
- The Board gave final approval to the Statewide Preservation Plan which will soon be available on the Internet.
- The Board decided to leave the recently vacant elected membership position open until the next board election cycle, at which point it will be filled for the balance of the term which expires June 30, 2015.
- The Board approved the updated articles of incorporation for the Iowa Historical Foundation (IHF). Later in the meeting the board appointed new membership to the IHF and expressed their desire to reinvigorate the fundraising functions of the IHF.
- The Board also adopted a resolution stating that they "think it is critically appropriate to preserve all of Iowa newspapers in an archival format is critical and we encourage the director to obtain the necessary funds." The weekly newspaper preservation program has not been funded in the Department since 2009. There is a current backlog of an estimated 1,200 bundles of newspapers with an estimated 230 additional bundles annually.

Board Discussion: Additionally, the board discussed committee assignments, historic site advocacy, and the newspaper microfilming process. There was a request to address deferred maintenance of the building at the next meeting. Individual members also discussed their efforts involving the Blood Run Historic Site and the plans to possibly add it as a new State Park. The Second Annual Department of Cultural Affairs Gala will be coming up on December 6, 2013.

Other News: It was announced that Susan Kloewer will take over the position of the SHSI Administrator. Previous Administrator Sarabeth Anderson left in August. Kloewer has been serving as the Museum Director prior to taking on this new role.

Next Meeting: The next meeting is tentatively set for November 13, 2013, at 11:00 a.m., location to be determined.

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ECONOMIC DEVELOPMENT AUTHORITY BOARD MEETING

Awards and Amendments: The Board made awards under the High Quality Jobs Program (HQJP), Targeted Jobs Program, and took action on recommendations for awards from the Technology Commercialization Committee. Two Power Fund awards were amended to grant extensions. The Board also approved that staff move into negotiating settlements on a separate Power Fund award.

Total utilization of the IEDA Tax Credit Cap is reflected in the following table. The estimated amount available for loan or forgivable loan financial assistance through the HQJP is estimated at \$9.6 million.

Tax Credit Obligations					
Award Month	Business Awards (HQC and EZ)	Housing Enterprise Zones	Brownfield Redevelopment Program	Innovation Investment Tax Credit	Total Available Balance
Fiscal Year 2014 Allocations	\$ 123,300,000	\$ 26,700,000	\$ 10,000,000	\$ 10,000,000	\$ 170,000,000
Awards Made in FY 2013	-11,842,741	-2,225,078	0	0	
Available Cap in FY 2014	\$ 111,457,259	\$ 24,474,922	\$ 10,000,000	\$ 10,000,000	\$ 155,932,181
Awards					
July Awards	\$ 26,859,645	\$ 2,534,725	\$ 0	\$ 0	126,537,811
August Awards	0	2,212,955	10,000,000	0	114,324,856
September Awards*	447,220		0	0	113,877,636
FY 2014 Awards Total	\$ 27,306,865	\$ 4,747,680	\$ 10,000,000	\$ 0	
Unobligated Balance Remaining	\$ 84,150,394	\$ 19,727,242	\$ 0	\$ 10,000,000	

*Estimated from Project Award documents at that month's Board Meeting.
Source: Iowa Economic Development Authority Board Documents

Fiscal Year 2015 Department Budget Request: The Board approved the FY 2015 Department Budget Request. The request matched the FY 2014 appropriated amounts with the exception of the World Food Prize assistance appropriation under [Iowa Code section 15.368](#).

Other Business: Director Durham provided a report on the recent trade trip to Tokyo and India, highlighted the Authority's latest direct mail marketing piece (a magic eight-ball that involves "Iowa" in every answer) and the new Battelle Report being commissioned by the Iowa Partnership for Economic Progress Board. Tim Whipple provided the legislative report stating that the IEDA is currently working with vetting any legislative proposals for the next session through the Governor's Office. Preliminary ideas include making the Brownfield Redevelopment Tax Credit Program more competitive and adjusting the Business Enterprise Zone Program to transfer components from it into the High Quality Jobs Creation Program and streamline the two tax credits into one program.

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CRIMINAL AND JUVENILE JUSTICE PLANNING ADVISORY COUNCIL MEETING

Meeting. The Criminal and Juvenile Justice Planning Advisory Council met in Senate Room 22 at the State Capitol on September 11, 2013. Dr. Paul Stageberg updated the Council on recent accomplishments of the Criminal and Juvenile Justice Planning Division (CJJPD):

- A stakeholder's meeting was held in July to describe and discuss the Juvenile Justice Reform and Reinvestment Initiative (JJRRI) that is funded by the Standardized Program Evaluation Protocol (SPEP) grant received from the U.S. Department of Justice. The \$750,000 grant is available for a three-year period. There were three sites selected for this federal demonstration research grant – Dover, Delaware; Milwaukee, Wisconsin; and the State of Iowa. Dr. Stageberg indicated the CJJPD will implement the Results First model – a complementary tool – as part of implementing SPEP.
- The Division received a grant award notice under the federal Second Chance Act but has not yet received the funds. If and when grant funds are received, the Division will set up a study where certain Parole/Probation Officers (PPOs) will receive specialized training while other PPOs will not. The outcome should determine whether the specialized training has any impact on recidivism.
- The Division is evaluating drug courts and family drug courts in Iowa. Also, the Division serves as the Statistical Analysis Center (SAC) for the State of Iowa. It receives approximately \$75,000 annually from the U.S. Department of Justice, Bureau of Justice Statistics (BJS) for performing certain SAC duties.
- A grant application has been submitted that if funded, would allow juvenile justice risk assessment tool for detention to be online and accessible for Juvenile Court Officers (JCOs) to access as needed. State Court Administrator David Boyd has indicated support for including this tool in the Iowa Court Information System so the tool can be available statewide.
- The Division continues to work on disproportionate minority confinement, the school-to-court initiative, and the Criminal Justice Information System (CJIS). The FY 2014 State funding for the Justice Data Warehouse (JDW) is problematic. There is a \$300,000 need that has not been addressed.
- The Division received an additional FTE position for FY 2014 in [Senate File 447](#) (Justice System Appropriations Act) that is in the process of being filled.

Results First. Mr. Mike Wilson from the PEW Charitable Trusts – MacArthur Foundation addressed the Council with a presentation on Results First. This is not a budget tool, although it does show the benefit of funding programs. It is one policy tool to use in determining funding decisions. Representatives from PEW support a capacity building initiative and plan to work with Iowa through December 2015, at least. Iowa and New Mexico are the lead states in developing this cost benefit analysis tool. Iowa was the first State in the nation to get the model up and running for adult corrections. Iowa will be using Results First in its analysis of juvenile justice programs for the Juvenile Justice Reform and Reinvestment Initiative.

Policy. The Council approved a Research and Evaluation Independence and Integrity Policy. The policy was requested by BJS as part of the requirements for being the SAC.

December 2013 Report. The Council discussed its report due to the General Assembly in December. The Council will have an opportunity to review and approve the report prior to its submission to the General Assembly.

Next Meeting. The next meeting of the CJJP Advisory Council will be November 20 in Room 116 of the State Capitol Building.

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BOARD OF CORRECTIONS MEETING

Meeting. The Board of Corrections met September 13, 2013, at the Iowa Prison Industries (IPI) showroom in Des Moines. The IPI Director Dan Clark welcomed the Board and guests, and indicated the programs are doing well. The IPI trains offenders for successful re-entry into society and FY 2013 was a very successful year, thanks to the support of the IPI Board and Board of Corrections, staff, and offenders. Agenda topics included:

- **Construction.** Department of Corrections (DOC) Director John Baldwin updated the Board on new construction at the Iowa Correctional Institution for Women (ICIW) at Mitchellville. The new Administration building is open and administrative staff has moved from the old building. The Master Control Center will move from the old to the new building in October. General population housing units should open in November. The hospital is scheduled to open in January or February 2014. The ribbon-cutting ceremony for ICIW is scheduled for October 28 while the ribbon-cutting ceremony for the new maximum security prison at Fort Madison is scheduled for October 30.
- **RFI.** The Director described the Request for Information (RFI) that was issued by the Department of Human Services (DHS) in collaboration with the Departments of Corrections, Inspections and Appeals, and Aging. The RFI was for placement, treatment, and security strategies for offenders ending corrections supervision and in need of placement in a care facility. There are currently 30 people who fit this need; it is expected that in the next five years, 150 people will need these services. If there is interest in public-private partnerships, there may be a Request for Proposals (RFP) issued.
- **ASCA.** The Director is an active member of the Association of State Correctional Administrators (ASCA). The ASCA provides \$1,000 scholarships to children of corrections employees. Three scholarships were awarded to employees' children in Sioux City, Newton, and Fort Madison.
- **Kansas.** The Director recently attended the Midwest Corrections Directors Conference in Kansas. This permits Directors to share information between states and benefit from other states' experiences. Kansas is currently dealing with a large number of geriatric prisoners, and trying to find solutions to the risks and needs of this population. Regarding mentally ill offenders, Kansas has an Institution dedicated to mentally ill, nonviolent offenders.
- **Fort Des Moines.** The DOC was recently approached by a group of developers interested in Fort Des Moines. The Fifth Community-Based Corrections (CBC) District Department currently owns approximately 17.3 acres of land and multiple buildings at Fort Des Moines. There are 300 beds for residential, work release, and Operating While Intoxicated (OWI) offenders housed and treated there. The Director indicated it may take years of planning and lots of money to move the Fifth CBC operations from Fort Des Moines.
- **Escape.** The DOC staff worked with local law enforcement and the Page County Board of Supervisors to manage the repercussions of the recent escape from the minimum security Clarinda Lodge. The offender scaled a 12-foot fence instead of walking out an open gate. The DOC is reviewing the situation and looking for improvements in notifications to state and local law enforcement.
- **FY 2015 Budget.** Deputy Director Brad Hier reviewed the FY 2015 DOC budget request with the Board. The DOC is requesting \$6.2 million to maintain current operations. This includes:
 - \$2.6 million and 7.0 FTE positions for corrections operations.
 - \$1.6 million and 15.0 FTE positions to continue operating the Luster Heights Prison Camp.
 - \$1.7 million and 23.2 FTE positions to keep the CBC residential facilities operating at the current level.
 - \$250,000 for Corrections Education.
- The DOC also has a request for \$6.4 million and 93.0 FTE positions in new money that if funds allow, will improve Iowa's corrections system. This amount includes:
 - \$936,000 and 16.0 FTE positions to open the new assisted living, hospice, skilled nursing, and Minimum Live Out (MLO) units at ICIW.
 - \$1.1 million and 16.0 FTE positions to staff the increasing case loads of sex offenders supervised in CBC.
 - \$732,000 and 12.0 FTE positions for the Fifth CBC District Department.
 - \$1.6 million and 30.0 FTE positions for prison staffing.

- \$677,000 and 10.0 FTE positions for critical mental health needs (Psychologist and Nurse) in six of the eight CBC District Departments.
- \$502,000 and 5.0 FTE positions for compliance with the federal Prison Rape Elimination Act (PREA).
- \$317,000 to replace expired federal funds for drug courts.
- \$500,000 for Corrections Education.
- \$68,000 and 1.0 FTE position for Central Office for fiscal oversight.
- \$161,000 transferred from Oakdale to Clarinda for three new correctional officer positions. The current funding is available due to Central Pharmacy savings.
- \$147,000 and 2.0 FTE positions in current funding (Psychologist and Treatment Director) transferred from Fort Madison to Clarinda.
- \$168,000 in current funding transferred to Oakdale for Hepatitis Treatment and Education. The DOC is requesting the separate appropriation be included in the appropriation for Oakdale; the funds are spent at the Central Pharmacy at Oakdale.
- **Board Action.** The Board approved \$380.6 million for the DOC operating budget in FY 2015, subject to funding being available.
- **Proposed Legislation.** General Counsel Michael Savala reviewed the DOC's proposed legislation with the Board. The Board approved the following items for submission to the General Assembly:
 - Enhancing the existing penalty for sexual misconduct with an offender.
 - Excluding certain offenders serving a mandatory minimum term of confinement from the requirement to maintain a \$100 balance in the inmate's savings account.
 - Requiring inmates to pay for a second opinion if they are subject to Iowa Code chapter [229](#) proceedings.
- **Tasers.** The Board approved the DOC policy on use of tasers in CBC. The Board discussed this topic in-depth with Fifth CBC District Director Sally Kreamer and staff.
- **IPI.** Mr. Dan Clark, IPI Director, updated the Board on recent accomplishments, including a new line of stadium seating recently installed at Drake University. Corrections Board member Dr. Chalstrom helped considerably in getting the first ever high school sales for library and instructional furniture. The IPI was also very busy with furniture manufacturing and installation at the new prisons in Mitchellville and Fort Madison. Record sales of \$24.0 million were achieved in FY 2013. Offenders outfitted two vans for the State Fire Marshal for bomb squads. The project involved designing and developing equipment to house and deploy a robot that could check for bombs. The IPI also received 14 body scanners through federal surplus property; it is working with the DOC on how best to deploy these machines.
- **Parole Board.** Mr. Jason Carlstrom, Chairman of the Board of Parole, updated the Board of Corrections with recent improvements made to the Parole Board's computer system. He indicated Iowa is the only state to share information between the DOC and Board of Parole in real time. The Parole Board worked closely with DOC staff and its contractor (ATG) to develop a Parole Board docket for annual reviews, special hearings, appeals, consents, denials, interviews, and special sentences. The Parole Board accesses the Iowa Corrections Offender Network (ICON) for the docket, commutations and executive clemency recommendations to the Governor's Office, victim information and revocation proceedings. The Board intends to continue working with the DOC to develop reporting functions in ICON that Board members can access.
- **Public Comment.** Jean Basinger spoke during the Public Comment period on the agenda. She indicated that inmates serving life sentences (lifers) and long-term inmates are the core employees of IPI. Mr. Clark agreed that these offenders are essential to the success of IPI, inasmuch as they train and mentor new offenders and provide a stable workforce. Ms. Basinger also expressed concerns that inmate fundraisers were being controlled by the IPI. Mr. Clark responded that fundraisers will still be possible. However, inmates need to comply with the policies of central banking, central commissary, and contraband. The IPI will provide a selection of items for inmate councils to choose to use in their fund raisers.

Next Meeting. The next Board of Corrections meeting is scheduled for October 28 at Mitchellville. Additional information is available at <http://www.doc.state.ia.us/BoardofCorrections.asp>.

PUBLIC SAFETY ADVISORY BOARD MEETING

Meeting. The Public Safety Advisory Board met September 11, 2013, at the Iowa State Capitol Building in Des Moines. The Board received information from Terry Hudik, Criminal and Juvenile Justice Planning Division (CJJPD) staff, regarding habitual offenders in possession of firearms. Agenda items included:

- **Mandatory Minimum Sentences.** Dr. Paul Stageberg, Division Administrator of CJJPD and staff Sarah Rabey presented information regarding the report, "Analysis of the use of the 70.0% Mandatory Minimum Sentences in Iowa". Offenders can and do negotiate plea deals with prosecutors, that usually result in convictions for a lesser criminal charge and reduced penalty compared to the original criminal charge. In reviewing charges for crimes that fall under the 70.0% mandatory minimum requirement, where 70.0% of the sentence must be served in State prison, charge reductions were about equal for minorities and white offenders. Statistically, it is not possible to draw a direct line between the existence of a mandatory minimum sentence and plea bargaining. There is a connection but it is not a direct, causal connection. The Board discussed mandatory minimum sentences in regards to prior forcible felony convictions, whether a gun was used in the crime, racial disparity, judicial discretion, mitigating circumstances, the costs of incarceration, and recidivism rates. Based on research, the length of stay in prison does not impact recidivism rates.
- **Kidnapping.** The Board received an update on Iowa's kidnapping statute from Dr. Paul Stageberg and staff Lanette Watson. Discussion centered on potential amendments to the statutory offense of kidnapping in the second degree in relation to a recent kidnapping and murder in Iowa.
- **Report.** The Board reviewed issues for its December 2013 report to the General Assembly. The Board will have an opportunity to review and approve the report before it is submitted to the General Assembly.
- **Public Comment.** Rita Bettis from the American Civil Liberties Union (ACLU) of Iowa spoke during the open comments section of the meeting. She presented information from the report, "Ending Mass Incarceration: Charting a New Justice Reinvestment".

Next Meeting. The next meeting of the Public Safety Advisory Board is scheduled for November 20, 2013, at the State Capitol. Additional information is available on the CJJPD's website at: <http://www.humanrights.iowa.gov/cjjp/index.html>.

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AUDIT REPORT – OFFICE OF SECRETARY OF STATE

Report. The State Auditor issued the FY 2012 Audit Report for the Office of Secretary of State on September 9, 2013. The Report included the following finding:

Financial Reconciliation. The Office records receipts on the Integrated Information for Iowa (I/3) system throughout the year, including the accrual period. The Office also utilizes separate software to track individual fee receipts and fee billing accounts and reconciles the daily receipts on the I/3 System to the daily batched receipts from the separate software. However, the reconciliation does not include reconciling the ending balance. In addition, the Office did not post certain receipts to individual accounts timely.

Recommendation – The Office should reconcile their separate internal software used for tracking revenue and expenses with the State's I/3 System and post all receipts to individual accounts timely.

Response – The Office's accounts receivable personnel will develop work procedures to ensure the timely application of all payments. In addition, the Office is currently communicating with the software vendor and information technology personnel to create an end-of-month reconciliation process between I/3 and the receivables software which will be verified monthly by the accounts receivable personnel. The response was accepted.

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AUDIO FISCAL TOPICS

Recently Published. The LSA has recently published new audio fiscal topics to the web. The interviews can be found on the Iowa General Assembly website under LSA Publications, Fiscal Analysis, Fiscal One-On-One Audio: <https://www.legis.iowa.gov/LSAReports/AudioVideo/fiscalOneOnOnesAudio.aspx>

A listserv has been created for this product to sign up for e-mail alerts anytime a new Fiscal One-on-One is published: <https://www.legis.iowa.gov/Subscribe/subscriptions.aspx>

Following are the topics and descriptions of the new interviews:

- **Title** – Iowa College Student Aid Commission
Description – Interview by Robin Madison with Heather Doe, Associate Director for the Iowa College Student Aid Commission, regarding Commission programs that help prepare elementary, middle school, and high school students for college and careers.
- **Title** – Department of Natural Resources Happy and Healthy Outdoor Program
Description – Interview by Deb Kozel with Michelle Wilson, Outdoor Recreation Coordinator with the DNR, regarding the Happy and Healthy Outdoors Program sponsored by the DNR.
- **Title** – Iowa Ethics and Campaign Finance Board
Description – Interview by Dwayne Ferguson with Megan Tooker, Executive Director and Legal Counsel for the Iowa Ethics and Campaign Finance Disclosure Board, regarding the responsibilities of the Board and staff, the enforcement of campaign and ethics laws, and important current and upcoming issues for the Board.

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MEETINGS MONITORED

Meetings Monitored. The following meetings were monitored by Fiscal Services staff. Please contact the staff listed for more information.

Meeting	Date	Staff Contact
Board of Regents	August 8, 2013	Robin Madison (281-5270)
State Appeal Board	September 3, 2013	Beth Lenstra (281-6301)
State Soil Conservation Committee	September 3, 2013	Deb Kozel (281-6767)
Administrative Rules Review Committee	September 10-11, 2013	Adam Broich (281-8223) Beth Lenstra (281-6301)
Board of Regents	September 11, 2013	Robin Madison (281-5270)
Public Safety Advisory Board	September 11, 2013	Jen Acton (281-7846) Beth Lenstra (281-6301)
Criminal and Juvenile Justice Planning Advisory Council	September 11, 2013	Jen Acton (281-7846) Beth Lenstra (281-6301)
E911 Efficiencies Study Task Force	September 12, 2013	Jen Acton (281-7846)
Legislative Fiscal Committee	September 12, 2013	Dave Reynolds (281-6934) Mary Shipman (281-4617)
Board of Corrections	September 13, 2013	Beth Lenstra (281-6301)
Senate Government Oversight	September 17, 2013	Deb Kozel (281-6767)
IPERS Investment Board	September 18-19, 2013	Jen Acton (281-7846) Dave Heuton (725-0509)
State Historical Society of Iowa Board of Trustees	September 19, 2013	Kent Ohms (725-2200)
Iowa Economic Development Authority Board	September 20, 2013	Kent Ohms (725-2200)
Community College Council	September 24, 2013	Robin Madison (281-5270)
Insurance Committee	September 25, 2013	Ron Robinson (281-6256)