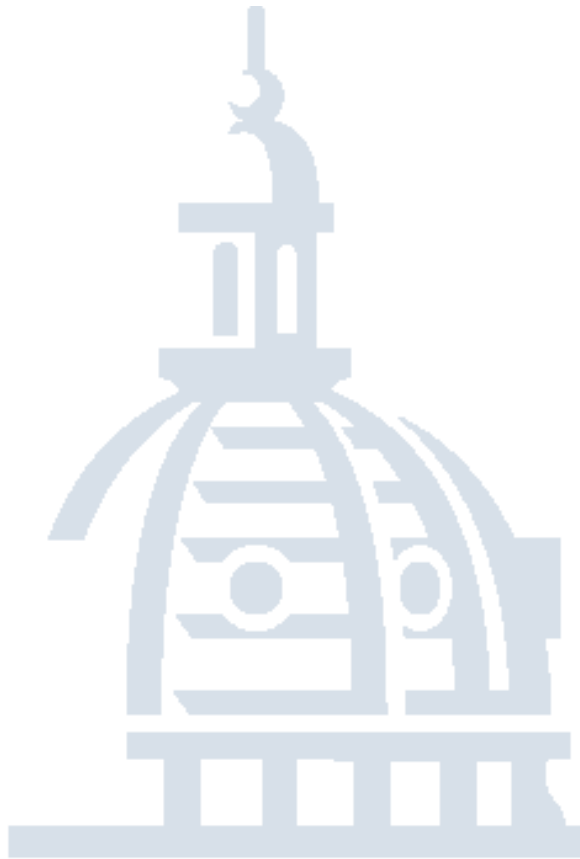

SUMMARY OF FY 2011 BUDGET AND GOVERNOR'S RECOMMENDATIONS



FISCAL SERVICES DIVISION

FEBRUARY 1, 2010



FOREWORD

The purpose of this document is to provide the General Assembly with information concerning FY 2011 General Fund estimated receipts and the Governor's budget recommendations. The information provides an overall summary of the State budget and is intended to help the General Assembly take a proactive approach to the budgetary process.

In addition, the document is intended to provide the General Assembly with an overview of the General Fund, including revenues and expenditures. Information regarding other State appropriated funds is also included.

If you need additional information regarding Department requests, Governor's recommendations, or other fiscal information, refer to the Fiscal Services Division staff listing. The staff listing will indicate the appropriate analyst to contact for detailed information by subcommittee and subject area.

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DOCUMENT NOTES

When Reviewing This Document, Please Note The Following:

The Fiscal Services Division obtained documents from the I/3 Budget System and from the Department of Management (DOM) to compile the information provided in this document. Additional details were provided through review of a draft of the Governor's budget document received on January 26, 2010.

Other items worth noting when reviewing this document include:

- Revenues and expenditures are estimated for FY 2010 and FY 2011. The statutory expenditure limitation was determined at the Revenue Estimating Conference meeting on December 11, 2009.
- When analyzing the FY 2011 Governor's recommendations, the FY 2011 appropriation recommendations are compared to estimated FY 2010 appropriations. Estimated FY 2010 appropriations reflect the 10.0% across-the-board (ATB) reduction ordered by Governor Culver.
- The Governor requested that all departments and agencies submit status quo (no increase) budget requests for FY 2011.
- **Appendix A** is an appropriations tracking document showing General Fund and other fund appropriations and the Governor's recommendations by Subcommittee.
- **Appendix B** is a listing of the projected FY 2011 built-in and anticipated increases and decreases.
- **Appendix C** provides a brief summary of the charges of the 2009 Interim Committees.
- **Appendix D** provides a summary of salary and collective bargaining information.
- **Appendix E** provides information about grant recipients of federal American Recovery and Reinvestment Act (ARRA) funds for the first half of FY 2010.
- **Appendix F** contains other fund balance sheets.
- **Appendix G** provides information by appropriations subcommittee about department and agency plans for implementation of the 10.0% ATB reduction.

2010 SESSION TIMETABLE

NOTE: Dates with an asterisk reflect proposed rule changes to HCR 3, SR 8, and HR 8 (2009).

JANUARY 11	First day of session. (Iowa Code Sec.2.1)
JANUARY 15* (Friday of 1st week)	Final day for individual legislator requests for bill drafts to the Legislative Services Agency. (Proposed changes to Senate Rule 27 and House Rule 29)
FEBRUARY 12* (Friday of 5th week)	Final date for Senate bills to be reported out of Senate committees and House bills out of House committees. (Proposed changes to Joint Rule 20)
FEBRUARY 15 – March 12* (6th through 9th weeks)	Debate not limited by rule. (Proposed changes to Joint Rule 20)
MARCH 5* (Friday of 8th week)	Final date for House bills to be reported out of Senate committees and Senate bills out of House Committees. (Joint Rule 20)
MARCH 15* (Beginning of 10th week)	Only the following bills are eligible for consideration: (Proposed changes to Joint Rule 20) <ul style="list-style-type: none"> • Appropriations Bills • Ways and Means Bills • Government Oversight Bills • Legalizing Acts • Bills co-sponsored by Majority and Minority Leaders of one House • Companion bills sponsored by Senate and House Majority Leaders • Conference Committee Reports • Concurrent or Simple Resolutions • Bills passed by both Houses in different forms • Bills on the Veto Calendar (Joint Rule 23) • Administrative Rules Review Committee Bills • Committee Bills related to delayed Administrative Rules [Iowa Code Sec. 17A.8 (9)] • Joint Resolutions nullifying Administrative Rules • Unfinished Business
MARCH 15* (Beginning of 10th week)	Amendments need not be filed on the day preceding floor debate. (Proposed change to House Rule 31.8)
MARCH 31*	80th calendar day of the Session
<p>The February 12 and March 5 committee deadlines do not apply to Appropriations Bills, Ways and Means Bills, Government Oversight Bills, Bills cosponsored by Majority and Minority Leaders of one House, Companion Bills sponsored by the Majority Leaders of both Houses after consultation with the respective Minority Leaders, Conference Committee Reports, Concurrent or Simple Resolutions, Joint Resolutions nullifying Administrative Rules, Legalizing Acts, Administrative Rules Review Committee Bills, and Committee Bills related to delayed Administrative Rules [Iowa Code Sec. 17A.8(9)]. Updated by the Legislative Information Office on 11-12-2009</p>	

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BUDGET OVERVIEW

The following information provides an overall summary of the Governor's FY 2010 and FY 2011 budget recommendations, as well as LSA estimates of the General Fund budget, in an effort to assist the General Assembly in their decision-making process on the FY 2011 budget.

The Economy and Revenue Estimates for FY 2010 and FY 2011

The U.S. Economy entered a recession in December 2007. Iowa entered the recession sometime between April and October 2008 and revenue growth in Iowa began to weaken significantly. For four quarters, the Revenue Estimating Conference (REC) has revised revenue projections downward for FY 2009 and 2010 to reflect the declining economic conditions. Pursuant to statute, the Governor's FY 2011 budget is based on the December 11, 2009, REC estimate. Excluding transfers, the projected net general fund growth rates for FY 2010 and FY 2011 are:

- FY 2010: - 8.5%, a decrease of \$490.1 million compared to actual FY 2009 revenues
- FY 2011: 1.5%, an increase of \$77.7 million compared to estimated FY 2010 revenues

Through January 30, 2010, FY 2010 net General Fund receipts, excluding transfers, are down 7.5% compared to FY 2009.

Summary of the Governor's Recommendations for FY 2010 and FY 2011

FY 2010 General Fund Budget

The Governor is recommending FY 2010 supplemental appropriations from the General Fund totaling \$64.7 million, resulting in a revised FY 2010 appropriation budget of \$5.299 billion. This represents a decrease of \$659.8 million (11.1%) compared to the actual appropriations for FY 2009. The Governor is not recommending any revenue adjustments for FY 2010. The Governor's revised FY 2010 budget leaves an estimated General Fund surplus of \$102.0 million.

The General Assembly enacted a balanced budget for FY 2010 that left an estimated surplus in the General Fund of \$97.6 million. The REC met on October 7, 2009, and revised the FY 2010 net General Fund revenue estimate downward by \$415.4 million (7.1%) compared to the estimate that was used to balance the FY 2010 budget. This resulted in a projected deficit of \$317.8 million.

On October 8, 2009, Governor Culver issued Executive Order 19 requiring a 10.0% across-the-board (ATB) reduction to all FY 2010 General Fund appropriations, cutting \$564.4 million from the budget. Shortly thereafter, the Legislative and Judicial Branches announced reductions to their FY 2010 budgets of 10.0% and 7.1% respectively. This resulted in reductions of \$3.3 million to the Legislative Branch budget and \$11.4 million to the Judicial Branch. The reductions to all three branches of government reduced General Fund appropriations by a total of \$579.1 million. As a result, the current General Fund surplus for FY 2010 is estimated at \$167.7 million. The following table summarizes the changes to the FY 2010 budget and the Governor's revised FY 2010 budget.

FY 2010 General Fund Budget				
(Dollars in Millions)				
	<u>Enacted</u>	<u>Oct. 7 Estimate</u>	<u>Current Estimate</u>	<u>Gov Rec</u>
Funds Available:				
Estimated Receipts	\$ 5,853.4	\$ 5,438.0	\$ 5,401.2	\$ 5,401.2
Appropriations and Expenditures:				
Appropriations	5,768.3	5,768.3	5,768.3	5,768.3
Statutory Repayment to Econ. Emerg. Fund			45.3	45.3
10.0%/7.1% Reductions (All Branches)			- 579.1	- 579.1
Recommended Supplementals				64.7
Total Appropriations	<u>5,768.3</u>	<u>5,768.3</u>	<u>5,234.5</u>	<u>5,299.2</u>
Reversions	<u>- 12.5</u>	<u>- 12.5</u>	<u>- 1.0</u>	
Net Appropriations	<u>5,755.8</u>	<u>5,755.8</u>	<u>5,233.5</u>	<u>5,299.2</u>
Ending Balance - Surplus	<u>\$ 97.6</u>	<u>\$ - 317.8</u>	<u>\$ 167.7</u>	<u>\$ 102.0</u>

Governor's Recommendation for FY 2010 Supplemental Appropriations

The following table provides a list of the Governor's recommended supplemental appropriations. More information on these recommendations is in the Appropriations Subcommittee Sections. The table also compares the recommended supplemental appropriations to the agencies' across-the-board reductions. Of the State agencies that are receiving supplemental appropriations, their across-the-board reductions totaled \$122.1 million. The supplemental appropriations restored \$64.7 million of the reductions.

Governor's Recommended FY 2010 Supplemental Appropriations Compared to ATB Reductions			
	ATB Reduction	Recommended Supplemental	Difference
Education			
Department of Education			
Child Development (standing)	\$ 1,149,389	\$ 1,149,389	\$ 0
Nonpublic School Textbooks	62,563	62,563	0
Early Care, Health and Education	54,595	54,595	0
Teacher Quality	892,428	892,428	0
Voluntary Preschool	1,194,569	1,194,569	0
Iowa Core Curriculum	197,954	197,954	0
Enrich Iowa Libraries	179,608	179,608	0
Senior Year Plus	140,566	140,566	0
K-12 Management Information System	23,000	23,000	0
Empowerment - Preschool Tuition	877,215	877,215	0
Community Colleges	15,867,850	5,943,581	-9,924,269
Board of Regents			
University of Iowa	24,695,403	14,371,621	-10,323,782
Iowa State University	23,873,755	10,839,521	-13,034,234
University of Northern Iowa	8,778,314	5,227,665	-3,550,649
Total Education	\$ 77,987,209	\$ 41,154,275	\$ -36,832,934
Health and Human Services			
Department of Human Services - State Cases	\$ 1,151,081	\$ 100,163	\$ -1,050,918
Department of Public Health			
Addictive Disorders	2,865,250	2,627,532	-237,718
Healthy Children and Families	224,917	329,267	104,350
Chronic Conditions	275,624	321,643	46,019
Community Capacity	411,685	23,000	-388,685
Elderly Wellness	834,578	834,578	0
Infectious Diseases	163,066	203,970	40,904
Public Protection	356,999	23,248	-333,751
Birth Institute Registry (standing)	20,684	20,684	0
Total Health and Human Services	\$ 6,303,884	\$ 4,484,085	\$ -1,819,799
Justice Systems			
Department of Inspections and Appeals - Indigent Defense	\$ 2,174,318	\$ 10,900,000	\$ 8,725,682
Department of Corrections - Operations	34,842,671	7,558,560	-27,284,111
Department of Public Defense - Military Division	624,920	526,202	-98,718
Department of Public Defense - Homeland Security	203,812	61,614	-142,198
Total Justice Systems	\$ 37,845,721	\$ 19,046,376	\$ -18,799,345
Total Supplemental Appropriations	\$ 122,136,814	\$ 64,684,736	\$ -57,452,078

NOTE: Regents represents ATB reductions in Education Subcommittee area only.

FY 2010 10% Across-the-Board (ATB) Reduction Implementation Plans

Once the Governor's Executive Order was issued in December, the Governor asked all State agencies (excluding elected officials) to submit implementation plans outlining how the budget reductions would be absorbed. The implementation plans are summarized by subcommittee in **Appendix G**.

FY 2011 General Fund Budget Recommendations

The Governor is recommending FY 2011 General Fund appropriations of \$5.662 billion and deducts \$341.0 million of savings from reorganization and efficiencies for a net appropriation amount of \$5.321 billion. A General Fund balance sheet with the Governor's recommendation is shown on the following page. Highlights of the Governor's General Fund budget recommendation are listed below.

- This is an increase of \$21.6 million (0.4%) when compared to the Governor's revised net FY 2010 (including the Governor's FY 2010 adjustments).
- This is an increase of \$71.5 million (1.4%) when compared to the estimated net FY 2010 (enacted appropriations reduced by the 10.0% ATB).
- The Governor is also recommending revenue adjustments of \$34.8 million, including a reduction of \$52.5 million in tax credits. The Governor does not specify which tax credits should be reduced or eliminated.
- The Governor's expenditure limitation is \$5.382 billion and the recommended net appropriations are \$61.6 million less than the expenditure limitation.
- The Governor's projected General Fund surplus is \$117.3 million for FY 2011.
- The Governor does not include a recommendation to fund collective bargaining in FY 2011. The estimated General Fund need in FY 2011 is \$85.7 million (\$143.5 million from all funds). In FY 2010, the Governor did not recommend, and the General Assembly did not appropriate, funds for collective bargaining costs.
- The Governor includes a reduction of \$341.0 million on the FY 2011 General Fund balance sheet to reflect reduced General Fund appropriations associated with the implementation of efficiencies identified in the Iowa Efficiency Review Report completed by Public Works LLC. The Governor's budget recommendation relating to the \$341.0 million, does not identify reductions to individual appropriation line-items. The \$341.0 million savings also includes non-General Fund revenue increases attributable to the General Fund. Additional information on the Iowa Efficiency Review Report recommendations is provided in the section of this report entitled "Government Reorganization."

STATE OF IOWA
Projected Condition of the General Fund
(Dollars in Millions)

	Actual FY 2009	Current Estimated FY 2010*	Gov Rec FY 2010	Gov Rec FY 2011
<i>Estimated Funds Available:</i>				
Estimated Receipts (Dec. 11, 2009)	\$ 7,061.2	\$ 6,685.4	\$ 6,685.4	\$ 6,657.2
Tax Refunds	- 803.9	- 901.0	- 901.0	- 898.0
School Infras. Refunds (Accrual)	- 385.8	- 369.3	- 369.3	- 374.2
Accruals	17.2	- 13.9	- 13.9	18.2
Economic Emergency Fund Transfer	45.3			
Governor Revenue Adjustments			0.0	34.8
<i>Total Funds Available</i>	<u>5,934.0</u>	<u>5,401.2</u>	<u>5,401.2</u>	<u>5,438.0</u>
Expenditure Limitation				<u>5,382.3</u>
<i>Estimated Appropriations and Expenditures:</i>				
Appropriations	5,959.0	5,768.3	5,768.3	5,661.7
Adjustment to Standings				
Statutory Repayment to Econ. Emerg. Fund		45.3	45.3	
Executive Branch: 10% ATB Reduction		- 564.4	- 564.4	
Legislative Branch: 10% Reduction		- 3.3	- 3.3	
Judicial Branch: 7.1% Reduction		- 11.4	- 11.4	
Recommended Supplemental Appropriations			64.7	
Public Works Efficiency Reduction				- 341.0
Total Appropriations	<u>5,959.0</u>	<u>5,234.5</u>	<u>5,299.2</u>	<u>5,320.7</u>
Reversions	- 25.0	- 1.0		
<i>Net Appropriations</i>	<u>5,934.0</u>	<u>5,233.5</u>	<u>5,299.2</u>	<u>5,320.7</u>
<i>Ending Balance - Surplus</i>	<u>\$ 0.0</u>	<u>\$ 167.7</u>	<u>\$ 102.0</u>	<u>\$ 117.3</u>
<i>Below (Above) Expenditure Limit</i>				<u>\$ 61.6</u>
<i>Appropriations/Transfers to Other Funds</i>				
Property Tax Credit Fund	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Senior Living Trust Fund	0.0	48.2	48.3	0.0
Cash Reserve Fund	0.0	119.5	53.7	117.3
<i>Total</i>	<u>\$ 0.0</u>	<u>\$ 167.7</u>	<u>\$ 102.0</u>	<u>\$ 117.3</u>

Numbers may not equal totals due to rounding.

*After the December REC meeting.

Spending Comparison

General Fund, Reserve Funds & Stimulus Funds

The following table provides a comparison between appropriations from the General Fund, the Reserve Funds, and federal stimulus funds. Appropriations from the Reserve Funds and the federal stimulus funds are for programs that have typically been funded from General Fund prior to FY 2009. The Governor's total appropriation recommendation from these three sources is \$301.0 million (4.9%) less than his revised FY 2010 budget (including recommended supplemental appropriations).

(Dollars in Millions)					
	Actual FY 2009	Gov Rec FY 2010	Gov Rec FY 2011	Change	Percent Change
General Fund Appropriations	\$ 5,959.0	\$ 5,299.1	\$ 5,320.7	\$ 21.6	0.4%
Reserve Funds					
Cash Reserve Fund	0.0	80.3	207.5	127.2	
Economic Emergency Fund	56.0	0.0	0.0	0.0	
Total Reserve Funds	56.0	80.3	207.5	127.2	158.4%
Federal Stimulus Funds					
Medicaid	114.0	207.6	94.2	-113.4	
Education Stabilization	40.0	321.0	25.4	-295.6	
Government Stabilization	0.0	63.4	22.6	-40.8	
Total Stimulus	154.0	592.0	142.2	-449.8	-76.0%
Total Gen. Fund & Stimulus	\$ 6,169.0	\$ 5,971.4	\$ 5,670.4	\$ - 301.0	-4.9%

Summary of the Governor's FY 2011 Appropriation Recommendations

The following table provides a summary of the Governor's recommendations for FY 2011 by appropriations subcommittee. The Governor's recommendation includes a proposal for State agency reorganization/efficiencies, which is intended to reduce appropriations by \$341.0 million. However, the Governor's budget did not specifically identify the agencies or appropriations that would be reduced as a result of the proposal.

	Actual FY 2009	Estimated FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov FY 11 vs Gov FY 10	Percent Change
Administration and Regulation	\$ 97,529,560	\$ 60,979,242	\$ 60,979,242	\$ 63,766,703	\$ 2,787,461	4.6%
Agriculture and Natural Resources	51,498,897	36,258,092	36,258,092	36,285,012	26,920	0.1%
Economic Development	48,213,307	40,616,635	40,616,635	41,904,957	1,288,322	3.2%
Education	1,271,326,576	815,857,704	855,862,590	860,978,502	5,115,912	0.6%
Health and Human Services	1,172,553,570	1,122,502,983	1,126,966,384	1,326,620,074	199,653,690	17.7%
Justice System	689,441,099	625,772,972	633,446,213	639,776,794	6,330,581	1.0%
Transportation, Infrastructure, and Capitals	0	1,350,000	1,350,000	0	-1,350,000	-100.0%
Unassigned Standings	2,628,458,707	2,545,816,544	2,543,646,206	2,692,354,405	148,708,199	5.8%
Subtotal	<u>\$ 5,959,021,716</u>	<u>\$ 5,249,154,172</u>	<u>\$ 5,299,125,362</u>	<u>\$ 5,661,686,447</u>	<u>\$ 362,561,085</u>	<u>6.8%</u>
Reorganization/Efficiencies*	<u>0</u>	<u>0</u>	<u>0</u>	<u>-341,000,000</u>	<u>-341,000,000</u>	
TOTAL	<u>\$ 5,959,021,716</u>	<u>\$ 5,249,154,172</u>	<u>\$ 5,299,125,362</u>	<u>\$ 5,320,686,447</u>	<u>\$ 21,561,085</u>	<u>0.4%</u>

Note: The Governor is recommending expenditure reductions totaling \$341.0 million related to the implementation of proposed recommendations outlined in the Iowa Efficiency Review Report conducted by Public Works LLC. The recommended reductions are not identified by appropriation.

Summary of the Governor's FY 2011 Revenue Adjustments

The Governor's General Fund budget for FY 2011 includes total revenues of \$5.438 billion. This includes the Revenue Estimating Conference estimate of \$5.403 billion and recommended revenue adjustments totaling \$34.8 million. A summary of the revenue adjustments include:

- An increase of \$52.5 million for reduced tax credit redemptions. The Governor is recommending unspecified action to reduce tax credit redemptions impacting FY 2011 General Fund net receipts by \$52.5 million. The Governor's recommendation does not target any specific tax credit for reduction or elimination. For reference, the Tax Credit Report provided to the Governor by the Tax Credit Review Panel provided suggested changes the Panel calculated would reduce FY 2011 tax credit redemptions by a total of \$55.2 million and those recommendations are provided in the table below. *Please note: The estimates provided below are the result of work completed by the Department of Revenue and the Tax Credit Review Panel. The estimated savings may not accurately reflect the tax credit redemptions assumed in the December 2009 Revenue Estimating Conference FY 2011 General Fund revenue estimate.*

Tax Credit Program	FY 2011 Fiscal Impact Identified in the Tax Credit Study	Tax Credit Study Recommendation
Disaster Recovery Housing Tax Credit	\$ 1,500,000	Eliminate the credit
Early Childhood Development Tax Credit	250,000	Eliminate the credit
Film, T.V., and Video Project Program	38,187,000	Eliminate the credit
Research Activities Tax Credit	699,000	The tax credit would no longer be refundable for companies with gross sales exceeding \$20.0 million
School Tuition Organization Tax Credit	1,799,000	Lower the annual cap to \$5.0 million and reduce the tax credit percentage to 40.0%
Tuition and Textbook Tax Credit	12,788,000	Limit the tax credit to taxpayers with annual gross income of \$45,000 or less
Total	<u>\$ 55,223,000</u>	

- A decrease of \$8.9 million for Division of Criminal Investigation (DCI) gaming enforcement. The Governor is recommending depositing certain gaming fees in a special fund to be used to pay the cost of DCI enforcement at gaming facilities. The fees are currently deposited in the General Fund.
- A decrease of \$8.8 million for disaster loss tax coupling. The Governor is recommending coupling with federal tax law changes that provide tax benefits to Iowa taxpayers that experienced qualified disaster losses during 2008.

Iowa did not couple with Internal Revenue Code (IRC) changes last year and the Department of Revenue has provided a list of new coupling issues that have been enacted by Congress in the most recent year. The net revenue reduction estimates provided by the Department of Revenue for last year's IRC coupling bill (SSB 1133) and the IRC coupling bill for this year (SSB 3042) are as follows:

SSB 1133 (2009 Session) = \$165.1 million over four years (FY 2009 through FY 2012)

SSB 3042 (2010 Session) = \$ 51.3 million over four years (FY 2010 through FY 2013)

The Governor's recommendation would allow taxpayers to file amended returns for tax year 2008 to benefit from specific disaster-related tax provisions. The Governor's recommendation does not address the following list of IRC coupling issues identified by the Department in IRC update bills from this Session and the 2009 Session.

Other Income Tax Coupling Items from 2009 and 2010 Internal Revenue Code Update Bills

1. Waiver of limitation on charitable contributions for relief
2. Expensing of qualified disaster expenses (small business)
3. Bonus depreciation for qualified disaster property
4. Treatment of NOL attributable to Midwestern disaster
5. Waiver of pension/IRA minimum distributions for CY 2009
6. Deduction for college tuition and fees
7. Deduction for educator expenses
8. Tax-free IRA distributions for certain persons
9. Penalty-free loans from qualified retirement plans
10. Look back rules for earned income
11. Increase in charitable standard mileage rate
12. Exclusion of debt cancellation from income
13. Depreciation allowance for recycling property
14. Election of combat pay as earned income
15. Limitation on excess farming losses
16. Increased Section 179 expensing
17. Qualified school construction bonds
18. Temporary EITC changes
19. Unemployment Insurance income exclusion
20. Sales tax deduction for vehicle purchases
21. Extend placed-in-service date for renewable energy facilities
22. Temporary increase in credit for certain refueling property
23. Tax-free transit and parking benefits
24. Section 179 expensing changes
25. S corporation holding period from 10 to 7 years
26. Modification of the work opportunity tax credit
27. Treatment of certain ownership changes
28. Credit for investment in advanced energy property
29. Recovery zone bonds
30. 3% withholding on government contracts

Significant Expenditure Increases and Decreases in the Governor's FY 2011 Budget

Of the total \$362.5 million net increase in General Fund appropriations for FY 2011, the majority of the increases are for School Aid, Medicaid, the Department of Corrections, and the Regents Institutions. The following is a list of the Governor's recommended appropriation increases and decreases, by appropriation of \$1.0 million or more. For this table, the FY 2011 appropriations are compared to the Governor's revised FY 2010 recommendations, which include recommended supplemental appropriations.

Significant General Fund Appropriation Increases	
(Dollar in Millions)	
	FY 2011
Educations - School Aid	\$ 199.7
DHS - Medical Assistance	180.9
DHS - State Children's Health Insurance	10.5
DHS - Medical Assistance, hawk-i Expansion	6.3
Legislative Branch*	5.9
DPS - Iowa State Patrol	3.9
DOC - Ft. Madison Institution	3.6
Energy Independence - Iowa Power Fund	3.4
College Aid - Tuition Grant Program-Standing	3.3
DHS - Adoption Subsidy	2.8
DIA - Public Defender	2.2
DOC - Clarinda Institution	2.1
DIA - Health Facilities Division	2.0
DOC - Ft. Dodge Institution	1.8
DHS - State Supplementary Assistance	1.8
DOC - Anamosa Institution	1.7
Judicial Branch - Jury & Witness to Revolving Fund*	1.5
DOC - Mt. Pleasant Inst.	1.4
Education - Early Child - Voluntary Preschool	1.2
DOC - Mitchellville Institution	1.1
Other	14.0
Total	\$ 451.1
 Significant General Fund Appropriation Decreases	
(Dollar in Millions)	
	FY 2011
DHS - Child and Family Services	\$ -1.1
Transportation - Commercial Services Airports	-1.4
DHS - Medical Contracts	-1.9
DPS - Division of Criminal Investigation	-6.2
DIA - Indigent Defense	-13.1
DHS - Mental Health Property Tax Relief	-15.0
Economic Emergency Fund Appropriation	-45.3
Other	-4.6
Total	\$ -88.6
TOTAL NET CHANGE	\$ 362.5
*as submitted by the General Assembly and the Judicial Branch	

Legislative Services Agency FY 2011 Projection

The following provides the LSA's assessment of the condition of the General Fund for FY 2011 to assist the General Assembly with balancing the budget. This assessment involves developing basic assumptions about the budget. Using these assumptions along with requirements of current law, a projection of the budget can be provided. The budget projection is intended to provide a framework to begin identifying legislative actions that will be needed to close the projected budget gap for FY 2011. The following are key assumptions associated with the FY 2011 estimates.

Assumptions

- For purposes of arriving at an estimate for FY 2011, the LSA uses the most recent REC estimate of net General Fund receipts. For this report, the FY 2011 net revenue estimate from the December 11, 2009, REC meeting is used. The REC estimate is based on tax laws and other revenue policies in place at the time the estimate was made.
- For estimating expenditures, the FY 2010 appropriation level, after the 10.0% reduction, is used as the baseline estimate for FY 2011. This estimate is \$5.235 billion and assumes that agencies and programs will maintain the 10.0% reduction in their FY 2011 budgets.
- Expenditures for FY 2011 were analyzed to account for the automatic increases over and above the baseline estimate of \$5.235 billion that will occur under current law. Also examined were the significant anticipated expenditure increases that will be experienced by State agencies due to a variety of factors including the loss of one-time federal stimulus funds. These built-in and anticipated expenditure increases are estimated at \$1.186 billion for FY 2011. For certain built-in expenditures, the 10.0% across-the-board reduction is automatically restored through current statute. This estimate also assumes the State will use the remaining federal stimulus funds, estimated at \$142.3 million, to offset appropriation increases.
- Assumes no supplemental appropriations in FY 2010 and assumes a General Fund surplus of \$167.7 million for FY 2010. Any supplemental appropriations that are funded will reduce the FY 2010 surplus, thus possibly reducing the funds transferred to the Senior Living Trust Fund and the Cash Reserve Fund for FY 2011.
- Reversions are estimated to total \$12.5 million for FY 2011. Reversions are unspent appropriated funds that remain at the end of the fiscal year.
- Based on the December REC net revenue estimate for FY 2011, the statutory maximum balances in the Cash Reserve Fund and Economic Emergency Fund will be \$405.2 million and \$135.1 million respectively. It is assumed that \$119.5 million will be transferred to the Cash Reserve Fund from the FY 2010 surplus.
- The expenditure limitation for FY 2011 is estimated to be \$5.349 billion. This represents 99.0% of the REC net revenue estimate (\$5.403 billion).

Legislative Services Agency FY 2011 Projected Budget Gap

Based on the above assumptions, the FY 2011 appropriations are projected to exceed the expenditure limitation by \$1.071 billion. The expenditure limitation is estimated at \$5.349 billion and appropriations are estimated to total \$6.420 billion. **The LSA will continue to monitor these estimates throughout the Legislative Session.** The following table summarizes the projected condition of the General Fund.

STATE OF IOWA			
Projected Condition of the General Fund			
(Dollars in Millions)			
	Actual FY 2009	Estimated FY 2010*	LSA Est FY 2011*
Estimated Funds Available:			
Estimated Receipts (Dec. 11, 2009)	\$ 5,888.7	\$ 5,401.2	\$ 5,403.2
Economic Emergency Fund Transfer	45.3		
Governor Revenue Adjustments			
Total Funds Available	<u>5,934.0</u>	<u>5,401.2</u>	<u>5,403.2</u>
Expenditure Limitation			5,349.2
Estimated Appropriations and Expenditures:			
Appropriations	5,959.0	5,768.3	5,234.5
Statutory Repayment to Econ. Emerg. Fund		45.3	
Public Works Efficiency Reduction			
All Branches of Gov't ATB Reductions		- 579.1	
Built-in and Anticipated Increases			1,185.9
Total Appropriations before Adjustment	<u>5,959.0</u>	<u>5,234.5</u>	<u>6,420.4</u>
Adjustment to Balance Budget (Spending Gap)			<u>- 1,071.2</u>
Total Appropriations	<u>5,959.0</u>	<u>5,234.5</u>	<u>5,349.2</u>
Reversions	- 25.0	- 1.0	- 12.5
Net Appropriations	<u>5,934.0</u>	<u>5,233.5</u>	<u>5,336.7</u>
Ending Balance - Surplus	<u>\$ 0.0</u>	<u>\$ 167.7</u>	<u>\$ 66.5</u>
Numbers may not equal totals due to rounding.			
* This column shows the LSA's projected spending gap based on estimated built-in and anticipated expenditure increases as of January 30, 2010.			

Significant FY 2011 Estimated Appropriation Increases

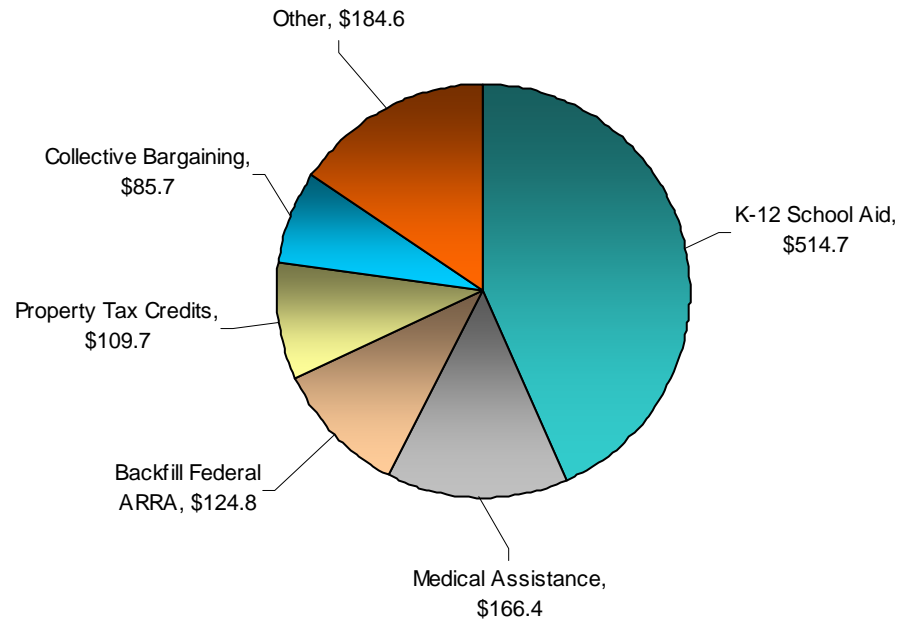
The net built-in and anticipated expenditures for FY 2011 are currently estimated at \$1.186 billion. This represents an increase of 22.7% over the FY 2010 appropriation level of \$5.235 billion. Of the total estimated increases, 87.0% are related to five budget areas: State aid for K-12 education, Medicaid, replacement of federal American Recovery and Reinvestment Act (ARRA) funds for operational purposes, replacement property tax credits, and collective bargaining. All other projected increases make up the remaining 13.0%. The following table summarizes the estimated expenditures for FY 2011.

Appendix B provides a more extensive list and explanation of the built-in and anticipated expenditures.

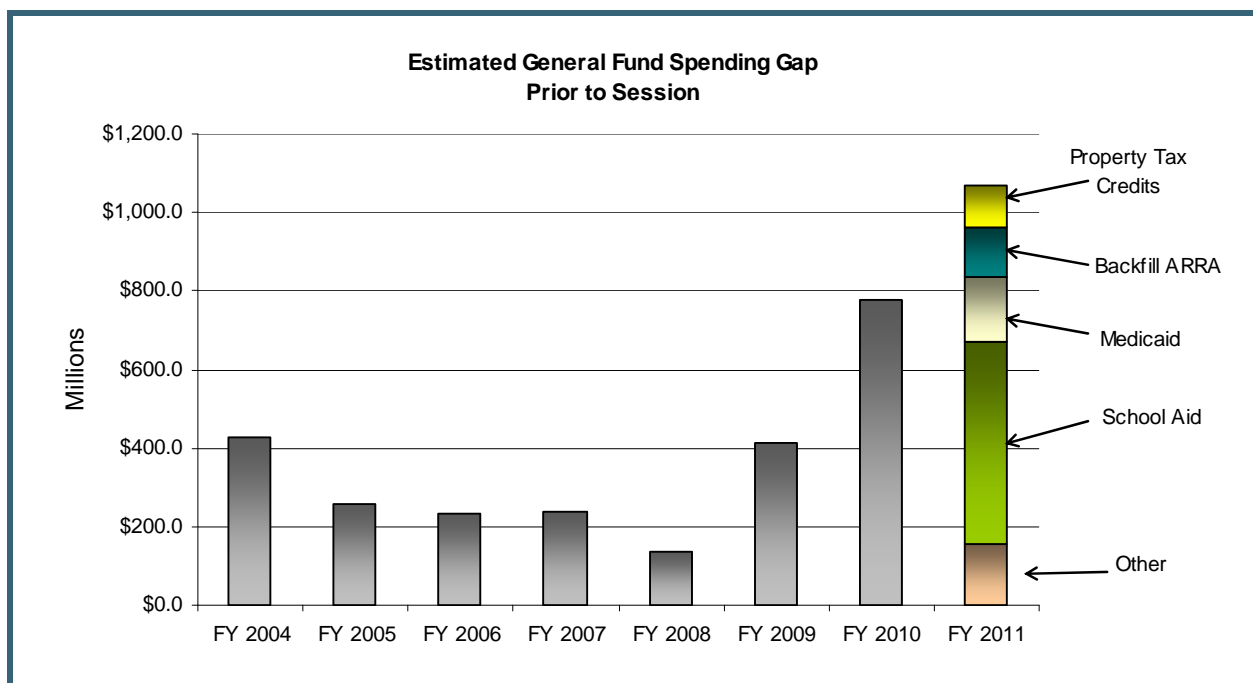
**FY 2011 General Fund Built-in
and Anticipated Expenditures**
(Dollars in Millions)

	<u>Total</u>	<u>% of Total</u>
K-12 School Aid	\$ 514.7	44.1%
Medical Assistance	166.4	15.4%
Backfill Federal ARRA (Non-Standing)	124.8	10.1%
Property Tax Credits	109.7	9.0%
Collective Bargaining	85.7	8.4%
Other	184.6	13.0%
Total	<u>\$ 1,185.9</u>	<u>100.0%</u>

FY 2011 Built-in and Anticipated Expenditure Increases
(Dollars in Millions)



Historically, the General Assembly has faced projected budget gaps prior to the start of legislative sessions. Each year the General Assembly has closed the budget gap and enacted a balanced budget. Over the last eight years, the projected budget gap has averaged \$444.8 million and ranged from a low of \$137.1 million for FY 2008 to \$1.071 billion for FY 2011. The following chart shows the budget gaps that have been projected by the LSA prior to each legislative session. For FY 2011, information is included to show the significant areas of expenditure that are contributing to the gap.



Over the years, the General Assembly has used a combination of actions to balance past General Fund budgets including: revenue increases (taxes and fees), selected spending reductions, shifting General Fund appropriations to other funding sources, and the transfer of revenue to the General Fund from the reserve funds or other non-General Fund sources. Balancing the FY 2011 budget will undoubtedly be challenging and the General Assembly will need to assess the impact of proposed budget reductions and revenue increases on government services and on the Iowa taxpayer.

How the Governor's Recommendation Impacts the FY 2011 Spending Gap

The Governor eliminates the FY 2011 spending gap by:

- Assuming \$341.0 million in savings from reorganization and efficiencies. The Governor does not specifically delineate what appropriations will be reduced due to the savings.
- Appropriating \$207.5 million from the Cash Reserve Fund.
- Making revenue adjustments, including reducing tax credit redemptions by \$52.5 million.
- Not fully funding the built-in and anticipated expenditures and shifting programs typically funded from the General Fund to other funding sources.

- Reducing the General Fund School Aid appropriation by \$170.2 million.
- Not funding the increase for the collective bargaining costs.

This list is not all inclusive. The built-in and anticipated expenditures figure can change throughout the year. A spending gap is also adversely affected by declining revenues.

Governor's Recommendations

Reserve Funds and Senior Living Trust Fund Repayment

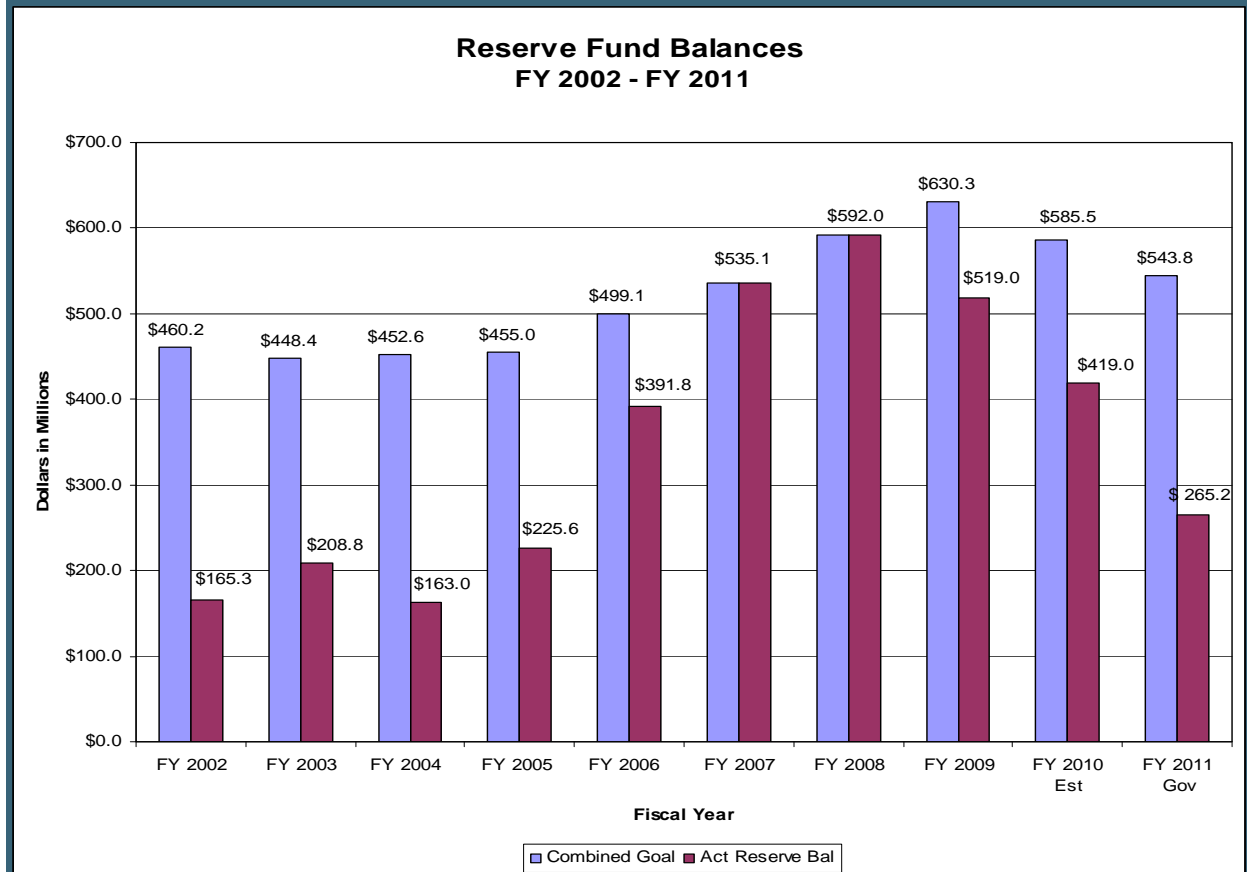
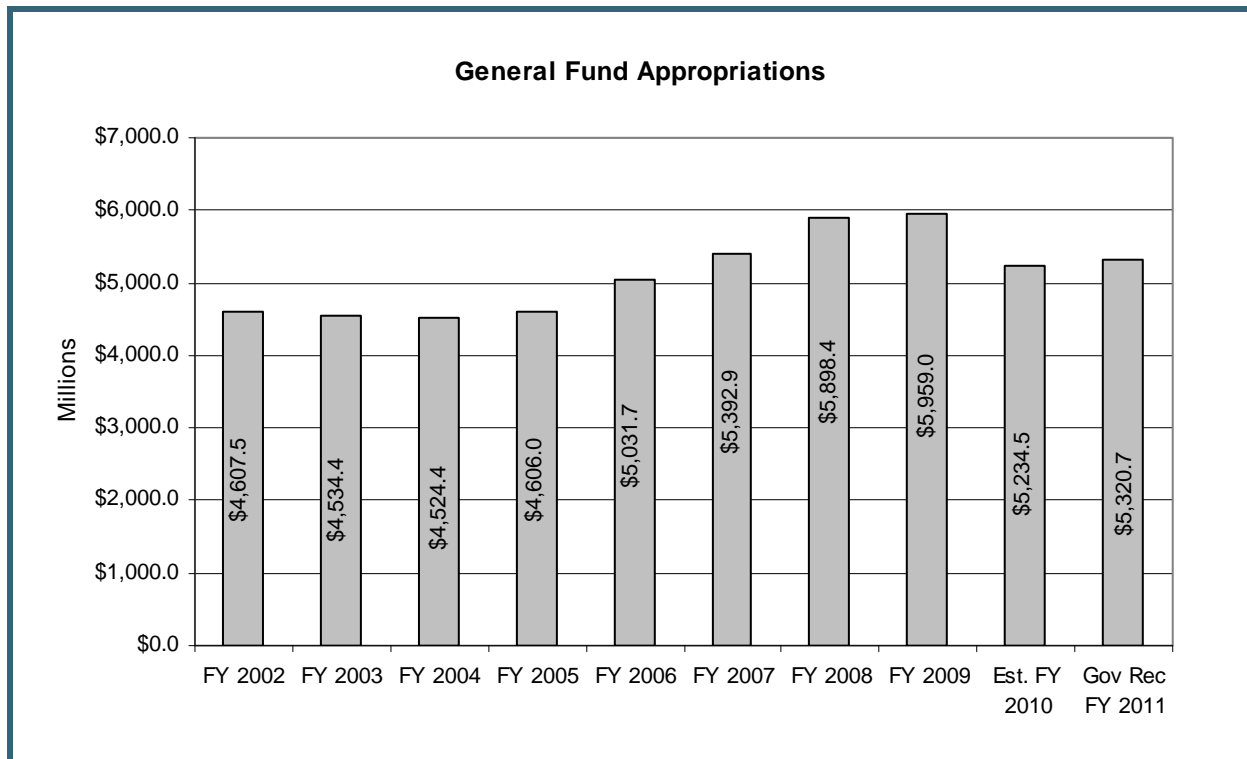
The following table show estimates based on the Governor's budget for the State's reserve funds as well as the repayment amounts to the Senior Living Trust Fund (SLTF). The Governor recommends a total of \$207.5 million in appropriations from the Cash Reserve Fund for the following:

- A \$30.0 million appropriation to the Executive Council for State match on disaster funding.
- A \$54.7 million appropriation to the Property Tax Credit Fund.
- A \$100.0 million appropriation from the Cash Reserve Fund to the School Aid appropriation replacing General Fund dollars.
- A \$22.8 million appropriation to MR/DD Property Tax Replacement replacing General Fund dollars.

Under the Governor's recommendation, the combined reserve fund balance for FY 2010 is reduced to \$265.2 million. This is \$278.7 million below the statutory maximum balance of \$543.9 million or 48.8% of the statutory goal.

State of Iowa Reserve Funds			
(Dollars in Millions)			
	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011
Senior Living Trust Fund (SLTF) Requirement			
Balance Brought Forward	\$ 183.1	\$ 251.8	\$ 251.8
Gen. Fund Appropriation from Surplus	48.3	0.0	48.2
Economic Emergency Fund Excess	20.4	0.0	0.0
Cumulative Repayment Balance	<u>\$ 251.8</u>	<u>\$ 251.8</u>	<u>\$ 300.0</u>
<i>Maximum \$300.0 million</i>			
	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011
Cash Reserve Fund (CRF)			
Balance Brought Forward	\$ 444.3	\$ 465.2	\$ 319.9
Gen. Fund Appropriation from Surplus	48.3	0.0	53.7
Total Funds Available	<u>492.6</u>	<u>465.2</u>	<u>373.6</u>
Adjustments			
Transfer to General Fund (SF 478)	0.0	-65.0	0.0
Appropriation to Executive Council	0.0	-25.6	-30.0
Property Tax Credit Appropriation	0.0	-54.7	-54.7
Appropriation to School Aid Formula	0.0	0.0	-100.0
Appropriation to MR/DD Property Tax Replacement	0.0	0.0	-22.8
Total Adjustments	<u>0.0</u>	<u>-145.3</u>	<u>-207.5</u>
Excess Transferred to EEF	- 27.4	0.0	0.0
Balance Carried Forward	<u>\$ 465.2</u>	<u>\$ 319.9</u>	<u>\$ 166.1</u>
<i>Maximum 7.5%</i>	<u>\$ 465.2</u>	<u>\$ 439.2</u>	<u>\$ 407.9</u>
	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011
Economic Emergency Fund (EEF)			
Balance Brought Forward	\$ 148.1	\$ 53.8	\$ 99.1
General Fund Repayment (Sec. 8.55)	0.0	45.3	0.0
Excess from Cash Reserve	27.4	0.0	0.0
Total Funds Available	<u>175.5</u>	<u>99.1</u>	<u>99.1</u>
Excess Transferred to SLTF	-20.4	0.0	0.0
Rebuild Iowa Appropriation	-56.0	0.0	0.0
Transfer to General Fund	-45.3	0.0	0.0
Balance Carried Forward	<u>\$ 53.8</u>	<u>\$ 99.1</u>	<u>\$ 99.1</u>
<i>Maximum 2.5%</i>	<u>\$ 155.1</u>	<u>\$ 146.4</u>	<u>\$ 136.0</u>
	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011
Summary			
Total Combined Balances	\$ 519.0	\$ 419.0	\$ 265.2
Total Combined Goal	<u>620.3</u>	<u>585.5</u>	<u>543.8</u>
Difference	<u>-101.3</u>	<u>-166.5</u>	<u>-278.6</u>
Percent of Goal	<u>83.7%</u>	<u>71.6%</u>	<u>48.8%</u>

Historical Appropriations



Potential FY 2011 Budget Issues Identified by the LSA

The following issues have been identified by the LSA staff. More issues are included in the Overall Budget Issues section (School Aid, Medicaid, etc., and in the Appropriations Subcommittee sections.

Collective Bargaining - The Governor does not include a recommendation to fund collective bargaining in FY 2011. In FY 2010, the General Assembly did not appropriate additional funds for salary expenditures. State agencies used existing funds to pay the cost of salaries, including the cost to fund negotiated contracts with various bargaining units, and similar increases for noncontract employees. The total estimated need to fund salary increases for FY 2011 is \$143.5 million, including \$85.7 million from the General Fund. The estimate includes \$60.3 million for the Board of Regents, including \$36.4 million from the General Fund. The American Federation of State, County, and Municipal Employees (AFSCME) and the State Police Officers Council (SPOC) agreed on memorandums of understanding that had an impact on FY 2010 expenditures. *The Governor did not recommend additional funding for salary increases. Under the Governor's recommendations any salary related cost increases would be funded from funds appropriated to each agency. In addition, agencies realized savings from days off without pay and the suspension of the State match on retirement contributions which will have to be accounted for unless the cost savings measures are extended into FY 2011.*

Public Works Iowa Efficiency Report - The Governor includes \$341.0 million of savings estimated by this Report in his FY 2011 budget recommendations. See the section entitled Iowa Efficiency Review Report – Public Works LLC on Page 9.

Early Termination Incentives - Senate File 2062 (Early Retirement), as passed by the Senate, establishes a State Employee Retirement Incentive Program for eligible employees of the Executive Branch of the State and makes the Program optional for the Legislative and Judicial Branches, and the Board of Regents institutions. Elected officials and employees eligible for an enhanced Sick Leave Conversion Program under Code Section 70A.23(4) (Sworn Peace Officers) are excluded from participating in the Program. The Program, if enacted, would have an estimated cost avoidance of \$6.1 million for all funds, including \$2.8 million for the General Fund, from salary and benefit costs when eligible employees terminate during FY 2010. The Program is also expected to result in a cost avoidance for FY 2011 of \$57.4 million for all funds, including \$26.4 million for the General Fund. Public Works LLC estimated a FY 2011 savings of \$59.8 million shown as State funds. Their estimate was for all funds.

Senior Living Trust Fund - The Governor recommends appropriating all available proceeds from the Senior Living Trust Fund in FY 2011. The appropriations include:

- \$37.7 million for Medicaid.
- \$8.4 million to the Department on Aging for Community-Based Services.
- \$1.3 million to the Department of Inspections and Appeals for Assisted Living/Adult Day Care Oversight.
- \$0.7 million to the Iowa Finance Authority for the Rent Subsidy Program

Human Services Reinvestment Fund - The Governor is not recommending a backfill for any of the FY 2010 appropriations from the Human Services Reinvestment Fund. The Fund appropriated a total of \$16.1 million including:

- \$0.8 million to the Iowa Juvenile Home

- \$1.3 million to the State Training School at Eldora
- \$0.7 million to the Cherokee MHI
- \$0.8 million to the Clarinda MHI
- \$1.2 million to the Independence MHI
- \$0.2 million to the Mt. Pleasant MHI
- \$0.3 million to the Mental Health State Cases Program
- \$0.5 million to the Cherokee CCUSO Program
- \$8.3 million to DHS Field Operations
- \$1.5 million to DHS General Administration
- \$0.3 million for the Health Care Coverage Commission

Federal Recovery and Reinvestment Fund - The Governor is not recommending a backfill for the following appropriations for FY 2010 from the Federal Recovery and Reinvestment Fund (FRRF):

- Department of Human Services
 - \$10.0 million to the Risk Pool Property Tax
 - \$681,000 to Field Operations
 - \$1.2 million to Child and Families Services
- Department of Public Health
 - \$700,000 for Elderly Wellness
 - \$500,000 for Community Capacity
 - \$1.8 million for Resource Management

Federal Tax Law Changes - The federal tax code has many tax credit, tax rate, and tax base provisions expiring December 31, 2010. It is up to the U.S. Congress and the President to decide over the next year, whether those tax provisions will be allowed to expire, will be renewed, or will be modified for tax years after December 31, 2010. Since Iowa allows individual income taxpayers to deduct federal income taxes from their Iowa taxable income, substantial changes to the federal tax code can result in significant changes to Iowa tax liability, and therefore, Iowa General Fund revenue. The course of federal action on these expiring tax issues may not be clear until December 2010.

Environment First Fund Reductions - The Governor is recommending a reduction in appropriations from the Environment First Fund of \$7.0 million (16.7%). This includes a reduction of \$1.1 million (41.2%) to the Watershed Protection Fund in the Department of Agriculture and Land Stewardship, a reduction of \$6.0 million (33.3%) to the Resource Enhancement and Protection (REAP) Fund in the Department of Natural Resources (DNR), and a reduction of \$500,000 (100.0%) to the Brownfields Redevelopment Program in the Department of Economic Development. The Governor is recommending two programs in the DNR receive additional funding, including an increase of \$1.5 million (61.2%) for State Parks operations and maintenance and an increase of \$248,000 (\$68.9%) for the regulation of animal feeding operations.

Rebuild Iowa Infrastructure Fund - The Governor is recommending deappropriation of \$19.3 million from existing FY 2010 Rebuild Iowa Infrastructure Fund (RIIF) appropriations, including a reduction of the appropriation to the Grow Iowa Values Fund from \$45.0 million to \$27.5 million. This action corrects the negative balance in the RIIF that was due to a decrease in wagering taxes and interest earned. Under current law, \$139.7 million in FY 2011 appropriations were previously enacted or were provided through a standing appropriation from the RIIF. The Governor's proposed budget adjusts several of these appropriations by eliminating them, reducing them, or moving them to other funds, such as the Revenue Bonds Capitals Fund or the new I-JOBS Revenue Bonds II Fund. For example, the Governor recommends

eliminating \$10.0 million from the RIIF that is deposited in the Secure an Advanced Vision for Education (SAVE) Fund, and reducing the standing appropriation for the Environment First Fund from \$42.0 million to \$35.0 million. Some of the previously enacted projects that are moved from the RIIF to restricted capital bond proceeds are the \$13.0 million for the Iowa State University's Veterinary Small Animals Hospital, \$5.0 million for the Community Attraction and Tourism grants, and \$10.0 million for the River Enhancement Community Attraction and Tourism grants.

Bonding Plan Changes - The Governor proposes creating a new I-JOBS Revenue Bonds II Fund that would receive net proceeds of \$150.0 million. The new revenue bonds would be guaranteed with the \$11.9 million unencumbered balance remaining from the \$55.0 million in wagering taxes that are allocated to pay the debt service on revenue bonds issued in July 2009. This bonding plan would substitute for the bonds authorized in SF 477 (Phase III Bonding Act) during the 2009 Legislative Session. The bonds authorized in SF 477 were appropriation bonds that were estimated to have a debt service payment of \$8.4 million annually and provide net proceeds of \$105.0 million.

COMPARISON OF ALL APPROPRIATED FUNDS

The Governor is recommending a total of \$6.735 billion in appropriations from all State funding sources for FY 2011. This represents a decrease of \$565.8 million (7.8%) compared to all State appropriations of FY 2010. For this comparison, the FY 2010 General Fund appropriation total includes the Governor's recommended supplemental appropriations. The following table summarizes the appropriations by funding source. Because there are appropriations and transfers between funds, adjustments were made to the General Fund and Rebuild Iowa Infrastructure Fund amounts to eliminate double counting. The significant changes are discussed below:

- The Governor is recommending a total of \$207.5 million from the Cash Reserve Fund for FY 2011, which is an increase of \$127.2 million compared to the amount appropriated from the Fund in FY 2010. The Cash Reserve Fund appropriation recommendations are to replace the General Fund appropriations in FY 2011 for State Aid to Schools (\$100.0 million), Executive Council's Performance of Duty Account (\$30.0 million), Mental Health Property Tax Relief (\$22.8 million), and Property Tax Credits (\$54.7 million).
- The Governor is recommending a reduction of \$52.3 million in appropriations from the Rebuild Iowa Infrastructure Fund (RIIF) for FY 2011. The reduction is largely due to an estimated reduction of \$52.2 million in revenue in the RIIF for FY 2011. For this comparison, the FY 2010 RIIF appropriation total includes the Governor's recommended deappropriations of \$19.3 million.
- The Governor recommending the creation of a new I-JOBS Revenue Bonds II Fund that would receive net proceeds of \$150.0 million. The new revenue bonds would be guaranteed with the \$11.9 million unencumbered balance remaining from the \$55.0 million in wagering taxes that are allocated to pay the debt service on revenue bonds issued in July 2009. This bonding plan would substitute for the bonds authorized in SF 477 (Phase III Bonding Act) during the 2009 Legislative Session.
- The Governor's budget includes a recommendation totaling \$142.1 million from the Federal Recovery and Reinvestment Fund for FY 2011. This Fund receives the federal stimulus funds that were authorized through the American Recovery and reinvestment Act (ARRA). This includes \$47.9 million for funding school aid and \$94.2 million for Medicaid.
- The Governor is recommending a total of \$48.3 million in appropriations from the Senior Living Trust Fund (SLTF) for FY 2011. This is an increase of \$20.1 million compared to the estimated FY 2010 appropriations. Of the total \$48.3 million, \$37.7 million is a recommended appropriation to Medicaid.
- In FY 2009, legislation was enacted authorizing the issuance of bonds that generated \$545.0 million in proceeds to be used primarily for large capital projects. Of this amount, \$185.0 million was appropriated for projects in FY 2009 and \$360.0 million in FY 2010. For FY 2011, there is an estimated \$1.4 million in revenue available in the Fund and the Governor is recommending net appropriations of \$1.0 million from the Fund.
- The Governor is recommending \$146.0 million be appropriated from the Property Tax Credit Fund for FY 2011, which is a decrease of \$3.8 million compared to FY 2010. The recommended appropriations include: \$90.4 million for the Homestead Tax Credit, \$32.4 million for the Ag Land and Family Farm Tax Credit, \$20.8 million for the Elderly and Disabled Tax Credit, and \$2.4 million for the Military Service Tax Credit. The Governor's recommendation for funding the Property Tax Credit Fund includes \$91.3 million from the General Fund and \$54.7 million from the Cash Reserve Fund.

Comparison of All Appropriated Funds

Comparison of All Appropriated Funds (Dollars in Millions)					
Funding Sources	Actual FY 2009	Est. Net FY 2010	Gov. Rec. FY 2011	Gov. Rec. vs. FY 2009	Percent Change
GENERAL FUND					
Total General Fund Appropriations	\$ 5,959.0	\$ 5,299.1	\$ 5,320.8	\$ 21.7	0.4%
<i>General Fund Appropriations to Other Funds *</i>					
Mental Health Property Tax Relief Fund	-6.2	-3.3	-3.3	0.0	
Health Care Trust Fund	-125.7	-106.0	-106.0	0.0	
Property Tax Credit Fund	-43.7	-91.3	-91.3	0.0	
Total GF Appropriations to Other Funds	-175.6	-200.6	-200.6	0.0	
Net General Fund Appropriations	\$ 5,783.4	\$ 5,098.5	\$ 5,120.2	\$ 21.7	0.4%
APPROPRIATIONS FROM NON-GENERAL FUND STATE SOURCES					
Rebuild Iowa Infrastructure Fund	\$ 226.4	\$ 211.3	\$ 159.0	\$ - 52.3	-24.8%
RIIF Appropriations to Other Funds*	-109.5	-84.0	-83.0	1.0	
Net RIIF Appropriations	\$ 116.9	\$ 127.3	\$ 76.0	\$ - 51.3	-40.3%
Cash Reserve Fund	\$ 0.0	\$ 80.3	\$ 207.5	\$ 127.2	158.4%
CRF Appropriations to Other Funds*	0.0	-54.7	-54.7	0.0	
Net CRF Appropriations	\$ 0.0	\$ 25.6	\$ 152.8	\$ 127.2	496.9%
Primary Road Fund	\$ 291.0	\$ 302.4	\$ 301.8	\$ - 0.6	-0.2%
Temporary Assistance for Needy Families (TANF)	142.7	152.9	160.6	7.7	5.0%
IJOBS Revenue Bonds II	0.0	0.0	150.0	150.0	
Property Tax Credit Fund	159.9	149.8	146.0	-3.8	-2.5%
Federal Recovery & Reinvestment Fund (FRRF-ARRA)	154.0	592.0	142.1	-449.9	-76.0%
Iowa Care Account	118.3	120.3	120.3	0.0	0.0%
Health Care Trust Fund	129.7	106.9	106.9	0.0	0.0%
Road Use Tax Fund	51.9	52.9	51.6	-1.3	-2.5%
Senior Living Trust Fund	122.3	28.2	48.3	20.1	71.3%
Fish and Game Fund	38.8	38.8	38.8	0.0	0.0%
Environment First Fund	42.0	42.0	35.0	-7.0	-16.7%
Other Funds	58.9	27.4	28.8	1.4	5.1%
Commerce Revolving Fund	0.0	26.7	27.0	0.3	1.1%
IPERS Fund	17.8	18.0	17.7	-0.3	-1.7%
Technology Reinvestment Fund	17.5	14.8	9.9	-4.9	-33.1%
Revenue Bonds Capitals Fund	185.0	360.0	1.0	-359.0	-99.7%
DHS Reinvestment Fund	0.0	16.1	0.0	-16.1	-100.0%
Prison Bond Fund	130.7	0.0	0.0	0.0	
Iowa Economic Emergency Fund	56.0	0.0	0.0	0.0	
Grow Iowa Values Fund	40.7	0.0	0.0	0.0	
Healthy Iowans Tobacco Trust (HITT) Fund	36.5	0.0	0.0	0.0	
Total Non-General Fund	1,910.6	2,202.1	1,614.6	-587.5	-26.7%
SUBTOTAL OF ALL STATE FUNDS	\$ 7,694.0	\$ 7,300.6	\$ 6,734.8	\$ - 565.8	-7.8%

* Appropriations between funding sources are adjusted to avoid double counting.

GENERAL FUND REVENUE

REVENUE ESTIMATING CONFERENCE

State General Fund revenues are estimated by a three-member Revenue Estimating Conference (REC) that meets quarterly. The REC was created by statute in 1987 during government reorganization. Current members are:

- Holly Lyons, Fiscal Services Division Director, LSA
- Richard Oshlo, Department of Management
- David Underwood, Door Group, Inc (retired CFO).

The December estimate must be used by the Governor in the preparation of the budget message and by the General Assembly in the budget process. If the REC reduces the December estimate at a later meeting held before the end of the Legislative Session (usually held in March or April), the Governor must adjust the budget recommendations to account for the reduction in revenue. In addition, the General Assembly is also required to use the lower estimate for establishing next year's budget. This happened in FY 2010. The March 20, 2009 REC estimate was \$269.9 million less than the December estimate. The Governor submitted a revised budget on April 3.

If the REC increases the estimate above the December figure, the Governor and General Assembly are required to use the lower estimate established in December. This provision was notwithstanding for three of the last five fiscal years: FY 2006, 2007, and 2009, but not for FY 2008 or FY 2010.

2005 Session: Used April 2005 REC for FY 2006 budget. Added \$85.0M (\$84.2M after expenditure limit)

2006 Session: Used March 2006 REC for FY 2007 budget. Added \$46.2M (\$45.7M after expenditure limit)

2007 Session: Used December REC for the FY 2008 budget.

2008 Session: Used April REC for the FY 2009 budget. Added \$49.1M (\$48.6M after expenditure limit)

On December 11, 2009, the REC estimated FY 2011 total State net General Fund revenues, excluding transfers, at \$5.336 billion. This reflects revenue growth of 1.5% compared to the December REC estimate for FY 2010.

Including transfers, the December REC estimated General Fund FY 2011 revenues at \$5.403 billion, \$2.0 million (0.0%) above the estimated FY 2010 level.

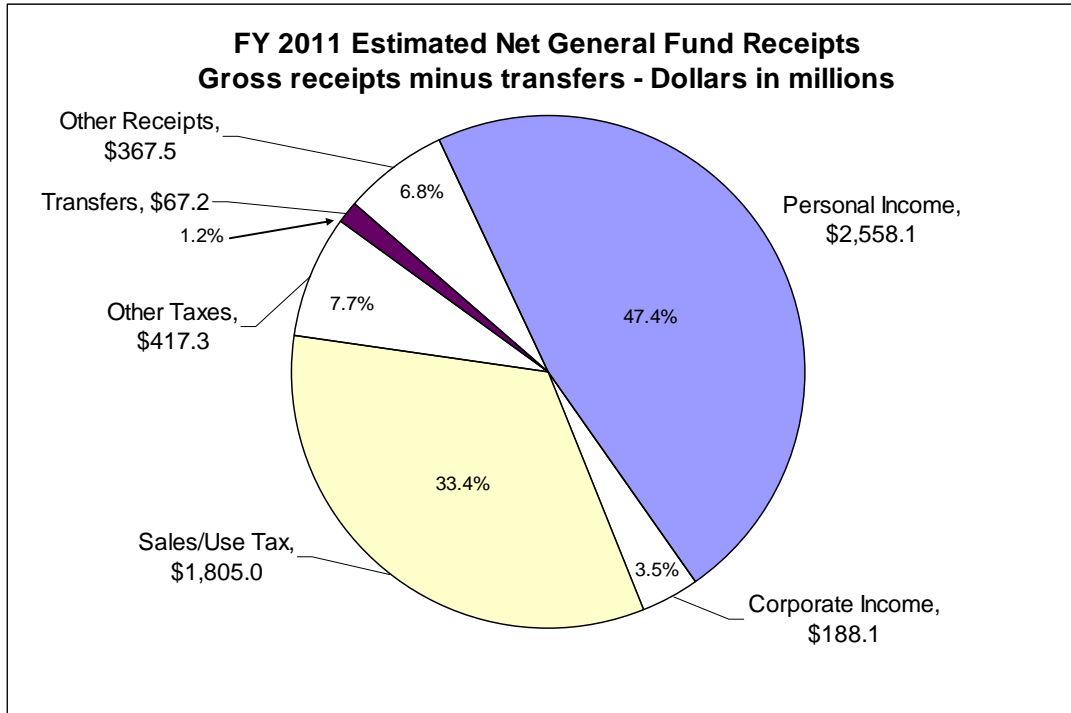
FY 2010 AND FY 2011 REC GENERAL FUND REVENUE PROJECTIONS

(Dollars in Millions)

		% Change FY 09 vs. FY 08	REC FY 10	% Change FY 10 Est. vs. FY 09	REC FY 11	% Change FY 11 Est. vs. FY 10
	FY 09 Actual	FY 08 Actual	Estimate 11-Dec-09	Actual	Estimate 11-Dec-09	Estimate
Tax Receipts						
Personal Income Tax	\$3,330.7	-0.9%	\$3,210.6	-3.6%	\$3,225.6	0.5%
Sales/Use Tax	2,327.4	16.4%	2,205.2	-5.3%	2,228.2	1.0%
Corporate Income Tax	416.5	-13.9%	341.2	-18.1%	341.1	0.0%
Inheritance Tax	75.4	-3.8%	65.0	-13.8%	69.6	7.1%
Insurance Premium Tax	90.0	-19.4%	82.0	-8.9%	89.4	9.0%
Cigarette Tax	215.8	-6.0%	201.1	-6.8%	197.0	-2.0%
Tobacco Tax	23.0	8.5%	24.5	6.5%	24.5	0.0%
Beer Tax	14.7	1.4%	14.4	-2.0%	14.4	0.0%
Franchise Tax	33.7	-10.4%	30.3	-10.1%	33.0	8.9%
Miscellaneous Tax	2.4	140.0%	1.3	-45.8%	1.4	7.7%
Total Tax Receipts	\$6,529.6	3.0%	\$6,175.6	-5.4%	\$6,224.2	0.8%
Other Receipts						
Institutional Payments	\$15.5	4.0%	\$14.7	-5.2%	\$14.7	0.0%
Liquor Profits	85.5	18.1%	81.0	-5.3%	82.6	2.0%
Interest	14.6	-42.3%	5.0	-65.8%	5.0	0.0%
Fees	77.7	-5.4%	50.5	-35.0%	49.0	-3.0%
Judicial Revenue	98.8	9.8%	114.0	15.4%	114.0	0.0%
Miscellaneous Receipts	39.8	10.6%	36.3	-8.8%	34.5	-5.0%
Racing and Gaming	60.0	0.0%	66.0	10.0%	66.0	0.0%
Total Other Receipts	\$391.9	2.9%	\$367.5	-6.2%	\$365.8	-0.5%
Gross Tax & Other Receipts	\$6,921.5	3.0%	\$6,543.1	-5.5%	\$6,590.0	0.7%
Accrued Revenue (Net)	\$17.2		\$-13.9		\$18.2	
Refunds (Accrual Basis)	\$-803.9	19.1%	\$-901.0	12.1%	\$-898.0	-0.3%
School Infrs. Refunds (Accrual)	-\$385.8		\$-369.3		\$-374.2	
Total Net Receipts	\$5,749.0	-4.5%	\$5,258.9	-8.5%	\$5,336.0	1.5%
Transfers (Accrual Basis)						
Lottery	\$56.6	2.4%	\$58.0	2.5%	\$62.0	6.9%
Other Transfers	128.4	1237.5%	84.3	-34.3%	5.2	-93.8%
Net Receipts Plus Transfers	\$5,934.0	-2.5%	\$5,401.2	-9.0%	\$5,403.2	0.0%
Estimated Gambling Revenues Deposited To Other Funds	\$216.2	-2.0%	\$206.7	-4.4%	\$201.3	-2.6%

Note: The Revenue Estimating Conference estimated FY 2010 and FY 2011 General Fund revenues on December 11, 2009. The individual revenue items are projected on a July 1 to June 30 gross cash year basis and do not reflect accrued revenues. The revenue total is adjusted for accruals by the Accrued Revenue (Net) line at the bottom of the table. Tax refunds, school infrastructure refunds, and transfers are estimated on a fiscal year basis.

The following pie chart illustrates the breakdown of estimated FY 2011 General Fund receipts by category.



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REVENUE AND ECONOMIC OUTLOOK

National Economy

National Recession – On December 1, 2008, the Economic Cycle Dating Committee of the National Bureau of Economic Research (NBER) announced the U.S. economy entered a recession in December 2007. The Committee noted the average recession in the post-World War II era has lasted ten months. The Committee has not announced an end to the recession and will not do so until the data indicate clearly the economic contraction has ended and an end month can be determined with certainty.

The Committee defines a recession as a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in production, employment, real income, and other indicators. The Committee does not define a recession as simply two consecutive quarters of decline in real Gross Domestic Product.

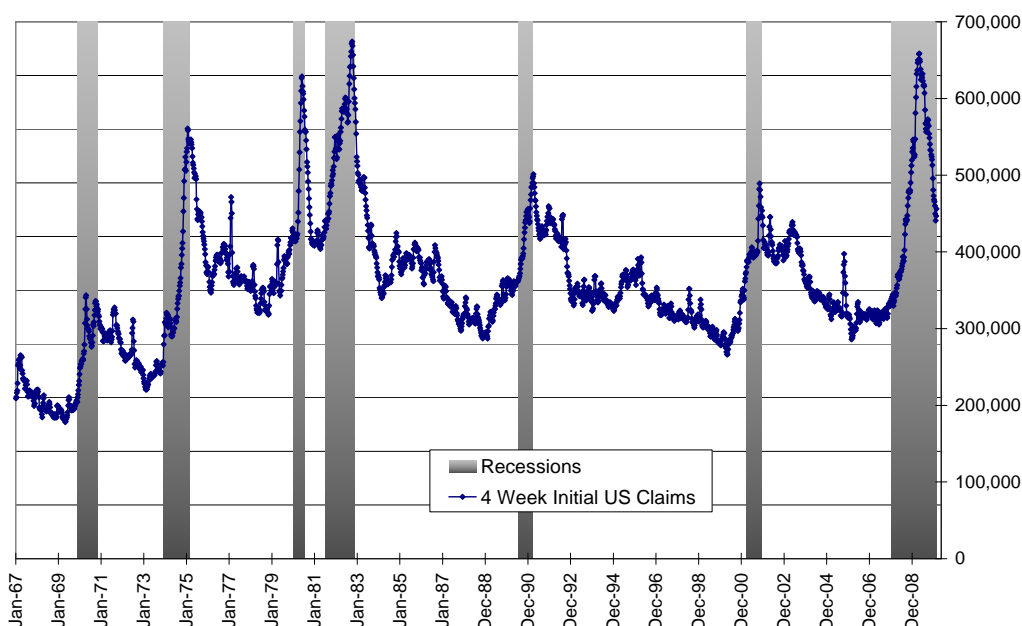
According to the Committee, a recession begins just after the economy reaches a peak of activity and ends as the economy reaches its trough. Between trough and peak, the economy is in expansion. Expansion is the normal state of the economy; most recessions are brief. The Committee waits until the data show whether or not a decline is large enough to qualify as a recession before declaring a turning point in the economy is a true peak marking the onset of a recession. Recession determinations by the NBER occur well after the recession starts, and often after the recession is later determined to have ended.

The following table shows that over the 38 years prior to the start of the recession in December 2007, there were six recessions lasting a total of 65 months, 14.3% of the total 456-month timeframe.

United States Business Cycle National Bureau of Economic Research Business Cycle Dating Committee Seven most recent recessions			
End of Expansion (Peak)	End of Contraction (Trough)	Length of Expansion in Months	Length of Recession in Months
Dec. 1969	Nov. 1970	106	11
Nov. 1973	Mar. 1975	36	16
Jan. 1980	Jul. 1980	58	6
Jul. 1981	Nov. 1982	12	16
Jul. 1990	Mar. 1991	92	8
Mar. 2001	Nov. 2001	120	8
Dec. 2007		73	
Contractions (recessions) start at the peak of a business cycle and end at the trough.			

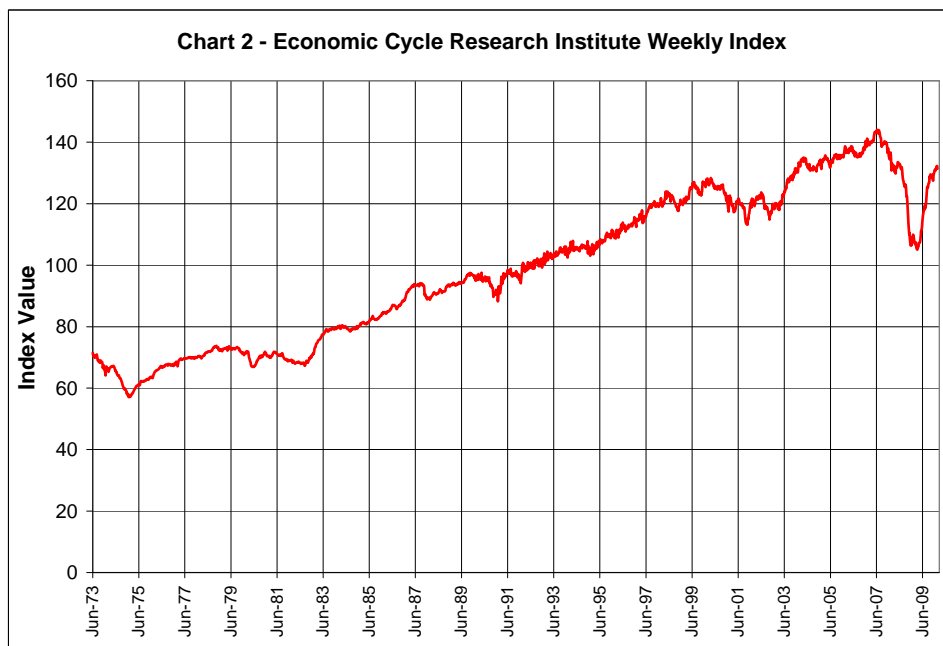
Peaks in the four-week average of U.S. unemployment initial claims have correlated well as an indicator of the end of past economic recessions, with recession ends dating to within six weeks of the peak in those claims. The following chart shows the historic pattern of U.S. initial claims, with the vertical shaded bars indicating U.S. recessions. Initial claims peaked at the end of April 2009. If this indicator holds true for the most recent recession, it will eventually be declared ended sometime in the late spring or early summer of 2009. An ending date of May 2009 or later will make the recent recession the longest since the Great Depression.

Chart 1 - U.S. Initial Unemployment Claims - Four week average



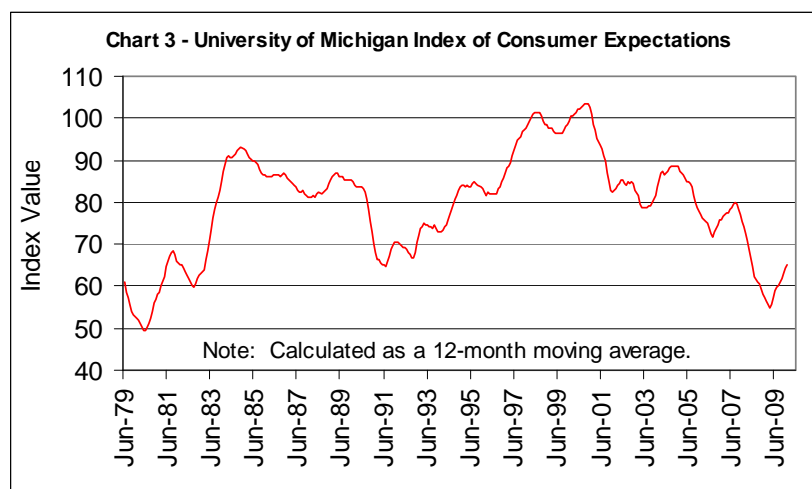
Economic Cycle Research Institute – The Economic Cycle Research Institute (ECRI) is an independent institute dedicated to economic cycle research. Their mission is to advance the tradition of business cycle research established at the NBER and Center for International Business Cycle Research (CIBCR). The ECRI Weekly Leading Index is designed to be clearly cyclical and is constructed as a weighted average of seven key economic data series designed to predict economic conditions in the near term. The Index is designed to turn down before a recession and turn up before an expansion. The Index is presented in **Chart 2**, with arrows indicating the current and five previous recessions. The Index is currently indicating considerable improvement since spring 2009, but economic activity is still significantly below the prerecession peak.

Chart 2 - Economic Cycle Research Institute Weekly Index

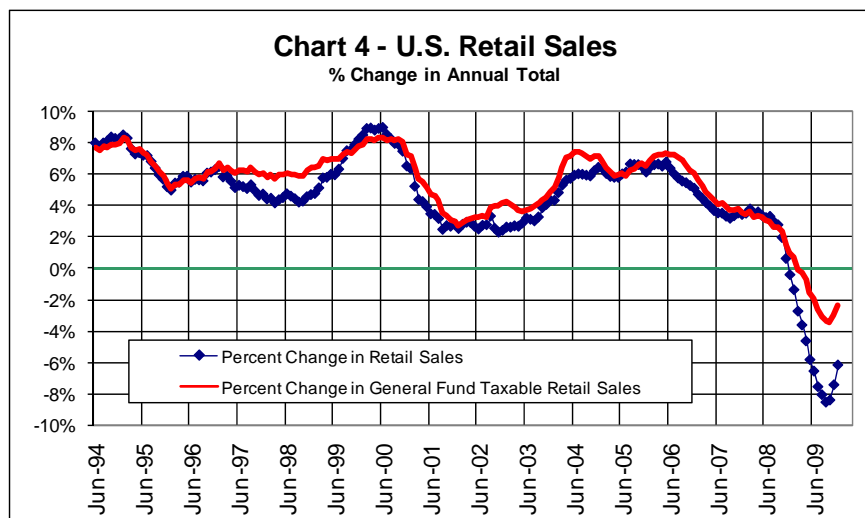


Consumer Confidence – Researchers at the University of Michigan conduct a monthly survey of consumers to determine the views and expectations of consumers concerning their sentiment for the present and future direction of the U.S. economy. One segment of the survey is called the Index of Consumer Expectations. The Index focuses on how consumers view prospects for the general economy over the long term.

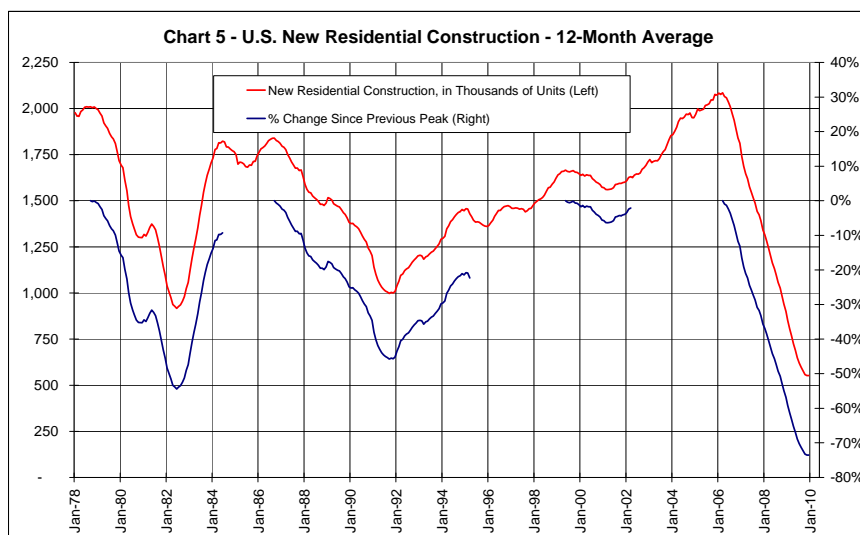
Chart 3 presents a 12-month moving average of the Index. The chart shows consumer confidence as reported through the Index reached a peak in the second half of calendar year 2000. Since reaching that peak, consumer confidence has declined considerably and is now at a level not recorded since the late 1970s. The consumer confidence reading has now been below 80 since October 2005 (52 months). Previously, the reading had not been consistently below 80 since 1994.



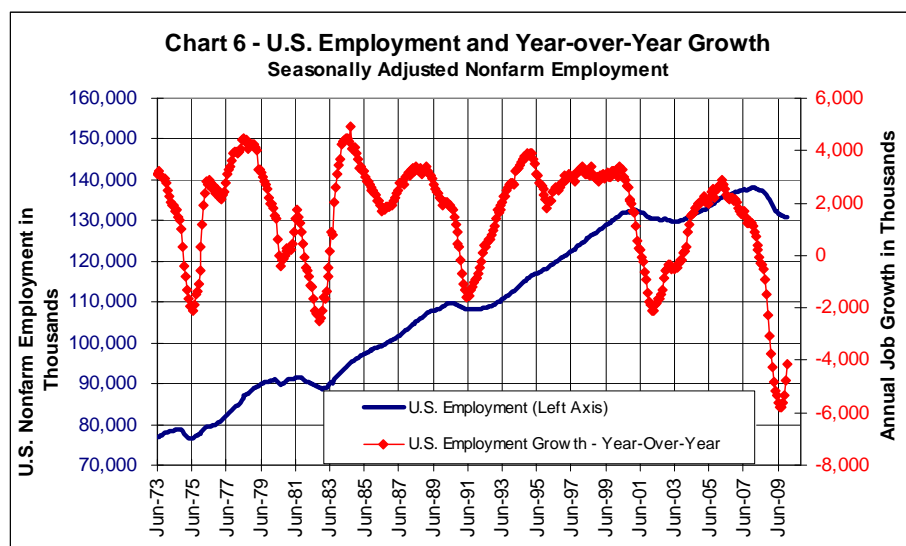
U.S. Retail Sales – The U.S. Census Bureau produces monthly estimates of total national retail sales, with subcategory detail showing a breakdown by type of retail establishment. The 12-month moving retail sales total peaked in July 2008 at \$4.507 trillion dollars. The 12-month total of retail sales declined for fifteen straight months before increasing modestly in November and December. The annual total is now 8.1% below the July 2008 peak. The dataset starts with 1992. Prior to the recent downturn, the series decreased in only four of 187 months. Iowa General Fund sales/use tax receipts depend on the retail sale of taxable items. Excluding three categories of retail sales that are not generally subject to General Fund sales/use tax (food stores, gasoline stations, and motor vehicle dealers); total national sales peaked in September 2008 and have decreased 3.1% since that time.



U.S. Home Construction – The U.S. Census Bureau produces monthly estimates of U.S. new home construction. The 12-month moving average peaked in March 2006 at 2,085,000 annual units (**Chart 5**). Through December 2009, housing starts for the preceding 12 months totaled 552,000, or a drop of 73.5% from the 2006 peak. The top line in the following chart is read from the left axis and provides the annual total of home starts from 1978 on. The bottom line, read from the right axis, provides the percentage change in the number of annual housing starts, compared to the last peak. The bottom line shows that the drop experienced since the recent peak is far more severe than the drops experienced in the previous four recessions.



U.S. Employment – Using seasonally adjusted numbers, year-over-year job growth peaked in March 2006 at 2,870,000 jobs and U.S. nonfarm employment peaked in December 2007 at 138,152,000. Annual job growth turned negative in May 2008 and now stands at negative 4,164,000 jobs (December to December) and is 7,242,000 below the December 2007 peak. This annual job loss exceeds the maximum annual loss shown in each of the past five recessions [see the red line (U.S. Employment Growth) on **Chart 6**].



Iowa Economy

Iowa Employment – After recovering in the mid-1980s from the lingering effects of the farm crisis, Iowa total employment, as well as Iowa's percent of total U.S. employment, increased each year for ten years (1987 through 1996). Iowa nonfarm employment continued to grow through 2000, although Iowa's percent of total U.S. employment began to decline. After the 2000 employment peak, the Iowa economy lost almost 40,000 nonfarm jobs before rebounding in late 2003. Iowa nonfarm employment peaked again in October 2008, when the annual average reached 1,525,400 jobs. Through December 2009, the annual average has fallen 40,000 jobs from the October 2008 peak.

Iowa's share of total U.S. nonfarm employment declined throughout the economic downturn of the early 2000s as well as the economic recovery that followed, indicating employment gains in Iowa were not as strong as those of the entire nation. From the prerecession peak (August 1996) through the start of the U.S. recession (December 2007), the Iowa/U.S. employment ratio fell from 1.16% of all U.S. nonfarm jobs to 1.10%. Essentially this ratio shows that in December 2007, 110 of every 10,000 jobs in the U.S. were Iowa jobs, down from 116 in 1996. With the recent downturn in the U.S. economy, the calculation has risen to 112. **Chart 7** shows the 12-month average of Iowa nonfarm employment as well as the ratio of Iowa employment to U.S. employment since 1973.

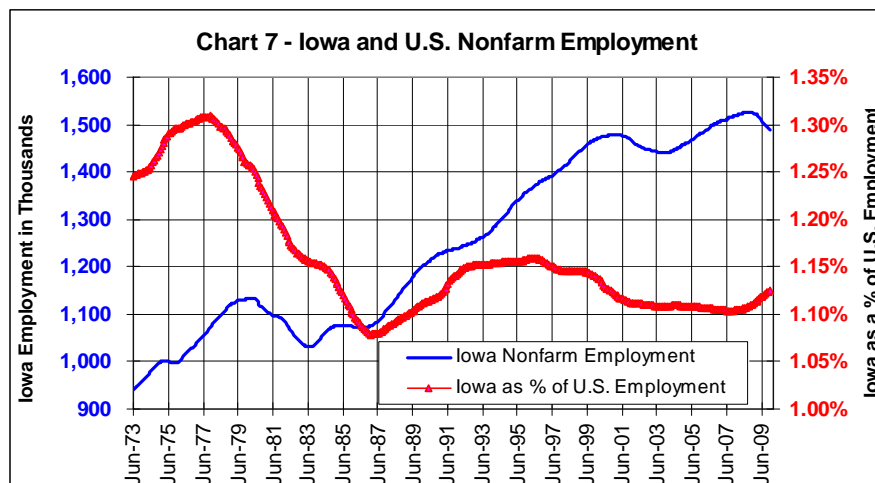


Chart 8 also shows the path of Iowa nonfarm employment since 1973 and includes the year-over-year growth in employment (red line – Annual Employment Growth). The chart shows clearly the severity of the farm crisis and the dual recessions of 1980 and 1981. Although the Iowa employment growth rate peaked in June 2006, the rate of decline has been much slower than the decline in U.S. employment growth. Comparing the red lines on **Chart 8** and **Chart 6**, it is clear that while the December 2007 recession is much more severe from a U.S. economy perspective than any other recession in the past 35 years, the impact on the Iowa economy is not as severe as the dual recessions of the early 1980s. As a note of interpretive caution, monthly employment numbers as provided by the U.S. Department of Labor are subject to revision, with significant changes possible for the most recent calendar year. The revision takes place in the early spring.

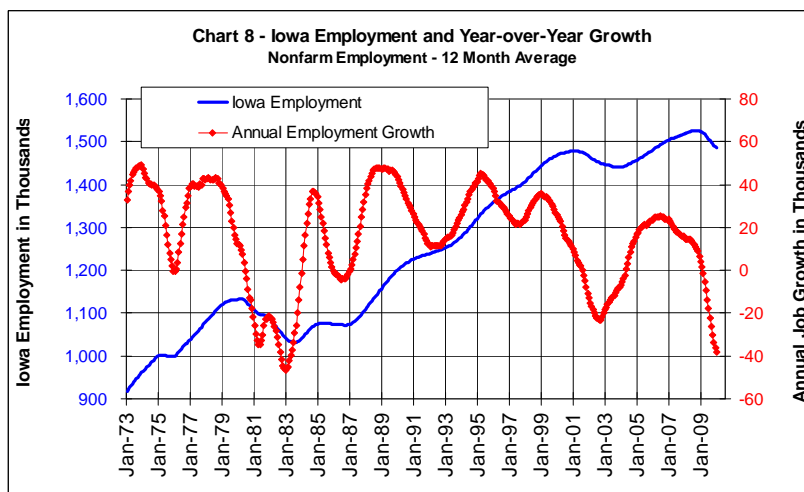
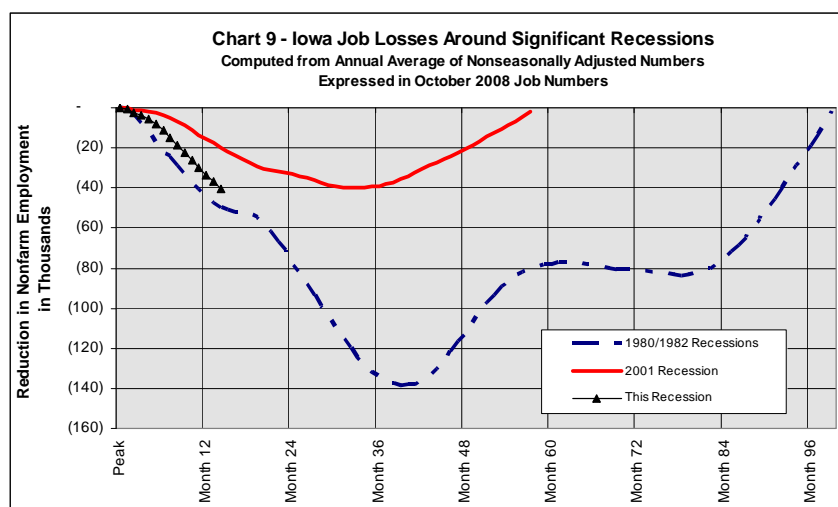


Chart 9 depicts Iowa job losses around recessions of the early 1980s, early 2000s, as well as the recession that started December 2007. The chart shows the recession of the early 1980s was equivalent to a 140,000 job loss recession today and the recession of the early 2000s was equivalent to a 40,000 job loss recession. The recent recession, at least in terms of Iowa job losses, is only fourteen months old and is so far considerably steeper than the recession of the early 2000s.



Iowa General Fund Revenues

Iowa's income, sales/use, and corporate taxes raise approximately 86.3% of the revenue deposited in the State General Fund each year (FY 2008 data – net fiscal year basis, excluding transfers). The amount of revenue generated by each of these funding sources depends on the level of economic activity in the State during a fiscal year (employment, consumer expenditures, business and government expenditures, etc.). Assuming other tax factors are equal (tax base and tax rates), a growing economy will produce more tax revenues than a static economy.

The previous paragraphs on the recent condition of the national and Iowa economy show the economy slowed in the fall of 2000, with an official U.S. recession starting in March 2001 and ending in November of the same year. Iowa General Fund revenue declined during that period and for two and one-half years after the recession ended. The previous information also shows the national economy entered another recession in December 2007. The information also indicates that over the most recent two years, Iowa employment growth has fared better than the national experience.

Chart 10 provides the one-year moving total of net General Fund revenue, excluding transfers. The chart also provides REC estimates for FY 2010 and FY 2011. The recession of the early 2000s officially started in March 2001, but Iowa net General Fund revenue reached a peak in October 2000 and did not start to show positive growth again until December 2003, 38 months later and well after the end of the recession. The current recession officially started in December 2007, but Iowa net General Fund revenue did not start to decline until the fall of 2008.

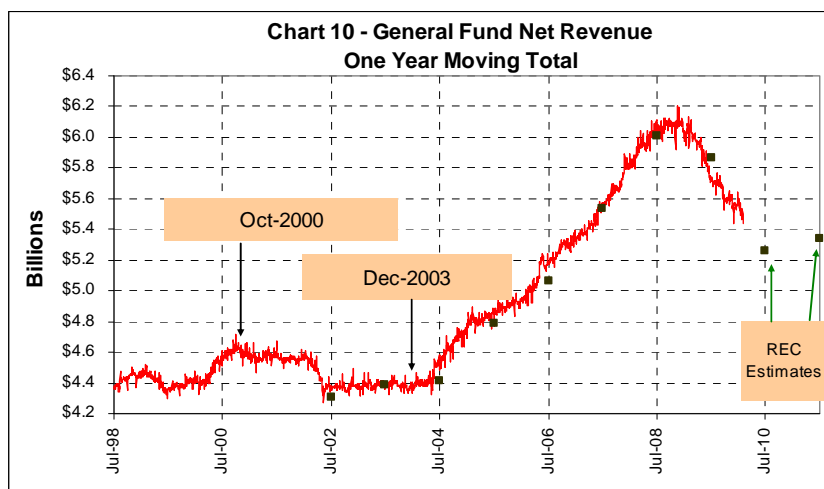


Chart 10 also provides the Revenue Estimating Conference (REC) estimates for net General Fund revenue, with the FY 2010 and FY 2011 estimates marking the path revenue must travel over the next 17 months to achieve the estimates.

In December 2009, the REC established an FY 2010 net General Fund revenue growth rate of negative 8.5% (excluding transfers).

For FY 2011, the REC estimates growth will be positive 1.5%.

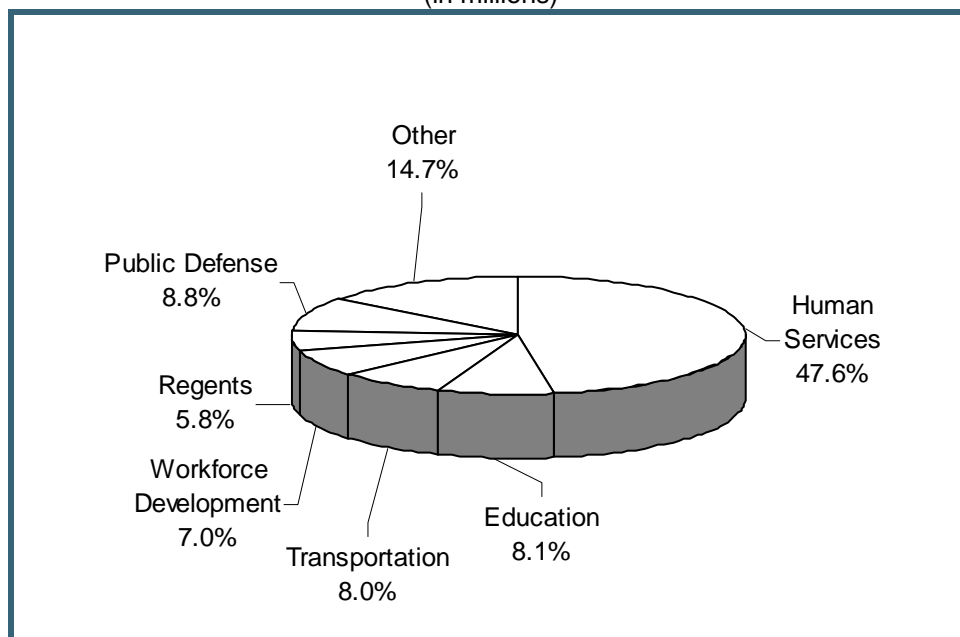
In dollar terms, net revenue is projected to decrease \$490.1 million for FY 2010 and increase \$77.1 million for FY 2011. With transfer revenue included, the FY 2011 estimated decline is \$532.8 million and the FY 2011 estimated increase is \$2.0 million.

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FEDERAL FUNDS

Estimated Federal Funds Received by Iowa – FY 2010

(in millions)



Department	Estimated FY 2010	Percent of Total
Human Services	\$ 3,259.4	47.6%
Education	552.0	8.1
Transportation	545.0	8.0
Workforce Development	477.6	7.0
Regents	399.7	5.8
Public Defense	602.4	8.8
Other	1,010.8	14.7
Department Total	<u>\$ 6,846.9</u>	<u>100.0%</u>

Note:

"Other" includes all State agencies reporting federal funds that were not individually identified above.

American Recovery and Reinvestment Act (ARRA)

On Feb. 13, 2009, Congress passed the American Recovery and Reinvestment Act of 2009. President Obama signed it into law four days later. The Act authorized \$787.0 billion in funding nationally. A direct response to the economic crisis, the Recovery Act has three immediate goals:

- Create new jobs as well as save existing ones
- Spur economic activity and invest in long-term economic growth
- Foster unprecedented levels of accountability and transparency in government spending

The Recovery Act intends to achieve those goals by:

- Providing \$288.0 billion in tax cuts and benefits.
- Increasing federal funds for education and health care as well as entitlement programs (such as extending unemployment benefits) by \$224.0 billion.
- Making \$275.0 billion available for federal contracts, grants and loans.
- Requiring recipients to report quarterly on the amount of monies spent, the status of the project, the number of jobs created and/or saved, and other details, all of which are posted on Recovery.gov so that the public can track where the total \$787.0 billion of recovery funds are going and how they are being spent.

In addition to offering financial aid directly to local school districts, expanding the Child Tax Credit, and underwriting a process to computerize health records to reduce medical errors and save on health care costs, the Recovery Act is targeted at infrastructure development and enhancement. For instance, the Act plans investment in the domestic renewable energy industry and the weatherizing of 75.0% of federal buildings as well as more than one million private homes around the country.

Construction and repair of roads and bridges as well as scientific research and the expansion of broadband and wireless service are also included among the many projects that the Recovery Act will fund.

While many of the ARRA projects are focused more immediately on jumpstarting the economy, others, especially those involving infrastructure improvements, are expected to contribute to economic growth for many years.

Funds Received by Iowa

Of the funds provided in the Act, through the end of the second quarter of FY 2010 [based on data provided to the Department of Management for the required compliance reports (entitled “1512 Reports” to the GAO and Congress)], Iowa Departments had been awarded \$1.3 billion and actually received \$523.3 million (40.3%). The Departments also report spending \$488.5 million in funds from the award. (See additional detail in **Appendix E**). Some Departments report having expended more funds than received. This reflects reimbursable grants. Departments must expend funds and then provide proof to the federal government for reimbursement.

Funds Appropriated by Iowa

The Table below shows the appropriations made by the General Assembly from the Government Services Stabilization Funds (also referred to as the Flex Funds) due to the fact the Congress allowed Governors to decide where to spend the funds. While the Governor had the right to decide the purpose for which the funds were to be used the Iowa General Assembly passed the enacting language in HF 820 (FY 2010 Federal Block Grant Act) during the 2009 Legislative Session and made a few adjustments to the Governor’s recommendations. The level of expenditure in the tables shows the amount of the funds that were expended in the first quarter of FY 2010.

State Fiscal Stabilization Fund – Government Services ARRA First Quarter FY 2010

<u>Recipient Name</u>	<u>Award Amount</u>	<u>Total ARRA Expenditure</u>
Iowa Department of Corrections, Newton	\$ 1,029,000	\$ 484,991
Iowa Legislative Services Agency	100,000	51,986
Iowa Department of Management	200,000	130,348
Iowa Department of Public Defense	180,000	0
Iowa Department of Public Health	3,000,000	1,320,142
Iowa Department of Public Safety	750,000	347,698
Iowa Department of Administrative Services	100,000	60,347
Iowa Department of Corrections, Central Office	210,000	93,333
Iowa Department of Corrections, Fort Madison	4,347,000	2,024,641
Iowa Department of Inspections and Appeals	400,000	218,136
Iowa Department of Corrections, Oakdale	2,030,000	1,061,116
Iowa Department of Transportation	5,550,000	5,550,000
Iowa Department of Corrections, Mt. Pleasant	903,000	438,234
Iowa Department of Corrections, Rockwell City	301,000	141,454
Iowa Department of Corrections, Clarinda	2,506,000	1,148,600
Iowa Department of Corrections, Mitchellville	679,000	325,181
Iowa Department of Corrections, Fort Dodge	1,064,000	501,286
Iowa Department of Education	2,500,000	1,250,004
Iowa Department of Human Services, Field Operations	680,596	0
Iowa Department of Human Services, Assistance	35,900,404	8,532,203
Iowa Department of Corrections, Anamosa	931,000	400,902
Total	\$ 63,361,000	\$ 24,080,602

Estimates from the Department of Management and the Governor's Office as reported on the Iowa Recovery website (www.iowa.gov/recovery/) show that "The American Recovery and Reinvestment Act (ARRA) has the potential to provide more than \$2.5 billion in economic assistance to Iowa, in important areas such as health care, education, and infrastructure." This includes funding to the State, local governments, funds provided directly to individuals, and tax benefits to individuals.

The estimate includes funds of three types:

- Formula based – Funding is allocated by an established federal formula to states and localities - \$1.580.9 billion.
- Demand-based funding – Funding responds directly to demand from eligible individuals. The dollar amount Iowa receives will vary according to the number of people who qualify and receive the funding - \$845.6 million.
- Competitive – Funding is allocated through competitive solicitations federally. As the name suggests, any applications for projects submitted by a state agency directly or on behalf of the state go through a competitive selection process, therefore, these estimates are not guaranteed until selected - \$71.6 million.

According to the Government Accountability Office (GAO) "As of November 27, 2009, \$69.1 billion, or about one quarter of the approximately \$280.0 billion of total Recovery Act funds for programs administered by states and localities, had been paid out. Health, education, and training accounted for almost 85.0% of Recovery Act outlays

to date for programs administered by states and localities (see figure). The largest programs within these areas were the Medicaid Federal Medical Assistance Percentage (FMAP), the State Fiscal Stabilization Fund (SFSF) for education and other purposes, and highways."

As reported on <http://www.iowa.gov/recovery/charts> of the estimated \$2.5 billion in funds Iowa could receive from ARRA funding, the State has obligated \$1.78 billion (78%) of that amount.

Iowa Accountability and Transparency Board

In order to ensure the State meets all requirements of the ARRA and to keep Iowans informed about how the ARRA funds are being used to improve Iowa's economy, Governor Culver signed Executive Order #12 on April 14, 2009, creating the Iowa Accountability and Transparency Board (IATB). The Board will ensure Iowa meets or exceeds the accountability and transparency requirements of the ARRA and will make recommendations to the Governor as needed. The Board meets quarterly. The Board met on:

- June 23, 2009
- September 10, 2009
- December 11, 2009
- Specific duties include:
 - Assess existing practices to prevent waste, fraud, and abuse, and to provide recommendations regarding opportunities to strengthen those practices.
 - Coordinate with the Department of Management to provide input and information for the Iowa Recovery website. The website lists projects and programs financed by ARRA funds, contract awards and the number of jobs created or preserved by these programs.
 - Oversee on-time audits and reporting to determine whether wasteful spending, ineffective management, or other abuses are occurring.
 - Report suspected incidents of waste, fraud or abuse to the Office of the Governor.
 - Oversee the web-based ARRA transparency "dashboard."
 - Monitor agency ARRA fund spending to ensure that Iowa continues to meet or exceed the accountability and transparency requirements of ARRA.
- The IATB is made up of fourteen members, including four nonvoting members of the General Assembly.

Ten staff from the Department of Management, the Auditor's Office, and the Fiscal Services Division of the Legislative Services Agency (LSA) worked together in an effort to assess the risk level of each State Agency receiving ARRA funding.

Individual ARRA funding program risk assessment reviews and recommendations were completed by six team members from IDOM and LSA. Four individuals from AOS reviewed and made recommendations for each agency that has received or will be receiving ARRA funds. The AOS determined overall department risk based on single audit reports and any other audit work they conducted with agencies.

The team of ten staff discussed each ARRA funding program surveyed. The group agreed on final determinations of risk, as well as recommendations. Six programs were identified as high risk. The

Report to the Board was provided at the Board's September 10, 2009, meeting and can be found at www.iowa.gov/recovery/IATBmembers.

The high risk programs include:

- Office of Energy Independence – State Energy Program
- Office of Energy Independence – Energy Efficiency & Conservation Block Grants
- Office of Energy Independence – Energy Efficient Appliance Rebates Program
- Department of Education – Fiscal Stabilization - Education and Government Services
- Department of Human Rights – Weatherization Assistance Program
- Iowa Utilities Board - State Electricity Regulatory Assistance Grant

The primary reasons for recommending additional technical assistance and monitoring included:

- Significant increase in program funding resulting in a challenge to agency resources.
- New program with no management history.
- Personnel with limited experience.

Each agency/program ranked as high risk is required to develop a comprehensive monitoring plan and protocol to review grant and sub grant supported activities.

Additionally, Iowa was selected by the GAO as one of 16 states for intensive monitoring. Every two months the GAO prepares a report related to the use, monitoring, and reporting on ARRA funds. Copies of the reports can be found on the GAO website shown below.

Related Websites

Iowa Recovery website: www.iowa.gov/recovery/

GAO website: www.gao.gov/recovery

Federal Government website: www.recovery.gov/Pages/home.aspx

Note: Federal ARRA funds are also discussed in the Budget Overview, School Aid, and Medicaid sections of this document.

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GOVERNMENT REORGANIZATION

GOVERNMENT REORGANIZATION EFFORTS

The Executive and Legislative Branches both completed studies of government reorganization and efficiency efforts during 2009. The General Assembly created a State Government Reorganization Commission that met during the 2009 Interim. The Governor contracted with a private company, Public Works LLC, to provide an efficiency report.

State Government Reorganization Commission

The Commission membership included Chairpersons Representative Mascher and Senator Appel; Representatives Gaskill, Helland, Struyk, and Taylor; and Senators Danielson, Feenstra, Hamerlinck, and Warnstadt.

The Commission's charge was to consider options for reorganizing State government to improve efficiency, modernize processes, eliminate duplication and outdated processes, reduce costs, and increase accountability. The Commission was to address the expanded use of the Internet and other technology and the incorporation of productivity improvement measures. The study included a process to receive state government efficiency suggestions offered by the public and public employees.

The Commission held two meetings and received input from several appropriations subcommittee groups. At the final meeting in December 2009, the Commission approved a lengthy list of recommendations. For additional information about the Commission and a full list of the recommendations, see the following website: <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=487>

The House and Senate have both introduced government reorganization legislation. Senate File 2088 (Government Reorganization and Efficiency Bill) includes many of the Commission's recommendations, as well as recommendations from the Iowa Efficiency Report (see below). The House legislation (HSB 565) also includes many of the Commission and Iowa Efficiency Report recommendations.

Iowa Efficiency Report by Public Works LLC

The Governor includes General Fund savings of \$341.0 million on the FY 2011 General Fund balance sheet. This savings equals the total first-year savings estimate provided in the Iowa Efficiency Review Report issued by Public Works LLC. The Governor paid \$300,000 for a contract with Public Works LLC to perform an efficiency review of the Iowa budget during 2009. The Report was issued on December 8, 2009. Full text of the Report is available at:

http://publications.iowa.gov/9046/1/Iowa_Efficiency_Review_Report_Final_for_Print.pdf.

The estimated \$341.1 million of savings in the Report is divided into three categories:

- \$128.3 million of items that could be implemented by Executive action.
- \$207.1 million of items recommended for legislative action.
- \$5.7 million of items recommended for further analysis and review.

Executive Order

On December 16, 2009, the Governor issued Executive Order 20 to implement the Executive action portion of the savings. The Governor has not provided additional detail regarding the impact to

individual departments. Full text of Executive Order 20 is available at:
http://www.governor.iowa.gov/files/Executive_Order_No20.pdf

Efficiency Report Concerns

A complete list of the savings items in the Iowa Efficiency Review Report is included in the following chart. The Governor's budget recommendation assumes that all savings will impact the General Fund. This is clearly not the case, as stated specifically by Public Works LLC in the Report and as clarified by the LSA through additional research. Some particular items of note regarding the Report:

- The recommendation to reduce architecture, engineering, and attorney contract costs by an estimated \$7.4 million will significantly impact the Department of Transportation (DOT). The DOT operations are funded by the Road Use Tax Fund (RUTF) and other road funds, so the savings will not occur to the General Fund, but rather to the RUTF and other funds.
- \$59.8 million for an early retirement incentive – The LSA completed a fiscal note for SF 2062 (Early Retirement) that shows savings of \$57.4 million for FY 2011. However, only \$26.4 million will be savings for the General Fund. Text of the fiscal note is available at:
http://www3.legis.state.ia.us/fiscalnotes/data/83_5589SVv0_FN.pdf.
- \$20.0 million for increasing the Governor's Grants Office – Currently, Iowa has one person assigned to assist departments with identifying and processing competitive grant applications for federal funds. The recommendation indicates that adding another FTE position to the Office would result in additional federal funds of \$20.0 million. However, this does not result in savings to the General Fund, unless General Fund appropriations are reduced or replaced by the federal funds. Most federal funds do not replace State funds, but are used for specific purposes outlined by the grant requirements.
- \$15.0 million for centralized purchasing – Half of the projected savings will be realized by including the DOT. This will cause half of the savings (\$7.5 million) to be realized in the RUTF and not the General Fund.
- Since the Report was issued, Public Works LLC has officially revised at least two of the estimates. One of these was significant. The recommendation to perform an audit of the State's real estate portfolio and potentially sell some of these assets for an estimated \$29.9 million has since been revised to a lower estimate of \$13.8 million.
- The Governor's recommendation does not differentiate the \$341.0 million between revenues and expenditure savings. This is necessary to properly calculate total appropriations for FY 2011 under Iowa's expenditure limitation law. Some examples of items that impact revenues include:
 - \$22.2 million to improve debt collections. In addition, not all proceeds collected are deposited in the General Fund.
 - \$5.0 million to lower the threshold for gambling setoffs. This item will result in additional revenues, but only a portion will be deposited in the General Fund; some of the proceeds collected will go to other funds.
- One of the Report recommendations included in the \$341.0 of savings involves shifting \$50.0 million of expenditures for the Iowa State Patrol from the General Fund to the RUTF. While the Governor includes this as savings on the General Fund balance sheet, the Governor does not show a corresponding expense on the financial summary for the RUTF.

REPORT ANALYSIS

In the following charts, the Public Works recommendations are sorted highest to lowest by dollar amount within each Division. The charts indicate whether the LSA has reviewed the fiscal impact for each recommendation. If the LSA has reviewed the recommendation, the LSA estimates are provided in the proper column (General Fund expenditure savings, General Fund revenue increases, other fund expenditure savings, or other fund revenues). In some cases, the LSA estimates differ from the amounts provided by Public Works LLC. In many cases where LSA differs from the Public Works estimates, the differences are the result of additional information identified since the Iowa Efficiency Report was issued. In most cases, the LSA has contacted and discussed these issues with Public Works staff, the Department of Management, or other State Department personnel.

In cases where LSA has not researched a specific recommendation, the LSA has used the same dollar amount as the Public Works Report, but the amount is categorized by expenditure savings or revenue increases. In some cases, the LSA has determined the amount would be split between General Fund and other funds, but the exact amounts are unknown. These items are shown bold and italicized.

The LSA determined that at least \$84.9 million of the estimates in the Public Works Report will have an impact on General Fund revenues. Revenues that impact the General Fund are subject to Iowa's expenditure limitation law (95.0% or 99.0% depending on the type of revenue). In addition, according to LSA review, the recommendations will increase expenditures to other funds by \$1.9 million. This is largely due to the shift of \$50.0 million for the State Patrol from the General Fund to the Road Use Tax Fund. It is clear from this analysis that the Public Works Report total of \$341.1 million of first-year savings will result in significantly less in actual General Fund savings for FY 2011.

Public Works – Iowa Efficiency Report – Summary of Recommendations
Division I – Public Works Recommendations for Executive Action

<i>Bold & italics=item will impact GF and OF</i>	Public Works Report		LSA Est FY 2011 GF Exp Savings	LSA Est FY 2011 GF Revenue	LSA Est FY 2011 OF Exp Savings	LSA Est FY 2011 OF Revenue
Recommendations for Executive Action	First Year Savings	LSA Review				
Modernize unclaimed property search capabilities	\$ 40,000,000	No	\$ 0	\$ 40,000,000	\$ 0	\$ 0
Board of Regents participation	25,000,000	No	25,000,000	0	0	0
Improve debt collections	22,200,000	No	0	22,200,000	0	0
Require purchasing from master contracts	15,000,000	Yes	7,500,000	0	7,500,000	0
<u>Strengthen Medicaid integrity efforts - Part I</u>	<u>8,100,000</u>	<u>No</u>	<u>8,100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reduce architecture, engineering, and attorney contracts	7,400,000	No	0	0	7,400,000	0
Reduce fleet and change mileage and take-home policy	3,500,000	No	3,500,000	0	0	0
Conduct audit of State health enrollees to identify ineligible dependents	3,000,000	No	3,000,000	0	0	0
Negotiate statewide IT and office equipment maintenance contract	2,000,000	No	2,000,000	0	0	0
<u>Negotiate statewide IT service contract</u>	<u>1,500,000</u>	<u>No</u>	<u>1,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Claim federal reimbursement for eligible inmate hospital care	1,500,000	No	1,500,000	0	0	0
Consolidate administrative functions at DHS institutions	1,400,000	No	1,400,000	0	0	0
Accelerate assessments for noncompliance under Workers Comp	960,000	Yes	0	0	0	960,000
Update nursing home recoverable cost regulations	800,000	No	0	800,000	0	0
Modify warehouse policies to take advantage of newest techniques	600,000	No	600,000	0	0	0
<u>Ensure Iowa is getting the best price for required medical equipment</u>	<u>500,000</u>	<u>No</u>	<u>500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Conduct energy efficiency retrofits for State buildings	460,000	No	460,000	0	0	0
Reduce Human Resource staff in departments	425,000	No	425,000	0	0	0
Modify and simplify entrepreneurial model	365,000	Yes	365,000	0	0	0
<u>Consolidate DNR offices in Des Moines</u>	<u>300,000</u>	<u>Yes</u>	<u>448,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Consolidate wireless equipment purchasing and service contracts	250,000	No	250,000	0	0	0
Increase juvenile court services claims for Title IV-E reimbursement	240,000	No	0	0	0	240,000
Reduce spending on periodicals and subscriptions	230,000	No	230,000	0	0	0
Modify child support recovery funding	228,000	No	228,000	0	0	0
<u>Eliminate the least efficient print shops</u>	<u>200,000</u>	<u>No</u>	<u>200,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Modify durable medical equipment rental vs purchase policies	200,000	No	200,000	0	0	0
Reinstate use of telemedicine between DOC and SUIHC	200,000	No	200,000	0	0	0
Expand ILEA online offerings	150,000	Yes	0	150,000	0	0
Expand use of State garages to reduce cost of contracted private garages	115,000	No	115,000	0	0	0
Consolidate mailrooms and modify mail delivery policies	110,000	No	110,000	0	0	0
<u>Increase use of new technologies such as thin-client technology</u>	<u>100,000</u>	<u>No</u>	<u>100,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Increase volunteer and intern programs at State parks	70,000	Yes	70,000	0	0	0
Require new hires to use payroll direct deposit	45,000	Yes	45,000	0	0	0
Claim Title IV-E reimbursement for eligible	30,000	No	0	0	0	30,000
Require employees to pay for safety courses required by driving violations	2,500	No	2,500	0	0	0
<u>Consolidate State email systems</u>	<u>-1,000,000</u>	<u>Yes {</u>	<u>1,000,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Consolidate IT planning and operations</u>	<u>-7,900,000</u>	<u>Yes {</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total for Executive Action	\$ 128,280,500		\$ 59,048,500	\$ 63,150,000	\$ 14,900,000	\$ 1,230,000

Division II – Public Works Recommendations for Legislative Action

<i>Bold & italics=item will impact GF and OF</i>	Public Works		LSA	LSA	LSA	LSA
	Report		Est FY 2011	Est FY 2011	Est FY 2011	Est FY 2011
	First Year	LSA	GF Exp	GF	OF Exp	OF
Recommendations for Legislative Action	Savings	Review	Savings	Revenue	Savings	Revenue
Offer retirement incentive	\$ 59,800,000	Yes	\$ 26,400,000	\$ 0	\$ 31,000,000	\$ 0
Move State Patrol cost to the Road Fund	50,000,000	Yes	50,000,000	0	-50,000,000	0
Perform a full audit of the State's real estate portfolio to maximize the value of these assets - <i>Public Works has reduced the real estate sales estimate from \$29.9 million to \$13.8 million</i>	29,900,000	Yes	0	13,800,000	0	0
Expand Governor's Grants Office to identify and apply for federal and non-profit funding	20,000,000	Yes	0	Unknown	0	0
Transfer TANF funding to field operations	7,100,000	Yes	7,100,000	0	0	0
More vigorously review costly medical payments in the Community-Based Waiver Program. Other fund savings is local government savings.	5,700,000	Yes	1,900,000	0	2,800,000	0
Lower casino winnings threshold to collect required taxes	5,000,000	Yes	0	2,500,000	0	0
Implement reductions to child and family services	4,700,000	Yes	4,700,000	0	0	0
Increase and improve Disease Management Programs to control costs of chronic illness	2,700,000	Yes	2,700,000	0	0	0
Increase auditors to increase collections	2,700,000	Yes	0	2,700,000	0	0
Perform a full audit of the State's office leases	2,500,000	Yes	2,500,000	0	0	0
Reorganize and consolidate some mental health institutes	1,900,000	Yes	1,300,000	112,000	0	0
Modify Medicaid prescription drug purchasing	1,800,000	No	1,800,000	0	0	0
Allow eligible hawk-i families to access private insurance	1,800,000	No	1,800,000	0	0	0
Revise employee meal reimbursement policies	1,700,000	No	1,700,000	0	0	0
Reduce funding for the adoption subsidy program	1,200,000	Yes	1,200,000	0	0	0
Reform newspaper legal notice requirements for State, county, and local governments.	1,000,000	Yes	0	0	Unknown	0
Strengthen Medicaid integrity efforts - Part II	900,000	No	0	900,000	0	0
Strengthen DIA ability to investigate and recover improperly claimed public benefits	800,000	Yes	0	586,000	0	0
Eliminate the Underground Storage Tank Board	800,000	Yes	0	800,000	-600,000	0
Open a new State Public Defender Office in Wapello County	750,000	Yes	753,000	0	0	0
Consider closing certain correctional facilities and consolidating inmate populations	700,000	Yes	2,361,000	0	0	0
Modify funding for child care assistance program	465,000	Yes	465,000	0	0	0
Expand staff in the State Public Defender's Office to reduce indigent defense costs	465,000	Yes	1,860,000	0	0	0
Change the way Medicaid pays for unique mental health medications	400,000	Yes	400,000	0	0	0
Allow for direct shipment of wine	375,000	Yes	0	375,000	0	0
Merge Division of Criminal Investigations and Division of Narcotics Enforcement	370,000	Yes	232,000	0	0	0
Combine State Accounting Enterprise with the Department of Management	260,000	Yes	260,000	0	0	0
Limit initial supply of prescription drugs not on the Preferred Drug List	200,000	Yes	156,000	0	0	0

Division II – Public Works Recommendations for Legislative Action (continued)

<i>Bold & italics=item will impact GF and OF</i>	Public Works Report First Year Savings	LSA Review	LSA Est FY 2011 GF Exp Savings	LSA Est FY 2011 GF Revenue	LSA Est FY 2011 OF Exp Savings	LSA Est FY 2011 OF Revenue
Recommendations for Legislative Action						
Modify permit and license reminder notices process	200,000	No	<i>200,000</i>	0	0	0
Allow recycling fees to offset some Department of Natural Resources General Fund spending	200,000	Yes	0	0	0	100,000
Eliminate enrollment in the Family Support Subsidy Program	161,000	Yes	161,000	0	0	0
Expand use of electronic payments in DHS	156,000	No	156,000	0	0	0
Expand ILEA offerings to include seminar training sessions for private security personnel	150,000	Yes	0	25,000	0	0
Eliminate requirement for Guardian ad litem to be conducted in person	112,000	Yes	112,000	0	0	0
Move housing programs from DED to IFA	100,000	Yes	0	0	Unknown	0
Close Alcoholic Beverages Division warehouse on Fridays	25,000	Yes	20,000	0	0	0
Require employers to transmit child support payments electronically	23,000	Yes	23,000	0	0	0
Support Cost of DOT and DNR law enforcement training with non-General Fund dollars	8,000	Yes	-2,900	0	-11,600	14,500
Total for Legislative Action	\$ 207,120,000		\$ 110,256,100	\$ 21,798,000	\$ -16,811,600	\$ 114,500

Division III – Public Works Recommendations for Further Analysis and Consideration

<i>Bold & italics=item will impact GF and OF</i>	Public Works Report First Year Savings	LSA Review	LSA Est FY 2011 GF Exp Savings	LSA Est FY 2011 GF Revenue	LSA Est FY 2011 OF Exp Savings	LSA Est FY 2011 OF Revenue
Rec. for Further Analysis and Consideration						
Require family enrollment in health insurance if both spouses are State employees	\$ 2,400,000	Yes	\$ 2,400,000	\$ 0	\$ 0	\$ 0
Evaluate cost of 10-hour 4-day workweek	2,000,000	No	2,000,000	0	0	0
Reduce/eliminate employer deferred compensation	1,400,000	Yes	unknown	0	unknown	0
Pay employees semi-monthly (rather than bi-weekly)	112,000	No	112,000	0	0	0
Launch wellness program	-200,000	No	-200,000	0	0	0
Total for Further Analysis and Consideration	\$ 5,712,000		\$ 4,312,000	\$ 0	\$ 0	\$ 0
Overall Public Works Report Total	\$ 341,112,500		\$ 173,616,600	\$ 84,948,000	\$ -1,911,600	\$ 1,344,500

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GOVERNOR'S BONDING PROPOSALS

Overview

The Governor is recommending altering the planned FY 2011 bonding that was authorized in SF 477 (Phase III Bonding Act) of the 2009 Legislative Session. The Governor proposes creating a new I-JOBS Revenue Bonds II Fund that would receive net proceeds of \$150.0 million from revenue bonds rather than the appropriation bonds authorized in SF 477 that would provide net proceeds of \$105.0 million.

SF 477 and the Governor's Proposal Differences

Senate File 477 created the Appropriations Bonds Capitals Fund (ABC Fund) to receive net bond proceeds of \$105.0 million from the issuance of appropriation bonds in FY 2011. The Act appropriated \$5.0 million from the ABC Fund to the Iowa Energy Center for the Alternate Energy Revolving Loan Program and \$100.0 million from the ABC Fund to the new Vertical Infrastructure Restricted Capitals Fund (VIRC). The General Assembly will be able to appropriate from the VIRC this session for infrastructure projects. Debt service on the proposed bonds as of January 2010 is estimated to be \$8.1 million per year. The first debt service payment is in FY 2012 and bonds were planned to have a duration of approximately 22 years, with the last bond payment is expected to be in FY 2034. Estimated debt on the issuance is \$118.5 million in principal (including \$4.4 million in capitalized interest) and \$66.6 million in interest for a total of \$185.2 million in projected debt. The projected interest rate on the appropriation bonds is approximately 4.1%. The General Assembly would need to make an affirmative act to appropriate the \$8.1 million debt service payment annually for the duration of the debt.

The revenue bonds under the Governor's proposal would be guaranteed with the \$11.8 million unencumbered balance remaining from the \$55.0 million in wagering taxes that are allocated to pay the debt service on revenue bonds authorized by SF 376 (Revenue Bonding and I-JOBS Program Act) of the 2009 Legislative Session. Senate File 376 required the Treasurer of State to transfer the unencumbered moneys from the debt service payments to the Rebuild Iowa Infrastructure Fund (RIIF). The projected debt as of April 2009 was that an estimated debt service payment of \$49.1 million would be needed out of the \$55.0 million. When the revenue bonds were issued in the July 2009, the market was favorable and the resulting debt service is estimated to be approximately \$43.2 million. The additional \$5.9 million in unencumbered balance would have provided an estimated total \$11.8 million for RIIF revenues. The Governor's proposal is to have the Treasurer of State securitize this unencumbered balance. The result will be a loss of the \$11.8 million to the RIIF beginning in FY 2012. Estimated debt on the proposed issuance is \$171.1 million in principal (including \$6.7 million in capitalized interest), \$98.1 million in interest for a total projected debt of \$269.2 million. The last bond payment is expected to be in FY 2034, and projected interest rate is approximately 4.3%. The estimated net proceeds of \$150.0 million would be deposited in the proposed new I-JOBS Revenue Bonds II Fund.

Both the appropriation bonds and the revenue bonds would be tax-exempt bond proceeds and must meet restrictions in accordance with the Internal Revenue Code. Specifically, the projects need to be for depreciable assets with relatively long useful lives, have a public use, and would need to be spent within the timeframe specified in the tax certificate, which is typically three to five years.

Proposed Use of Bond Proceeds

The Governor is recommending using the initial \$50.0 million in bond proceeds to provide funding for State appropriations and the remaining \$100.0 million to go through the Iowa Finance authority to the

I-JOBS Board for additional local infrastructure competitive grants. The I-JOBS Board received \$118.5 million for competitive grants in FY 2010. The following table provides the distributions as recommended by the Governor.

IJOBS Revenue Bonds II Fund	
Dollars in Millions	
	<u>Gov. Rec. FY 2011</u>
Resources	
Beginning Balance	\$ 0.0
Bond Proceeds	150.0
Total Available Resources	<u>\$ 150.0</u>
Appropriations	
Department of Economic Development	
Community Attraction and Tourism Grants	\$ 12.0
River Enhancement Community Attraction and Tourism	10.0
ACE Vertical Infrastructure Community Colleges	5.5
Department of Education	
Community College Infrastructure	2.0
Iowa Finance Authority	
Revenue Bonds Appropriation - IJOBS	100.0
Department of Natural Resources	
Lake Restoration and Dredging Projects	2.0
Department of Public Defense	
Statewide Modernization - Readiness Centers	1.8
Regents	
ISU - Veterinary Lab Phase II Animal Teaching Hosp	13.0
Department of Transportation	
Public Transit Infrastructure	2.2
Commercial Airport Vertical Infrastructure	1.5
Total Distributions	<u>\$ 150.0</u>
Ending Balance	<u>\$ 0.0</u>

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SCHOOL AID – FY 2010, FY 2011, AND FY 2012

STATE SCHOOL AID

Funding for FY 2010

FY 2010 - Brief Background

During the 2008 Legislative Session, the General Assembly established the FY 2010 allowable growth rate at 4.0% and increased the State cost per pupil by \$222 to \$5,768. Additionally, the General Assembly created per pupil funding for programs previously funded through State categorical appropriations. Beginning in FY 2010:

- The Student Achievement/Teacher Quality (SATQ) Teacher Compensation and Educational Excellence Phase II programs are funded as the teacher salary supplement.
- The SATQ Professional Development Program is funded as the professional development supplement.
- The Early Intervention/Class Size Reduction Program is funded as the early intervention supplement.

The “roll-in” of these State categorical appropriations in FY 2010 was based on the FY 2009 amounts and the allocations to school districts. The total funding for the State categorical supplements for FY 2010 is approximately \$309.0 million and is included in the FY 2010 State school aid appropriation amount.

Additional adjustments were made to FY 2010 school aid during the 2009 Legislative Session. The adjustments to FY 2010 included:

- Allocating \$202.5 million of American Recovery and Reinvestment Act (ARRA) Education Fiscal Stabilization funding to be used in lieu of State aid to school districts for FY 2010.
- Capping the FY 2010 State school aid appropriation at \$2.587 billion and specifying that \$309.0 million be used to fund the State categorical supplements in FY 2010. Capping the State school aid appropriation resulted in a State aid shortfall of \$31.7 million.

FY 2010 – Impact of the 10.0% Across-the-Board (ATB) Reduction

Implementation of Executive Order Number 19 (FY 2010 10.0% ATB General Fund Reduction) resulted in a reduction of State school aid totaling \$238.5 million. Of that amount:

- Area Education Agencies (AEAs) received a reduction totaling \$11.3 million. Since AEAs have no spending authority, the FY 2010 AEA budgets must be reduced by their portion of the State aid reduction amount.
- School districts received a reduction totaling \$227.2 million. School districts maintain spending authority on the reduced State aid and can use cash-on-hand or borrow funds to cover the FY 2010 State aid reduction. Based on preliminary data from the end of FY 2009, the statewide total for the undesignated/unreserved ending fund balance was \$318.6 million. Enactment of HF 2030 (School Budget Review Committee and School District Unexpended Balances Act) may require some school districts to reduce unexpended fund balances prior to levying cash reserves. The impact of HF 2030 on local property taxes is currently unknown.

School districts receive State aid funding for regular school aid, the teacher salary supplement, the professional development supplement, the early intervention supplement, and preschool formula funding (for school districts with approved programs). The ATB reduction to State aid was implemented on a per pupil basis (\$410.80 per pupil based on weighted enrollments) and is not delineated by program area. School districts have the discretion to make adjustments in funding to specific program areas due to the ATB reduction.

Additionally, the Department of Education has indicated that the FY 2010 10.0% ATB reduction has resulted in maintenance of effort (MOE) issue regarding Federal IDEA¹ Part B funding. The Department has requested a waiver from the U.S. Department of Education to allow Iowa to maintain the current level of IDEA Part B funding.

Funding for FY 2011

FY 2011 – Current Law Estimates

NOTE: Estimates for FY 2011 are preliminary and subject to change. Variables that are currently estimated include taxable valuations, and at-risk pupil supplementary weightings. Any variations in assumptions used to calculate these variables will impact the information provided below.

During the 2009 Legislative Session, the General Assembly enacted SF 217 (FY 2011 State Categorical Supplement Allowable Growth Rate Act) and SF 218 (FY 2011 Regular School Aid Allowable Growth Rate Act). Enactment of SF 217 established the FY 2011 allowable growth rate at 2.0% for each of the State categorical supplements and resulted in the following:

- Increased each district's teacher salary supplement per pupil amount by \$9.94 and each AEA's teacher salary supplement per pupil amount by \$0.52. Current FY 2011 estimates for the teacher salary supplement total \$256.0 million including \$1.4 million for the budget guarantee provision. The estimated increase in FY 2011 for the teacher salary supplement is \$4.8 million, an increase of 1.9%.
- Increased each district's professional development supplement per pupil amount by \$1.13 and each AEA's professional development supplement per pupil amount by \$0.06. Current FY 2011 estimates for the professional development supplement total \$29.0 million including \$150,000 for the budget guarantee provision. The estimated increase in FY 2011 for the professional development supplement is \$0.5 million, an increase of 1.9%.
- Increased each district's early intervention supplement per pupil amount by \$1.23. The current FY 2011 estimate for the early intervention supplement totals \$29.8 million, an increase of \$0.6 million (1.9%) compared to estimated FY 2010.

Enactment of SF 218 established the FY 2011 regular school aid allowable growth rate at 2.0% and resulted in the following:

- Increased each school district's per pupil amount by \$115, the AEA per pupil special education cost by \$5.07, the AEA media per pupil cost by \$0.94, and the AEA per pupil education services cost by \$1.04. Overall regular State school aid is estimated to total \$2,298.1 million, an increase of \$21.2 million compared to the unadjusted estimate for FY 2010.

¹ IDEA = Individuals with Disabilities Education Act. This is special education funding for children with disabilities. Part B is for children and youth ages 3 through 21.

- Increased preschool aid funded through the school aid formula by \$14.9 million compared to FY 2010. The estimated FY 2011 preschool aid total of \$48.2 million includes newly approved programs in 49 districts.

Adjustments made to the FY 2010 State school aid appropriation also impact the State school aid increase for FY 2011. Under current law, these adjustments will require a State aid backfill in FY 2011. The FY 2010 adjustments impacting FY 2011 include:

- Capping the FY 2010 State school aid appropriation at \$2,587.5 million. This was \$31.8 million less than the amount needed to fully fund the appropriation amount.
- Using \$202.5 million of ARRA Education Fiscal Stabilization funding in lieu of State aid to fund school aid in FY 2010.
- Implementing the FY 2010 10.0% across-the-board reduction totaling \$238.5 million in October 2009.

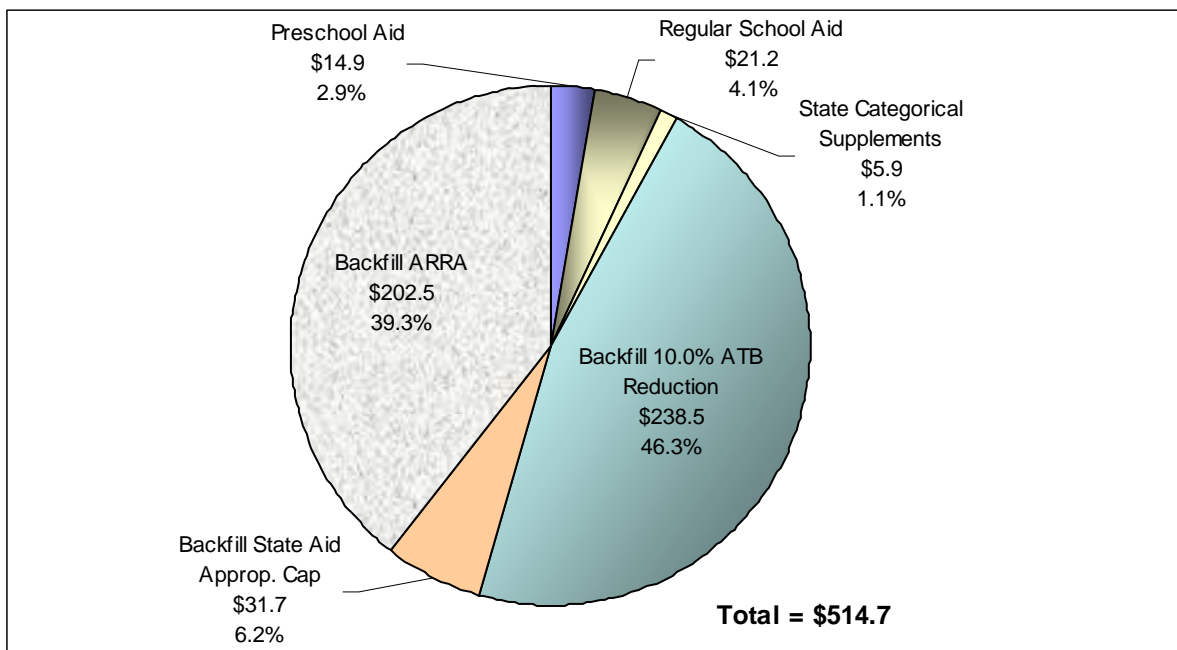
Total FY 2011 State school aid is estimated at \$2,661.2 million. This is an increase of \$514.7 million in FY 2011 (displayed on the shaded line) compared to the FY 2010 State aid total without ARRA Education Fiscal Stabilization funds. The following table provides the breakdown for State school aid funding for estimated FY 2010 and estimated FY 2011.

The chart on the following page shows the breakdown of the \$514.7 million increase. Of the total, \$472.7 million (91.8%) is a result of backfilling State school aid reductions while \$42.0 million (8.2%) is due to increases in State aid for preschool aid, regular school aid, and the State categorical supplements.

Estimated FY 2011 school aid property tax is estimated total \$1,247.4 million after adjusting for property tax adjustment aid and is an increase of \$23.8 million compared to estimated FY 2010. The estimated FY 2011 combined district cost represents the amount of budget authority generated through the school aid formula and totals \$3,885.7 million, an increase of \$77.7 million compared to estimated FY 2010.

School Foundation Formula Funding (Dollars in Millions)			
	Estimated FY 2010	Estimated FY 2011	Change
Total Regular School Aid	\$ 2,276.9	\$ 2,298.1	\$ 21.2
Preschool Aid	\$ 33.3	\$ 48.2	\$ 14.9
Teacher Salary Supplement	251.3	256.0	4.8
Professional Development Supplement	28.5	29.0	0.5
Early Intervention Supplement	29.3	29.8	0.6
Total State Categorical Supplement	\$ 309.0	\$ 314.9	\$ 5.9
State Aid Shortfall	-31.7	0.0	31.7
State Aid Change for ARRA Funding	-202.5	0.0	202.5
State Aid Reduction due to ATB Reduction	-238.5	0.0	238.5
Total State Aid Adjustments	\$ -472.7	\$ 0.0	\$ 472.7
Total State Aid from State General Fund	\$ 2,146.5	\$ 2,661.2	\$ 514.7
ARRA Education Stimulus	\$ 202.5	\$ 0.0	\$ -202.5
Total School Aid State/ARRA Funding	\$ 2,349.0	\$ 2,661.2	\$ 312.2
Total Unadjusted Foundation Property Tax	\$ 1,247.6	\$ 1,296.8	\$ 49.2
Property Tax Adjustment Aid (from GF)	-24.0	-24.0	-0.0
Property Tax Adjustment Aid (from PTER)	N.A.	-25.4	-25.4
Total Foundation Property Tax	\$ 1,223.6	\$ 1,247.4	\$ 23.8
Combined District Cost	\$ 3,808.0	\$ 3,885.7	\$ 77.7
Notes: ARRA = American Recovery and Reinvestment Act. ATB = Across-the-Board GF = General Fund. PTER = Property Tax Equity and Relief Fund. FY 2011 estimates are based on a 2.0% allowable growth rate and a statewide 3.9% increase in taxable valuations. Combined district cost represents the total school foundation funding amount and is not impacted by a reduction in State school aid. Totals may not sum due to rounding.			

Breakdown of FY 2011 State School Aid Increases
(Dollars in Millions)



FY 2011 – Alternatives

Because of the impact of the recession on Iowa tax revenues, fully funding of the school aid formula under current law may not be possible. Some options differing from current law are presented in this section. These options do not represent all options available, but are presented to provide information on the cost of alternatives. The figure on the following page provides a school aid estimates matrix for FY 2011. State categorical supplement allowable growth rates are provided horizontally on the top of the matrix and regular school aid allowable growth rates are provided vertically down the left side of the matrix. The current law estimate is provided in the shaded box in the matrix (at 2.0% allowable growth rate for both regular school aid and the State categorical supplements). Analysis of the information provided in the matrix includes:

- Establishing the FY 2011 allowable growth rate at 0.0% for both regular school aid and the State categorical supplements. This will reduce total State school aid by \$62.5 million compared to the current law estimate for FY 2011. Additionally, the total property taxes are estimated to increase approximately \$18.0 million due to a significant increase in the budget guarantee provision compared to the current law estimate.
- Lowering the State categorical allowable growth rate to -1.0% and the regular school aid allowable growth rate to -5.0%. This will result in a decrease in State aid of approximately \$210.2 million compared to the current law estimate for FY 2011. Under this scenario, the budget guarantee would increase \$155.4 million and would lead to an increase in school aid property taxes totaling approximately \$122.0 million compared to the current law estimate.

Reducing the FY 2011 State categorical supplement allowable growth rate(s) to a rate(s) of less than zero will not significantly reduce FY 2011 State aid for the State categorical supplements because the budget guarantee for the State categorical supplements is funded entirely through State aid. School districts and AEAs are held harmless in FY 2011, meaning that at a minimum, districts and AEAs will not receive less for the State categorical supplements than they received in FY 2010. However, a negative allowable

School Aid

growth rate(s) for the FY 2011 State categorical supplements may result in a decrease in funding for the State categorical supplements in FY 2012.

Legislative Services Agency: FY 2011 School Aid Estimates Matrix - Estimates at Various Allowable Growth Rates (Dollars in Millions)										
	State Categorical Supplement Allowable Growth Rates	2.0%		1.0%		0.0%		-1.0%		
Regular School Aid Allowable Growth Rate		Change from Current Law		Change from Current Law		Change from Current Law		Change from Current Law		
		Total		Total		Total		Total		
2.0%	Regular State School Aid	\$ 2,298.1	\$ 0.0	\$ 2,298.1	\$ 0.0	\$ 2,298.1	\$ 0.0	\$ 2,298.1	\$ 0.0	\$ 0.0
	Preschool Formula State Aid	48.2	0.0	48.2	0.0	48.2	0.0	48.2	0.0	0.0
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,661.2	\$ 0.0	\$ 2,659.1	\$ -2.1	\$ 2,657.3	\$ -3.8	\$ 2,656.2	\$ -5.0	\$ -5.0
	School Aid Property Tax	1,247.4	0.0	1,247.4	0.0	1,247.4	0.0	1,247.4	0.0	0.0
	Budget Guarantee	25.5	0.0	25.5	0.0	25.5	0.0	25.5	0.0	0.0
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2
1.0%	Regular State School Aid	\$ 2,269.4	\$ -28.6	\$ 2,269.4	\$ -28.6	\$ 2,269.4	\$ -28.6	\$ 2,269.4	\$ -28.6	\$ -28.6
	Preschool Formula State Aid	47.8	-0.5	47.8	-0.5	47.8	-0.5	47.8	-0.5	-0.5
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,632.1	\$ -29.1	\$ 2,630.0	\$ -31.1	\$ 2,628.3	\$ -32.9	\$ 2,627.1	\$ -34.1	\$ -34.1
	School Aid Property Tax	1,253.5	6.1	1,253.5	6.1	1,253.5	6.1	1,253.5	6.1	6.1
	Budget Guarantee	36.9	11.3	36.9	11.3	36.9	11.3	36.9	11.3	11.3
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2
0.0%	Regular State School Aid	\$ 2,240.3	\$ -57.8	\$ 2,240.3	\$ -57.8	\$ 2,240.3	\$ -57.8	\$ 2,240.3	\$ -57.8	\$ -57.8
	Preschool Formula State Aid	47.3	-0.9	47.3	-0.9	47.3	-0.9	47.3	-0.9	-0.9
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,602.5	\$ -58.7	\$ 2,600.4	\$ -60.8	\$ 2,598.6	\$ -62.5	\$ 2,597.5	\$ -63.7	\$ -63.7
	School Aid Property Tax	1,265.4	18.0	1,265.4	18.0	1,265.4	18.0	1,265.4	18.0	18.0
	Budget Guarantee	53.8	28.3	53.8	28.3	53.8	28.3	53.8	28.3	28.3
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2
-1.0%	Regular State School Aid	\$ 2,211.1	\$ -86.9	\$ 2,211.1	\$ -86.9	\$ 2,211.1	\$ -86.9	\$ 2,211.1	\$ -86.9	\$ -86.9
	Preschool Formula State Aid	46.8	-1.4	46.8	-1.4	46.8	-1.4	46.8	-1.4	-1.4
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,572.9	\$ -88.3	\$ 2,570.8	\$ -90.4	\$ 2,569.0	\$ -92.2	\$ 2,567.9	\$ -93.3	\$ -93.3
	School Aid Property Tax	1,284.0	36.7	1,284.0	36.7	1,284.0	36.7	1,284.0	36.7	36.7
	Budget Guarantee	77.2	29.0	77.2	51.7	77.2	51.7	77.2	51.7	51.7
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2
-2.0%	Regular State School Aid	\$ 2,182.5	\$ -115.5	\$ 2,182.5	\$ -115.5	\$ 2,182.5	\$ -115.5	\$ 2,182.5	\$ -115.5	\$ -115.5
	Preschool Formula State Aid	46.4	-1.9	46.4	-1.9	46.4	-1.9	46.4	-1.9	-1.9
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,543.8	\$ -117.4	\$ 2,541.7	\$ -119.5	\$ 2,539.9	\$ -121.2	\$ 2,538.8	\$ -122.4	\$ -122.4
	School Aid Property Tax	1,303.9	56.5	1,303.9	56.5	1,303.9	56.5	1,303.9	56.5	56.5
	Budget Guarantee	101.7	53.4	101.7	76.1	101.7	76.1	101.7	76.1	76.1
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2
-5.0%	Regular State School Aid	\$ 2,096.2	\$ -201.9	\$ 2,096.2	\$ -201.9	\$ 2,096.2	\$ -201.9	\$ 2,096.2	\$ -201.9	\$ -201.9
	Preschool Formula State Aid	44.9	-3.3	44.9	-3.3	44.9	-3.3	44.9	-3.3	-3.3
	State Categorical Supplement	314.9	0.0	312.8	-2.1	311.0	-3.8	309.9	-5.0	-5.0
	Total State School Aid	\$ 2,456.0	\$ -205.2	\$ 2,453.9	\$ -207.2	\$ 2,452.2	\$ -209.0	\$ 2,451.0	\$ -210.2	\$ -210.2
	School Aid Property Tax	1,369.4	122.0	1,369.4	122.0	1,369.4	122.0	1,369.4	122.0	122.0
	Budget Guarantee	180.9	132.7	180.9	155.4	180.9	155.4	180.9	155.4	155.4
	State Categorical Budget Guarantee	1.7	0.0	2.7	1.0	4.0	2.3	5.9	4.2	4.2

Notes:

FY 2011 current law estimates are based on allowable growth rates of 2.0% for regular school aid and the State categorical supplements (presented in the shaded square).

Estimates are based on an assumed Statewide taxable valuation increase of 3.9% for FY 2011.

Program used: Schlaid_V2.4_FY10

Additional information regarding FY 2011 allowable growth alternatives can be found in the LSA *Issue Review*, [School Aid Funding for FY 2010 and FY 2011](#). The LSA can also provide additional information on other options upon request.

FY 2011 – Governor’s State School Aid Recommendation

The Governor is recommending leaving the FY 2011 allowable growth rate at 2.0% for regular school aid and the State categorical supplements. Additionally, the Governor is recommending the following to fund FY 2011 State school aid:

- Funding State school aid at a total of \$2,494.1 (total of General Fund, ARRA, and Cash Reserve Fund), which is approximately \$170.2 million below the Governor’s estimate to fully fund State school aid for FY 2011.
- Using \$47.9 million in American Recovery and Reinvestment Act (ARRA) Education Fiscal Stabilization and Government Services funding in lieu of State General Fund dollars.
- Using \$100.0 million from the State Cash Reserve Fund to replace State General Fund dollars.

The following table provides the detail of the Governor’s FY 2011 School aid recommendation. The FY 2011 General Fund built-in increase based on the Governor’s recommendation totals \$199.7 million, while the amount of State aid (including ARRA and Cash Reserve Fund) is \$170.2 million less than the estimated amount needed to fully fund the State’s portion of the 2.0% allowable growth rate. With no reduction in the FY 2011 allowable growth rate or State cost per pupil, school districts will maintain the budget authority on their portion of the unfunded State school aid. School districts may address the State aid shortfall by reducing costs, borrowing funds to replace the State aid shortfall, or using cash reserves to replace the State aid shortfall.

Governor's Recommendation for FY 2011 State School Aid Funding (Dollars in Millions)			
	Estimated FY 2010	Governor's Recommendation FY 2011	Change
Total Regular School Aid	\$ 2,276.9	\$ 2,302.1	\$ 25.2
Preschool Aid	\$ 33.3	\$ 47.3	\$ 14.0
Teacher Salary Supplement	251.3	256.0	4.8
Professional Development Supplement	28.5	29.0	0.5
Early Intervention Supplement	29.3	29.8	0.6
Total State Categorical Supplement	\$ 309.0	\$ 314.9	\$ 5.9
Total School Aid Prior to Adjustments*	\$ 2,619.2	\$ 2,664.3	\$ 45.1
State Aid Shortfall	-31.7	-170.2	-138.5
State Aid Change for ARRA Funding	-202.5	-48.0	154.5
State Change for Cash Reserve Fund	N.A.	-100.0	-100.0
State Aid Reduction due to ATB Reduction	-238.5	0.0	238.5
Total State Aid Adjustments	\$ -472.7	\$ -318.2	\$ 154.5
Total State Aid from State General Fund	\$ 2,146.5	\$ 2,346.1	\$ 199.6
ARRA Education Stimulus	\$ 202.5	\$ 48.0	\$ -154.5
Cash Reserve Fund	N.A.	\$ 100.0	\$ 100.0
Total School Aid - All Sources	\$ 2,349.0	\$ 2,494.1	\$ 145.1
Unfunded State School Aid	\$ 270.2	\$ 170.2	\$ -100.0

*Estimated amount required to fully fund State's portion of the school finance formula.

School Aid

Maintaining the allowable growth rate at 2.0% for FY 2011, using one-time funds (ARRA and State Cash Reserve funds), and not fully funding the State school aid portion will impact the FY 2012 school aid amounts. Although the FY 2012 allowable growth rate won't be addressed during the 2010 Legislative Session, the amount that will be required to be backfilled based on the Governor's recommendation totals \$318.2 million. Included in this total:

- \$170.2 million due to the State aid shortfall.
- \$48.0 million to replace the ARRA funding used in lieu of State General Fund dollars..
- \$100.0 million to replace the Cash Reserve funding used in place to State General Fund dollars.

FY 2012 School Aid

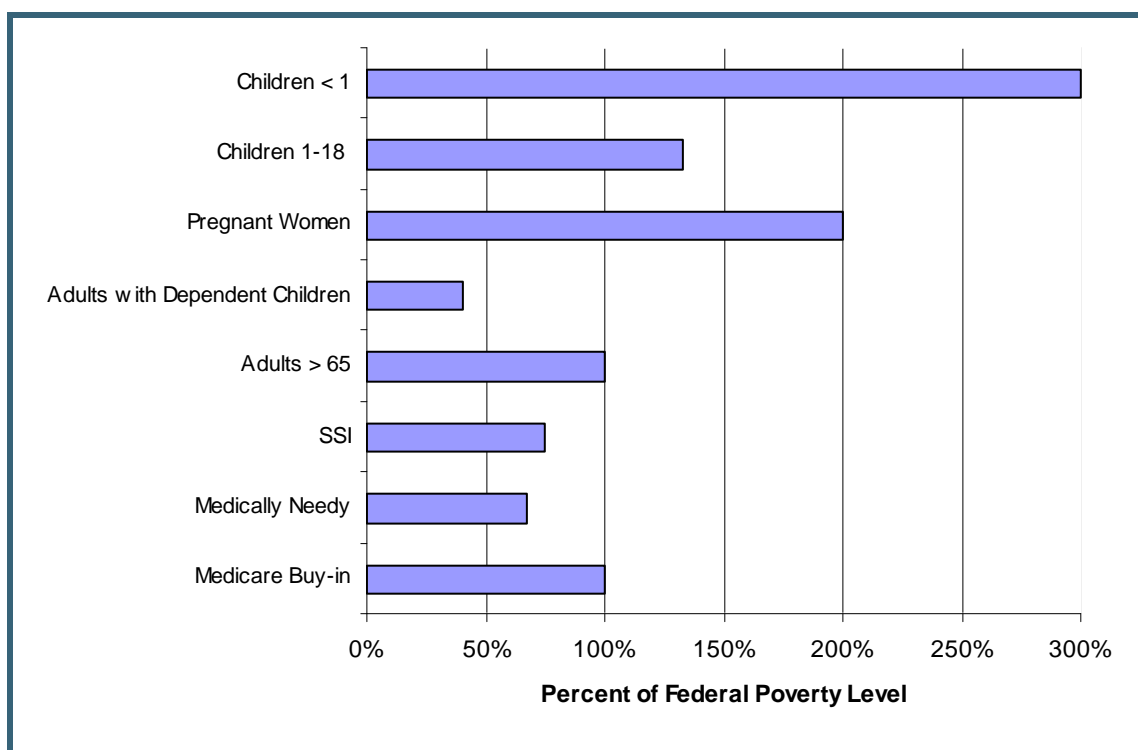
Enactment of SF 2045 (Regular School Aid Allowable Growth Rate Act) and SF 2046 (State Categorical Supplement Allowable Growth Rate Act) on January 20, 2010, delayed the establishment of the FY 2012 allowable growth rates until the 2011 Legislative Session. Information regarding FY 2012 school aid estimates can be obtained upon request from the Legislative Services Agency.

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MEDICAL ASSISTANCE PROGRAM (MEDICAID)

Medicaid is funded jointly by State and federal funds to provide health care services to low-income persons that are elderly, blind, disabled, pregnant, children under age 21, or members of families with dependent children. For Federal Fiscal Year (FFY) 2009, the federal matching rate for Iowa was 68.82%. The estimated match rate for FFY 2010 is 74.46% which includes the enhanced American Reinvestment and Recovery FMAP rate.

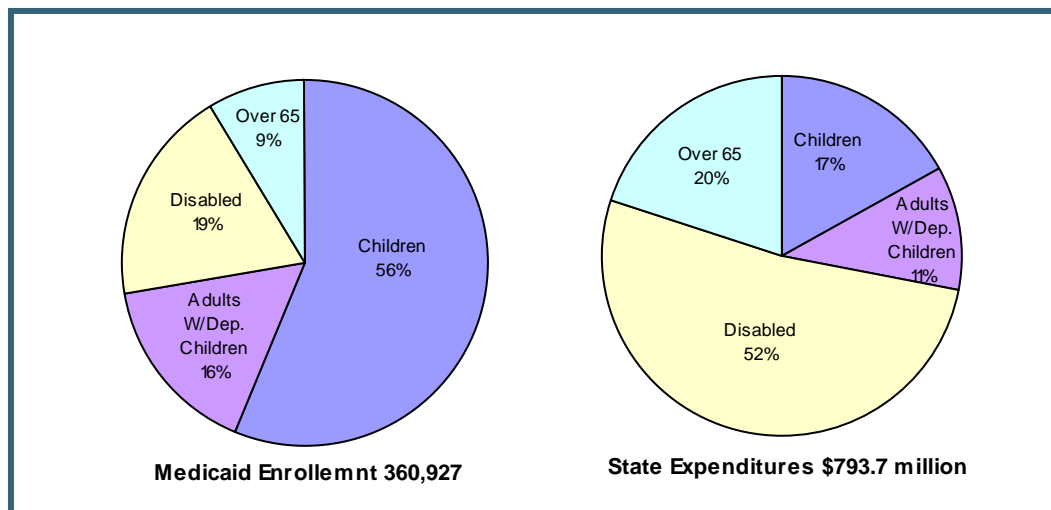
Table 1
Medicaid Eligibility by Income Level



The Iowa Medicaid Program covers individuals at various levels of income as allowed under federal law. **Table 1** shows the maximum income level for children, pregnant women, adults with dependent children, recipients of Supplemental Security Income (SSI), the Medicare Buy-in Program, and the Medically Needy Program. The income levels are based on the percentage of the Federal Poverty Level (FPL) calculated annually by the federal government and varies by the size of the household. The FPL for a family of four is \$22,050 for 2009.

In January 2010, 360,927 Iowans were enrolled in Medicaid. Of this amount, 56.1% were children, 16.0% were adults with dependent children, 19.4% were disabled, and 8.5% were over age 65. Fiscal Year 2009 State expenditures totaled \$793.7 million. Of the total expenditures, 17.0% was for children, 11.0% was for adults with dependent children, 52.0% was for the disabled, and 20.0% was for adults over age 65. While children account for approximately half of the enrollment, they consume less than 17.0% of Medicaid expenditures. Adults over age 65 and the disabled individuals account for 27.9% of enrollment but utilize 72.0% of expenditures. **Table 2** shows Medicaid enrollment and expenditures by category.

Table 2
Medicaid Expenditures and Enrollment by Category



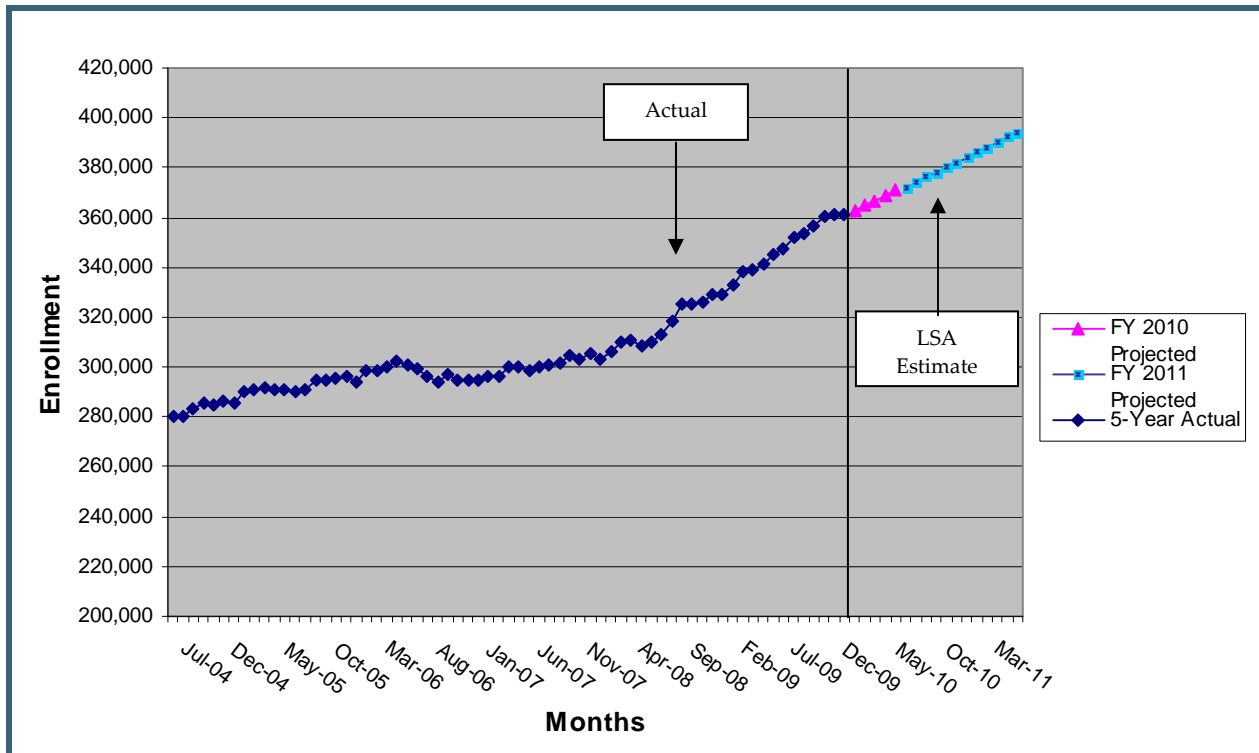
American Recovery and Reinvestment Act (ARRA)

On February 17, 2009, the President signed the American Recovery and Reinvestment Act of 2009. The Act provides a 6.2% increase in the Federal Medical Assistance Percentage (FMAP) match over 27 months, with nine of the months falling in State FY 2009. The Act also provides for additional FMAP increases based on state unemployment rates. An increase in the FMAP formula offsets State dollars needed to fund the Medicaid Program. For FY 2009, the FMAP change reduced the amount of State funds needed to fund the Medicaid Program by \$114.0 million. Iowa will receive an estimated \$216.2 million in FMAP savings for FY 2010. This includes \$148.9 million for the 6.2% FMAP increase, \$40.7 million for reaching tier one of the unemployment FMAP, \$18.0 for reaching tier two of the unemployment FMAP, and \$8.6 million from Government Stabilization funds. To reach the third and final unemployment FMAP tier the State would need a three-month average unemployment rate of 7.2%. As of December 2009, the three-month average rate is 6.6% and appears to be leveling out. If Iowa were to qualify, the amount of additional savings would depend on when the State qualifies. Iowa will receive an estimated \$93.0 million in FMAP savings for FY 2011. This includes tier two of the unemployment FMAP.

Enrollment

Table 3 shows the enrollment growth in Iowa over the past five years. Average enrollment increased by 5.8% in FY 2005 and 3.4% in FY 2006. In FY 2007 there was negligible growth as a result of additional citizenship requirements at the federal level. In FY 2008 the Program increased by 2.9% and in FY 2009 with the poor economy the program grew by 8.2%.

Table 3
Medicaid Enrollment



With continued weak economic conditions, enrollment is projected to increase steadily in FY 2010 and FY 2011. The Fiscal Services Division of the Legislative Services Agency (LSA) estimates Medicaid enrollment will increase by 9.2% in FY 2010 and 6.3% in FY 2011. The Program added a total of 31,794 individuals in FY 2009, including 25,935 children. In the first seven months of FY 2010, the Program added an additional 15,535 individuals for total enrollment of 360,927.

Expenditures

Table 4 shows actual State expenditures for Medicaid for FY 2007 through FY 2009 and the projected need for FY 2010 and FY 2011. The appropriation for FY 2010, less the 10.0% ATB, is \$768.4 million. This is \$3.0 million more than the projected need.

Table 4
State Medicaid Expenditures – All State Funds
(Dollars in Millions)

	<u>State Actual</u>	<u>FMAP Savings</u>	<u>Adjusted State Total</u>
FY 2007 Actual	\$ 767.5	\$ -	\$ 767.5
FY 2008 Actual	849.0	-	849.0
FY 2009 Actual	907.7	-114.0	793.7
FY 2010 Projected Need	981.6	-216.2	765.4
FY 2011 Projected Need	1,045.0	-93.0	952.0

Table 5 shows expenditures for FY 2009 compared to year-to-date FY 2010 including the monthly savings received from the ARRA FMAP adjustment.

Table 5
State Expenditures for FY 2009 and FY 2010 including FMAP Savings

	Actual FY 2009	FY 2009 Savings	Year-to-Date FY 2010	FY 2010 FMAP Savings
July	\$ 17,089,004	\$ -	\$ 22,583,274	\$ 4,289,640
August	55,816,607	-	49,352,971	11,807,919
September	82,001,324	-	64,305,702	16,176,390
October	56,230,349	9,164,466	69,543,809	18,222,597
November	63,205,736	10,930,532	58,988,009	16,780,289
December	69,457,065	11,705,494	53,057,942	15,559,631
January	55,068,190	9,471,952	-	-
February	63,691,919	10,773,986	-	-
March	77,900,524	13,976,502	-	-
April	60,891,296	12,439,866	-	-
May	62,762,013	10,749,869	-	-
June	68,235,913	10,959,095	-	-
June +60	61,411,462	13,805,145	-	-
Total Expenditures	<u>\$ 793,761,402</u>	<u>\$ 113,976,907</u>	<u>\$ 317,831,707</u>	<u>\$ 82,836,466</u>

Across-the Board Reductions

In October 2009, the Governor ordered a 10.0% across-the-board reduction for all General Fund appropriations, including the General Fund transfer to the Property Tax Relief Fund and the Health Care Trust Fund. The Department of Human Services (DHS) submitted a plan to the Governor to meet the \$83.7 million dollar reduction and the Governor accepted the plan but chose to backfill a number of line items with the Medicaid surplus. The Governor also used the surplus to backfill additional line items in the Department budget. The Governor's final plan reduced Medicaid by \$86.6 million. With a 72.1% federal match rate, this will reduce federal funds to the State by approximately \$227.0 million. The reductions are as follows:

- \$315,000 to require prior authorization on all high cost imaging such as MRI's.
- \$3.0 million to implement a correct coding initiative. Savings will be recouped from overpayments to providers for claim coding errors.
- \$15.5 million to implement a 5.0% provider rate reduction to all providers except critical access hospitals, federally qualified health centers, drug product costs, local education agencies, area education agencies, ICF/MRs, habilitation, medical transportation, patient management fees, Money Follows the Person, and the Program of All-Inclusive Care for the elderly (PACE).
- \$1.3 million to implement a 2.5% provider reduction for Home and Community-Based Services (HCBS) Waivers, targeted case management, dental services, and community mental health centers.
- \$973,000 to implement changes to the State Maximum Allowable Cost policy for generic drugs.
- \$244,000 to implement changes to the State Maximum Allowable Cost policy for specialty drugs.

- \$2.2 million as a result of changes from a class action lawsuit regarding inflated Average Wholesale Price (AWP).
- \$65,000 from the removal of the 30-day Preferred Drug List (PDL) override for nonpreferred drugs.
- \$132,000 to implement changes to the policy for renting durable medical equipment. Medicaid will now only pay up to 100.0% of the purchase price when renting equipment.
- \$291,000 as a result of reducing bed hold days paid by Medicaid to nursing facilities.
- \$969,000 to implement an increase in the minimum occupancy rate for nursing facilities.
- \$1.0 million from a change in funding sources for the nursing facility pay-for-performance add-on. The funding source will be moved from the General Fund to the new funds raised from the nursing facility quality assessment fee.
- \$551,000 to implement a reduction in nonemergency transportation. Mileage reimbursement will be reduced from \$0.34 to \$0.30 per mile and public transportation will be capped at \$1.40 per mile.
- \$166,000 to reduce transportation reimbursement under the HCBS Waivers.
- \$30,000 from a reduction in the reimbursement amount for home and vehicle modification.
- \$818,000 from a reduction in the IowaCare Plan cap.
- \$293,000 in savings as a result of family planning dollars that are being redirected from another appropriation.
- \$140,000 to delay the implementation of presumptive eligibility for children.
- \$58.5 million from capturing a portion of the Medicaid surplus in FY 2010. This will increase the need for FY 2011.

FY 2010 Estimate

A forecasting group consisting of staff from the Department of Management, the DHS, and the Fiscal Services Division of the LSA meet monthly to discuss current enrollment and expenditure data in the Medicaid Program and set a range for projected FY 2010 and FY 2011 expenditures. The forecasting group last met on January 4, 2010. For FY 2010, the forecasting group agreed to a range of a supplemental need of \$10.0 million to a surplus of \$16.0 million, with a midpoint of a \$3.0 million surplus. The range includes the 6.2% ARRA FMAP adjustment and both tier one and two unemployment FMAP increases. The budget reduction plans submitted to the Governor by the DHS were also included in these estimates.

FY 2011 Estimate

For FY 2011, the forecasting group agreed Medicaid will have a supplemental need of \$151.0 to \$216.0 million, with a midpoint of \$183.5 million, when compared to the adjusted FY 2010 appropriation. The adjusted FY 2010 appropriation includes the 10.0% across-the-board reduction and statutory appropriations for a total of \$730.8 million. The range includes the 6.2% FMAP increase, including tier one and two of the FMAP unemployment increase. The range also assumes there will be \$37.0 million in funding available from the Senior Living Trust Fund for FY 2011 and that a minimum of \$28.0 million from the Department's reduction strategies submitted to the Governor will continue in FY 2011.

Governor FY 2011 Recommendation

The Governor is recommending fully funding the Medicaid Program for FY 2011. The largest increase for the program is due to phasing out of ARRA FMAP stimulus. The State Share for FMAP will increase by \$122.0 million for FY 2011. The Governor is recommending making up that difference with an increased General Fund appropriation. For more information please see **Table 6**.

Table 6
Governor's FY 2011 Recommendation Compared to FY 2010 Estimated Net

	Actual FY 2009	Net FY 2010	FY 2011 Gov's Recomm.	Difference: FY 10 vs. Gov's Rec
General Fund	\$ 593,302,330	\$ 610,096,134	\$ 790,982,609	\$ 180,886,475
Previous Year Carryforward	0	36,587,215	3,000,000	-33,587,215
HCTF	114,351,496	100,650,740	100,650,740	0
SLTF	111,753,195	17,686,828	37,740,908	20,054,080
Covering All Kids	2,758,000	2,297,649	2,297,649	0
Property Tax Relief	6,501,000	3,271,911	3,271,911	0
Transfers	3,819,318	-2,145,368	0	2,145,368
ARRA	113,976,907	216,164,791	94,206,702	-121,958,089
Total	\$ 946,462,246	\$ 984,609,900	\$ 1,032,150,519	\$ 47,540,619
Total Estimated Need*	\$ 909,875,031	\$ 981,609,900	\$ 1,032,150,519	-
Additional Need	\$ 36,587,215	\$ 3,000,000	\$ 0	-

* The total estimated need is the midpoint of the Medicaid forecasting work group projections.

Federal Health Care Reform

Health care reform legislation continues to move through Congress. The House version is HR 3962 (Affordable Health Care for America Act of 2009) and the Senate version (amendment to HR 3590) is titled The Patient Protection and Affordable Care Act. It is unclear at this time when legislation will be finalized. Both the House and the Senate have different plans for reform legislation that would have major impacts on the Medicaid Program. Both are proposing expansion of Medicaid eligibility to either 133.0% of the federal poverty level (Senate Plan) or 150.0% of the federal poverty level (House Plan), along with new mandatory enrollment group categories. Both the House and Senate have proposed different funding formulas to help the states finance the new plan scheduled to begin in FY 2013 or FY 2014. There are a number of other provisions that will have a significant impact on states. For recent information and analysis, including complete text of HR 3962, visit the National Conference on State Legislature's (NCSL) Health Care Reform webpage at: <http://www.ncsl.org/?tabid=17639#new>.

For additional information, see the *Fiscal Topic* titled [Medicaid HCBS Waivers](#).

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PUBLIC RETIREMENT SYSTEMS

Retirement Systems

The public retirement systems in Iowa include:

- **Iowa Public Employees Retirement System – IPERS:** The membership includes approximately 320,000 members, including 87,000 retired employees, of State, county, and city governments; other political subdivisions or agencies; and school districts and Area Education Agencies (AEAs). Over 8,600 active members are in Special Service groups within IPERS. These include:
 - Sheriffs and Deputy Sheriffs.
 - Protection Occupations - airport safety officers; conservation peace officers; city marshals, fire fighters, police officers, and fire prevention inspectors not under the Municipal Fire and Police Retirement System of Iowa (MFPRSI); correctional officers; Department of Transportation (DOT) peace officers, county jailers, military installation officers, emergency medical care providers, and county attorney special investigators.
- **Judicial Retirement System:** There are approximately 365 covered members in this group. Membership includes active Judges, Senior Judges, retired Senior Judges, retired Judges, beneficiaries of deceased Judges, and inactive Judges with contributions remaining in the system.
- **Department of Public Safety Peace Officers’ Retirement, Accident, and Disability System – PORS:** The membership includes 662 active and 538 retired peace officers of the Department of Public Safety including uniformed sworn officers of the State Patrol, Division of Criminal Investigation (DCI) officers, drug enforcement officers, arson investigators, and fire prevention inspectors.
- **Municipal Fire and Police Retirement System of Iowa - MFPRSI or 411s:** The membership includes 3,886 active and 3,985 retired police officers and firefighters in cities with a population of 8,000 or more in 1980, and other cities that voluntarily established a civil service commission.

Types of Plans

- The IPERS, Judicial Retirement, PORS, and MFPRSI are “defined benefit plans,” meaning the person’s retirement benefit is based on a benefit formula prescribed by contract or statute. With the exception of IPERS regular members, the contributions by employers and employees are adjusted based on actuarial evaluations so funds will be available to pay retirees’ benefits. The General Assembly sets the rates for IPERS regular members in statute through FY 2011.

Earnings covered by the IPERS and Judicial Retirement systems are qualified earnings under Social Security. Earnings covered by the PORS and MFPRSI systems are not. The Old-Age, Survivors, and Disability Insurance (OASDI), commonly referred to as Social Security, is funded through dedicated payroll taxes referred to as the Federal Insurance Contributions Act (FICA). The OASDI tax rate for wages paid in 2010 is set by federal statute at 6.20% of gross compensation for both the employees and employers up to a limit of \$106,800. The Medicare portion of FICA is 1.45% of wages for both employee and employer with no limit. The total Social Security tax is 12.40% and the total Medicare tax is 2.90% of wages.

- **Teachers’ Insurance and Annuity Association - College Retirement Equities Fund - TIAA-CREF:** The membership includes approximately 27,000 active members that are university, Board of

Regents, and some community college employees. The TIAA-CREF is a “defined contribution plan,” meaning moneys are contributed to an individual account for each participant and the moneys contributed, plus any investment earnings, determine the retirement benefit made available to the participant upon retirement. Retirees of TIAA-CREF receive social security benefits.

- **Deferred Compensation Program (457/401a)** – This is a voluntary retirement defined contribution savings program for employees of the State of Iowa and other participating government employers. The program is designed to supplement pension and social security benefits at retirement. State of Iowa employees receive a dollar for dollar match on the first \$75 of monthly contributions. Contributions are made pretax through payroll deductions and investment earnings are tax-deferred.
- **Tax Sheltered Annuity (403b)** – This is a voluntary retirement savings program for employees of educational and education-related institutions. This savings program is designed to supplement pension and social security benefits at retirement. Contributions are made pretax through salary reductions and investment earnings are tax-deferred.

FY 2011 Contribution Rates

	<u>Employee Share</u>	<u>Employer Share</u>	<u>Total</u>
IPERS			
Regular	4.50%	6.95%	11.45%
Sheriffs and Deputies	8.94%	8.94%	17.88%
Protection Occupations	6.64%	9.95%	16.59%
Judicial Retirement	9.35%	30.60%	39.95%
PORS	9.35%	23.00%	32.35%
MFPRSI/411s (1)	9.40%	19.90%	29.30%

(1) The State also contributed \$2.3 million in FY 2010 (including the 10.0% across-the-board reduction).

Public Retirement Systems Committee

The Public Retirement Systems Committee is a 10-member statutory legislative committee required to examine and make recommendations to the Iowa General Assembly concerning public retirement systems in Iowa. Iowa Code Section 97D.4(3) establishes the duties of the Committee. The General Assembly addresses retirement system issues during the second year of each biennium and as needed. Interested parties make recommendations for the General Assembly to consider. The Committee met on November 9 and 19, 2009, and on January 12, 2010. Minutes from the meetings are available under Additional Information at: <http://www.legis.state.ia.us/aspx/Committees/Committee.aspx?id=57>

Recommendations

The following are the recommendations approved by the members on November 19, 2009, and the fiscal impacts of each recommendation.

Peace Officers Retirement System (PORS)

- Overtime pay counted as wages for retirement benefit purposes beginning July 1, 2010. The fiscal impact of this recommendation ranges from \$1.1 million to \$3.2 million, depending on the behavior of the members.
- Increase the employee contribution rate by 0.5% each year for four years beginning July 1, 2010. The fiscal impact of this recommendation is an estimated increase in employee contributions of \$210,000

per year for a total of \$840,000 by FY 2014. The impact to an individual is an additional \$1,300 per year by FY 2014.

Iowa Public Employees' Retirement System (IPERS)

- Increase the vesting requirement from four years to seven years. Calculate retirement benefits using a member's high five years of salary instead of the current three years. Implement a 6.0% per year reduction in retirement benefits for each year a member retires and receives a retirement allowance prior to normal retirement. These changes take effect July 1, 2012. The fiscal impact of these recommendations is a reduction in the present value of future benefits of \$1.2 billion, a reduction in the normal cost rate by 90 basis points (0.9%), and a reduction in the unfunded actuarial liability (UAL) of \$750.0 million.
- Extend the bona fide retirement exception for licensed health care professionals for two years. The IPERS actuary will be conducting an experience study in the summer of 2010 to examine the shortened bona fide retirement period for licensed health care professionals.
- Create a bona fide retirement exception for members called to State active duty with the National Guard with a retroactive effective date of May 25, 2008. The fiscal impact is anticipated to be minimal.
- Increase the total contribution rate to 13.45% beginning July 1, 2011, and allow the system to adjust the rate up or down by no more than 1.0% per year. Current law allows the rate to be adjusted up or down 0.5% making the current rate 11.95% for FY 2012.
 - The fiscal impact of increasing the rate from 11.95% to 13.45% would be an increase to the employee contributions of approximately \$250 and an increase to the employer contributions per member of \$400 with a combined rate increase of \$650. The total cost difference for the increase from 11.95% and 13.45% is \$103.0 million.
 - The 1.0% increase for each year thereafter averages approximately \$300 per member and an increase in the employer's contributions of \$425 per member for each employee.
 - Starting in FY 2012, a 0.5% cap on the contribution rate increase to the sheriffs and deputies special service group and the protection occupation special service group will take effect. This recommendation also increases that cap by an additional 0.5% to 1.0%. The 1.0% cap may result in a cost savings to the employers and members since no cap is currently in place. However, the cap could result in a cost increase since the contribution rates are set by the actuary and current law limits future rate changes to 0.5% per year.
- Extend the current wage purchase credit rules relative to furloughs for IPERS members for an additional year and allow the rules to apply to union bumping rights with a retroactive effective date of January 1, 2009. The fiscal impact of this recommendation cannot be determined because IPERS does not know how widespread furloughs will be beyond State government. IPERS does not anticipate major additional costs. There is a related cost to furloughs because IPERS loses contributions from everyone that is taking a furlough and not retiring. Only those employees retiring will make up lost contributions and will receive a higher benefit because of it.

Municipal Fire and Police Retirement System (411 System)

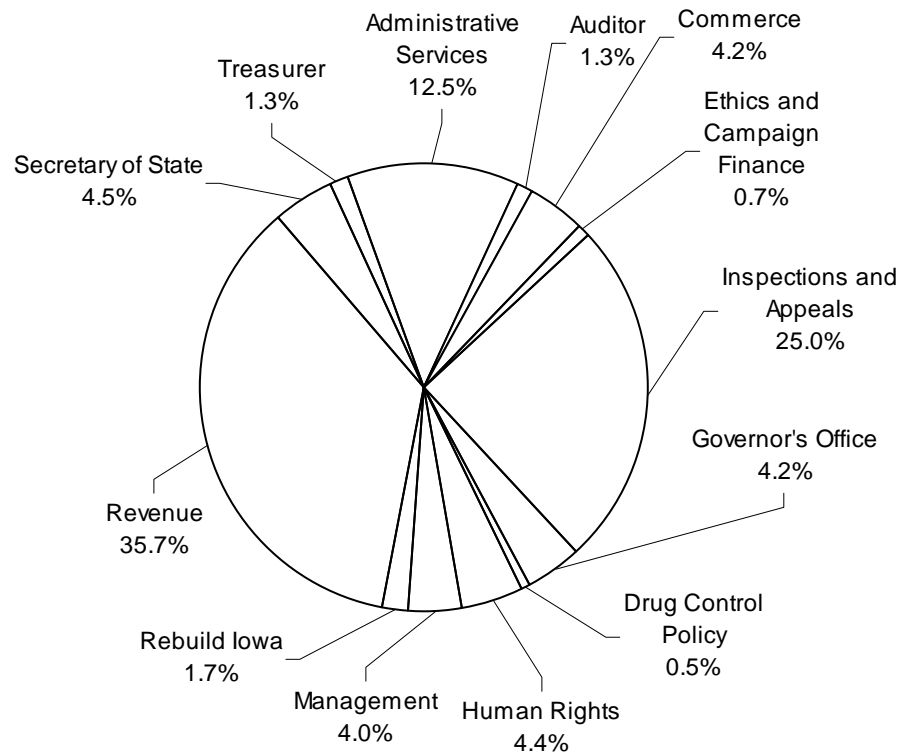
- Overtime pay included as wages beginning July 1, 2010. The fiscal impact of this recommendation increases total covered payroll and will result in an increased cost to the employer of approximately \$17.5 million and a contribution rate increase of 5.68%. The increased cost to the employee is approximately \$1.6 million. The employee contribution rate would remain at 9.40%.

- Increase the employee contribution rate by 0.5% for each year for four years beginning July 1, 2010. The fiscal impact of this recommendation will be an increase in the employee contribution rate and an additional cost of \$1,400 a year to the member by FY 2014. By FY 2010, the additional contributions to the 411 System total approximately \$5.6 million. This recommendation will result in a decrease in the contribution rate for cities.
- Phase-out or elimination of the State's contribution to the 411 System. The fiscal impact of this recommendation is a General Fund appropriation reduction of \$753,000 in FY 2011, a decrease of \$750,000 in FY 2012, and a decrease of \$750,000 by FY 2013. The fiscal impact to the city contribution rate will increase by a corresponding amount.

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ADMINISTRATION AND REGULATION APPROPRIATIONS SUBCOMMITTEE

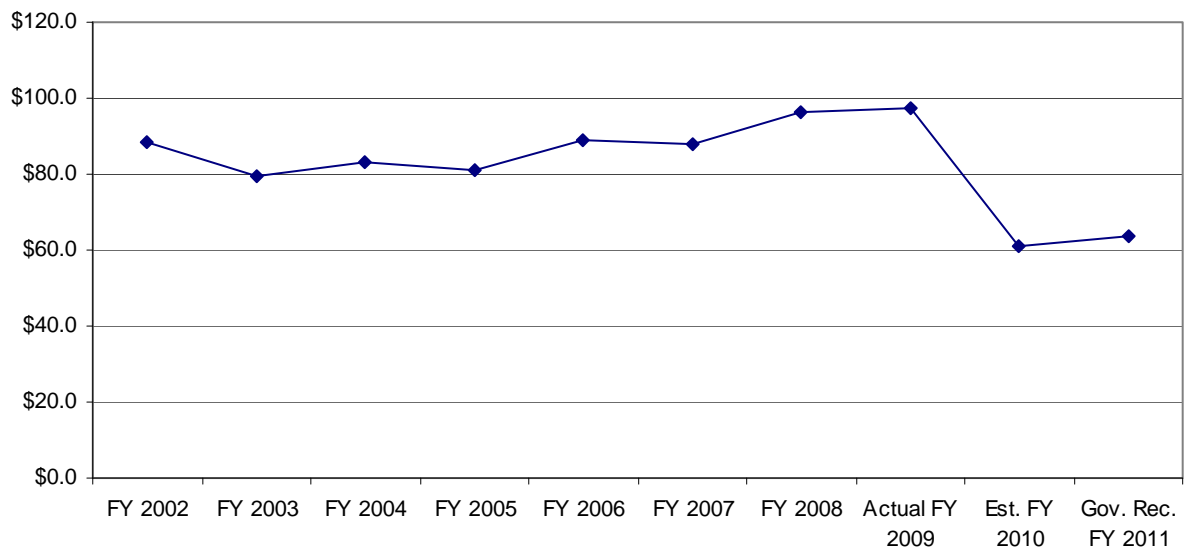
FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Administrative Services	\$ 7,941,394
Auditor	814,921
Commerce	2,663,970
Ethics and Campaign Finance	470,700
Inspections and Appeals	15,953,993
Governor's Office	2,691,592
Drug Control Policy	313,531
Human Rights	2,807,424
Management	2,530,360
Rebuild Iowa	1,099,725
Revenue	22,729,219
Secretary of State	2,895,585
Treasurer	854,289
Total	\$ 63,766,703

Historical General Fund Appropriations
(in millions)



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department of Administrative Services

Established in 2003 by legislative action, the Department of Administrative Services (DAS) consists of four enterprises that provide infrastructure and facilities services to other agencies of State government. These enterprises include the Information Technology Enterprise (ITE), the General Services Enterprise (GSE), the Human Resources Enterprise (HRE), and the State Accounting Enterprise (SAE).

The Governor is recommending FY 2011 General Fund appropriations totaling \$7.9 million. This is a no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Administrative Services, Dept. of</u>			
Administrative Services, Dept.	\$ 4,814,309	\$ 4,814,309	\$ 0
Utilities	3,127,085	3,127,085	0
Total Administrative Services, Dept. of	\$ 7,941,394	\$ 7,941,394	\$ 0

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Administrative Services, Dept. of</u>			
Administrative Services			
DAS ARRA operations	\$ 100,000	\$ 0	\$ -100,000
Total Administrative Services, Dept. of	\$ 100,000	\$ 0	\$ -100,000

Issues

Public Works Efficiency Report – The Public Works Efficiency Report makes several recommendations relating to the DAS:

- Consolidating State Information Technology (IT) services under the DAS. This includes IT services of agencies currently exempt, including the Board of Regents, Iowa Public Television, Department of Transportation, Department of Public Safety Law Enforcement Communications, Iowa Communication Network (ICN), and the Iowa Lottery. The IT services that would be required to be purchased from DAS include data centers, servers, mainframes, local area networks, and disaster recovery technology. The DAS can grant waivers to Departments if purchasing separately is more economical or in the best interest of the State. The Efficiency Report states that IT consolidation would require an initial investment of \$7.9 million in FY 2011, and savings would result in \$5.0 million in FY 2012 and subsequent fiscal years. The DAS has stated that savings of \$1.0 million will be achieved in FY 2011, \$1.8 million in FY 2012, and \$3.8 million in FY 2013. DAS expects additional savings of \$10.0 million annually in FY 2014 and beyond.

- Requiring agencies to purchase from master contracts administered by DAS. The DAS will negotiate master contracts if it determines that high-quality goods or services can be acquired at a lower cost through the negotiation of master contracts. The Efficiency Report states that savings of \$15.0 million annually can be achieved by utilizing master contracts. It is estimated that 50.0% of the savings would come from the DOT and other agencies that operate with non-General Fund sources. This reduces the General Fund savings to an estimated \$7.5 million.
- Selling of State assets identified through a real estate inventory. The Efficiency Report estimates that the State could generate \$13.8 million in one-time revenue from the sale of assets identified through a real estate inventory. Senate File 2088 (Government Reorganization and Efficiency Bill) requires DAS, in cooperation with the Department of Human Services and the Department of Corrections, to sell property that will maximize the return to the State. It also requires the proceeds to be deposited into the General Fund.
- Transferring the State Accounting Enterprise from the DAS to the Department of Management (DOM). This will result in elimination of duplicative administrative and overhead costs and would save an estimated \$260,000 in General Fund expenditures in FY 2011.
- Executive Order 20 directs the DAS to implement numerous policies including: consolidating all State email systems, consolidating wireless equipment purchasing and service contracts, increasing the use of new technologies such as thin client technologies, reducing the size of the state motor fleet, eliminating least effective print shops, modifying the entrepreneurial model, consolidating state mail rooms, conducting energy efficiency retrofits for State buildings, and conducting an audit of State employee health insurance enrollees to identify ineligible dependents.
- Executive Order 20 also directs the DAS to further analyze and evaluate potential savings in the following areas: implementing employee wellness, initiatives, requiring family enrollment in health insurance when both spouses are employed by the State, reducing or eliminating deferred compensation for non-contract employees, evaluating the cost benefit of going to a four-day work week, and paying employees on a semi-monthly basis rather than bi-weekly.

Federal ARRA Funds – For FY 2010, the Department received a one-time appropriation of \$100,000 for administration and regulation of federal ARRA funding. The Governor has not recommended replacing these funds for FY 2011.

Auditor of State

The Auditor's Office provides independent audits of the financial operations of State and local governments. The Office also reviews government activities to help ensure they are conducted in an effective, efficient, and legal manner.

The Governor is recommending FY 2011 General Fund appropriations of \$815,000. This represents no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Auditor of State</u>			
Auditor Of State			
Auditor of State - General Office	\$ 814,921	\$ 814,921	\$ 0
Total Auditor of State	\$ 814,921	\$ 814,921	\$ 0

Issues

The Auditor of State issued a qualified audit opinion on the Comprehensive Annual Financial Report (CAFR) and indicated that not all material aspects of the State's financial statements were audited. The Independent Auditor's Report stated, "Due to a significant reduction in the appropriation provided to the Office of Auditor of State (Office) to fund audit work on State departments that do not reimburse the Office for audit work performed, primarily relating to the General Fund and governmental activities, we were unable to perform sufficient audit procedures on fourth quarter revenues, expenditures, and cutoff between fiscal years to satisfy ourselves as to the proper recording of revenues and expenditures of the General Fund and the governmental activities for the year ended June 30, 2009." The qualified audit opinion has resulted in the FY 2009 CAFR being ineligible for the seventeenth consecutive "Certificate of Achievement for Excellence in Financial Reporting," awarded by Government Finance Officers Association of the United States and Canada. In addition, this qualified opinion may possibly affect the FY 2010 CAFR audit opinion, as the beginning balances will reflect the qualified numbers of the FY 2009 CAFR.

Department of Commerce

The Department of Commerce is comprised of six divisions, including the Alcoholic Beverages Division, the Division of Banking, the Credit Union Division, the Insurance Division, Professional Licensing and Regulation, and the Utilities Board. Each division is responsible for regulation of an industry or group of industries. Each division's budget is prepared independently and then combined with the other divisions' budgets for submission to the Governor and General Assembly for consideration.

The Governor is recommending FY 2011 General Fund appropriations totaling \$2.7 million. This represents no change compared to estimated FY 2010.

The Governor is recommending other fund appropriations for FY 2011 totaling \$23.7 million. This represents an increase of \$152,000 compared to the estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Commerce, Dept. of</u>			
Alcoholic Beverages			
Alcoholic Beverages Operations	\$ 1,806,444	\$ 1,806,444	\$ 0
Insurance Division			
Senior Health Insurance Information Program	\$ 47,028	\$ 47,028	\$ 0
Professional Licensing and Reg.			
Professional Licensing Bureau	\$ 810,498	\$ 810,498	\$ 0
Total Commerce, Dept. of	<u>\$ 2,663,970</u>	<u>\$ 2,663,970</u>	<u>\$ 0</u>

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Commerce, Dept. of</u>			
Banking Division			
Banking Division	\$ 8,662,670	\$ 8,851,670	\$ 189,000
Credit Union Division			
Credit Union Division	\$ 1,727,995	\$ 1,727,995	\$ 0
Insurance Division			
Insurance Division	\$ 4,881,216	\$ 4,928,244	\$ 47,028
Utilities Division			
Utilities Division	\$ 8,256,654	\$ 8,173,069	\$ -83,585
Professional Licensing and Reg.			
Housing Improvement Fund Field Auditor	\$ 62,317	\$ 62,317	\$ 0
Total Commerce, Dept. of	\$ 23,590,852	\$ 23,743,295	\$ 152,443

Significant changes include:

- An increase of \$189,000 for the Banking Division for new laptop computers.
- An increase of \$47,000 to the Insurance Division to transfer the funding for the Senior Health Insurance Information Program from the General Fund to the Department of Commerce Revolving Fund. The Governor's General Fund recommendation of \$47,000 for this purpose is not necessary due to the recommended increase to the Revolving Fund appropriation.
- A decrease of \$84,000 to the Utilities Division due to the following:
 - A decrease of \$461,000 for funds that were allowed to carry forward from FY 2009 to FY 2010 for costs associated with the new Utilities Division building.
 - An increase of \$377,000 for the first year debt service payment on the bonds for the new Utilities Division building and remaining rent costs. This is a one-time increase for these costs. All future debt service payments will be assessed to the industry.

Issues

Public Works Efficiency Report – The Public Works Efficiency Report makes two recommendations regarding the Alcoholic Beverages Division (ABD):

- Closing of the ABD warehouse on Fridays throughout FY 2011. It is estimated that the closure would result in an annual savings of \$20,000. Senate File 2088 (Government Reorganization and Efficiency Bill) has recommended extending the closure through FY 2015.
- Allowing for direct shipment of wine from out-of-state producers directly to consumers. Out-of-state wineries would have to pay a licensing fee and \$1.75 sales tax on each gallon sold. This change is expected to generate \$375,000 in additional revenue for the General Fund in FY 2011.

Senate File 2088 (Government Reorganization and Efficiency Bill) recommends moving the ABD from the Department of Commerce to the Department of Revenue. Both departments have indicated this would result in minimal savings at this time.

Department of Commerce Revolving Fund – House File 809 (FY 2010 Administration and Regulation Appropriations Act) created the Department of Commerce Revolving Fund. Fees collected from industries regulated by the Banking Division, Credit Union Division, Insurance Division, and Utilities Division will be deposited in the Department of Commerce Revolving Fund with the State Treasurer. All operating costs are payable from the Revolving Fund. Each division is required to receive legislative authorization to use funds in the Revolving Fund.

With the enactment of HF 809, each division's funding was restored to the FY 2009 level and placed in the Department of Commerce Revolving Fund. Each division may temporarily use funds from the General Fund to pay expenditures in excess of the amount of money available in the Revolving Fund to meet cash flow needs. House File 478 (FY 2010 Standing Appropriations Act) repeals the Department of Commerce Revolving Fund on July 1, 2011.

Ethics and Campaign Disclosure Board

The Iowa Ethics and Campaign Disclosure Board administers the State campaign, lobbying, and ethics laws. The Board also reports on all gifts, bequests, and grants received by an Executive Branch agency other than a Regents university.

The Governor is recommending FY 2011 General Fund appropriations of \$471,000. This is a no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Ethics and Campaign Disclosure</u>			
Ethics & Campaign Disclosure Board	\$ 470,700	\$ 470,700	\$ 0
Total Ethics and Campaign Disclosure	\$ 470,700	\$ 470,700	\$ 0

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The Department consists of four major divisions: the Administration Division, the Administrative Hearings Division, the Health Facilities Division, and the Investigations Division. The Department also includes five administrative units: the Child Advocacy Board, the Employment Appeal Board, the Hospital Licensing Board, the Iowa Racing and Gaming Commission, and the State Public Defender. For the purposes of this document, the State Public Defender budget is included under the Justice System Appropriation Subcommittee.

The Governor is recommending FY 2011 General Fund appropriations totaling \$16.0 million. This is an increase of \$1.9 million (13.3%) compared to estimated FY 2010.

The Governor is recommending other fund appropriations totaling \$1.6 million for FY 2011. This is a decrease of \$400,000 (20.0%) compared to FY 2010 due to the loss of one-time ARRA funds.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Inspections & Appeals, Dept. of</u>			
Inspections and Appeals, Dept. of			
Administration Division	\$ 1,804,510	\$ 1,984,510	\$ 180,000
Administrative Hearings Division	609,585	609,585	0
Investigations Division	1,307,666	690,629	-617,037
Health Facilities Division	2,011,845	4,030,108	2,018,263
Employment Appeal Board	46,318	46,318	0
Child Advocacy Board	2,628,330	2,920,367	292,037
Total Inspections and Appeals, Dept. of	\$ 8,408,254	\$ 10,281,517	\$ 1,873,263
Racing Commission			
Pari-Mutuel Regulation	\$ 2,637,614	\$ 2,637,614	\$ 0
Riverboat Regulation	3,034,862	3,034,862	0
Total Racing Commission	\$ 5,672,476	\$ 5,672,476	\$ 0
Total Inspections & Appeals, Dept. of	\$ 14,080,730	\$ 15,953,993	\$ 1,873,263

The changes to the General Fund appropriations include:

- An increase to the Administration Division of \$180,000 to replace funds that were transferred from the Investigations Division in FY 2010 that were used offset a portion of the 10.0% across-the-board reduction.
- A decrease to the Investigations Division of \$617,000 to maintain funding at a reduced level. In FY 2010, the Division transferred \$617,000 from the General Fund appropriation to other divisions within the Department. In addition, the Investigations Division received a transfer of \$747,000 from the Medicaid Fraud Account. The difference between the two transfers (\$130,000) was used offset a portion of the 10.0% across-the-board reduction in FY 2010.
- An increase of \$2.0 million to the Health Facilities Division due to a transfer of State matching funds from DHS for surveys and certification costs.
- An increase to the Child Advocacy Board (CASA) of \$292,000 to replace funds that were transferred from the Investigations Division in FY 2010 that were used offset a portion of the 10.0% across-the-board reduction.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Inspections & Appeals, Dept. of</u>			
Inspections and Appeals, Dept. of			
DIA Health Facility/Investigations	\$ 400,000	\$ 0	\$ -400,000
DIA-Use Tax	1,623,897	1,623,897	0
Total Inspections & Appeals, Dept. of	\$ 2,023,897	\$ 1,623,897	\$ -400,000

Office of Governor and Lieutenant Governor

The Governor's Office is responsible for managing the Executive Branch and implementing policies and programs in accordance with State law.

The Governor is recommending FY 2011 General Fund appropriations totaling \$2.7 million. This is a decrease of \$7,100 (0.3%) compared to estimated FY 2010 due to a decrease to the National Governor's Association funding.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Governor</u>			
Governor/Lt. Governor's Office	\$ 2,064,471	\$ 2,064,471	\$ 0
Terrace Hill Quarters	394,291	394,291	0
Administrative Rules Coordinator	127,167	127,167	0
National Governor's Association	70,783	63,705	-7,078
State-Federal Relations	41,958	41,958	0
Total Governor	<u>\$ 2,698,670</u>	<u>\$ 2,691,592</u>	<u>\$ -7,078</u>

Governor's Office of Drug Control Policy

The Governor's Office of Drug Control Policy (GODCP) coordinates agencies and stakeholders involved with drug enforcement and substance abuse treatment and prevention. The Office creates the drug control policy and strategy for the State and identifies, pursues, and administers federal and other grants.

The Governor is recommending FY 2011 General Fund appropriations totaling \$314,000. This is no change compared to estimated FY 2010.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs FY 2010</u>
<u>Governor's Office of Drug Control Policy</u>			
Drug Policy Coordinator	\$ 313,531	\$ 313,531	\$ 0
Total Governor's Office of Drug Control Policy	<u>\$ 313,531</u>	<u>\$ 313,531</u>	<u>\$ 0</u>

Issues

Federal ARRA Funds – The Office of Drug Control Policy received \$11.8 million in ARRA stimulus funding for the Edward Byrne Memorial Justice Grant (Byrne/Jag Grant) at the beginning of FY 2010. Through a competitive grant process, the Department released \$4.9 million to thirty-eight State agencies and local drug task forces. A second competitive grant application process is expected to begin by the end of FY 2010. The award is scheduled to end in February 2013.

Department of Human Rights

The Iowa Department of Human Rights is comprised of seven divisions, one commission, and an administrative support unit. The divisions include: the Division on the Status of African Americans, the Commission on the Status of Asian and Pacific Islanders, the Division of Latino Affairs, the Division of Persons with Disabilities, the Division on the Status of Women, the Division of Deaf Services, the Division of Community Action Agencies, the Division of Criminal and Juvenile Justice Planning, and the Status of Native Americans. The divisions promote self-sufficiency of their constituency population by providing training, developing partnerships, and advocating on their behalf.

The Governor is recommending FY 2011 General Fund appropriations totaling \$2.8 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Human Rights, Dept. of</u>			
Human Rights Administration	\$ 274,773	\$ 274,773	\$ 0
Deaf Services	340,913	340,913	0
Asian and Pacific Islanders	120,087	120,087	0
Persons with Disabilities	187,408	187,408	0
Latino Affairs	160,290	160,290	0
Status of Women	284,295	284,295	0
Status of African Americans	150,116	150,116	0
Status of Native Americans	4,817	4,817	0
Criminal & Juvenile Justice	1,284,725	1,284,725	0
Total Human Rights, Dept. of	\$ 2,807,424	\$ 2,807,424	\$ 0

Issues

Department of Human Rights Reorganization – Senate File 2088 (Government Reorganization and Efficiency Bill) is recommending a reorganization of the Department of Human Rights. The Department would be merged into three divisions: Division of Community Advocacy and Services, Criminal and Juvenile Justice Planning, and Division of Community Action Agencies. Currently, the seven advocacy agencies function separately. The change will allow flexibility within the Department and, if newly recognized constituency groups are added to the Division of Community Advocacy and Services, additional FTE positions would not be necessary. The reorganization is expected to have a minimal fiscal impact on the General Fund.

Federal ARRA Funds – The federal Weatherization Program is administered by the Division of Community Action Agencies within the Department of Human Rights. In FY 2010, the Department was granted \$80.8 million in federal stimulus funding. Half of this amount (\$40.4 million) has been released to the Department of Human Rights. The Department of Energy (DOE) is currently holding the other 50.0% until compliance standards are met. In order to receive the remaining funding from the DOE, 30.0% production must be met. Currently, the Department is at 8.0% compliance. The Department has indicated that there is no danger in losing the \$40.4 million being held by the DOE.

Rebuild Iowa Office

The Rebuild Iowa Office (RIO) is the operational component of the disaster recovery efforts. The mission of the RIO is to ensure that the State rebuilds safer, stronger, and smarter than before from the catastrophic flooding and severe storms of 2008. Throughout its initiatives, the RIO is committed to a recovery and rebuilding process that is fair and equitable to everyone.

The Governor is recommending an appropriation of \$1.1 million for operations of the office in FY 2011. This is an increase of \$921,000 compared to estimated FY 2010 appropriation. The increase will be used for the final year of operation and will replace one-time federal sources that were used to fund the Office in FY 2009 and FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Rebuild Iowa Office</u>			
Rebuild Iowa OR50	\$ 178,449	\$ 1,099,725	\$ 921,276
Total Rebuild Iowa Office	\$ 178,449	\$ 1,099,725	\$ 921,276

Issues

Rebuild Iowa Office Sunset Date – The Rebuild Iowa Office is scheduled to sunset on July 1, 2011. The FY 2011 appropriation will be the final appropriation to the RIO. The Department has indicated that a succession plan is in place to allow the State to continue case management, collection of federal funds, and other services to disaster victims through other departments within State government.

Department of Management

The Department of Management (DOM) is the planning and budgeting agency within the Executive Branch. The director of the Department serves as the Governor's chief financial advisor.

The Governor is recommending FY 2011 General Fund appropriations of \$2.5 million. This is no change compared to estimated FY 2010. The Governor is also recommending an FY 2011 other fund appropriation of \$56,000. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Management, Dept. of</u>			
Department Operations	\$ 2,530,360	\$ 2,530,360	\$ 0
Total Management, Dept. of	\$ 2,530,360	\$ 2,530,360	\$ 0

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Management, Dept. of</u>			
DOM Operations FRRF	\$ 200,000	\$ 0	\$ -200,000
RUTF DOM Operations	56,000	56,000	0
Total Management, Dept. of	\$ 256,000	\$ 56,000	\$ -200,000

Issues

Public Works Efficiency Report – The Public Works Efficiency Report recommends hiring additional staff within the Department of Management (DOM) to work within the Grant Enterprise Management System (GEMS) program to draw federal grants and non-profit funding. The Efficiency Report estimates that an additional \$20.0 million could be generated each fiscal year. Currently, DOM does not have a full-time FTE position devoted to the GEMS office. Senate File 2088 (Government Reorganization and Efficiency Bill) appropriates \$50,000 for hiring 1.0 FTE position for the GEMS Office. The Department has indicated that, if an additional FTE was hired and the existing part-time position was fully funded, the State could add revenue of \$10.0 million for FY 2011 and \$20.0 million for FY 2012.

Federal ARRA Funds – For FY 2010, the Department received a one-time appropriation of \$200,000 for administration of federal ARRA funding. The Governor has not recommended replacing these funds for FY 2011.

Department of Revenue

The Department of Revenue is comprised of six divisions, including: Taxpayer Services and Policy, Compliance, Property Tax, Revenue Operations, Technology and Information Management, and Internal Services. The Department of Revenue collects all taxes in Iowa that are required by law. The Department also provides taxpayers with information that supports tax filing and payments.

The Governor is recommending FY 2011 General Fund appropriations totaling \$22.7 million. This is no change compared to estimated FY 2010. The Governor is also requesting an appropriation of \$1.3 million from the Motor Vehicle Fuel Tax for FY 2011. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Revenue, Dept. of</u>			
Revenue, Department of	\$ 22,729,219	\$ 22,729,219	\$ 0
Total Revenue, Dept. of	\$ 22,729,219	\$ 22,729,219	\$ 0

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Revenue, Dept. of</u>			
Motor Fuel Tax Admin.-MVFT	\$ 1,305,775	\$ 1,305,775	\$ 0
Total Revenue, Dept. of	\$ 1,305,775	\$ 1,305,775	\$ 0

Issues

Public Works Efficiency Report – The Report makes two recommendations relating the Department of Revenue:

- Lower the gambling setoff limit from \$10,000 to \$1,200. If a debtor to the State wins money on a wager at a gambling structure in the State over \$1,200, the amount owed to the State would be collected at the time of payout. The Efficiency Report states that this would generate an additional \$5.0 million in FY 2011 and subsequent fiscal years. The Efficiency Report does not take into account that 50.0% of the money collected would be returned to other governmental entities, including the Judicial Branch and local governments. The LSA estimates the annual revenue increase to the General Fund to be \$2.5 million beginning in FY 2011.
- Appropriate \$325,000 and 5.0 FTE examiner positions to the Department. Each examiner hired generates \$600,000 in increased collections. After four years of experience, collections increase to \$1.0 million per examiner. The hiring of five additional examiners by the Department is expected to generate additional revenue of \$2.7 million in FY 2011, and collections could increase to \$13.4 million over five years.

Secretary of State

The Secretary of State is responsible for filing documents such as Uniform Commercial Code (UCC) financing statements, trademarks, business entity documents, and other statutorily required special filings. The Office also coordinates and supervises elections and maintains and operates the voter registration program.

The Governor is recommending FY 2011 General Fund appropriations totaling \$2.9 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs FY 2010
<u>Secretary of State</u>			
Secretary of State-Operations	\$ 2,895,585	\$ 2,895,585	\$ 0
Total Secretary of State	\$ 2,895,585	\$ 2,895,585	\$ 0

Issues

Combination of Line Items – Prior to FY 2010, the Secretary of State was appropriated two separate line items: Administration/Elections/Voter Registration and Business Services. Due to appropriation decreases in recent fiscal years, these line items were combined in FY 2010 to allow the Department more discretion and flexibility in budgeting.

Treasurer of State

The Treasurer of State provides financial services to the State of Iowa by maintaining records of the receipts and disbursements in the State treasury. The Treasurer is responsible for reporting the bonding activities of all political subdivisions and agencies and makes recommendations to the General Assembly and the Governor on modifications to the bonding authority.

The Governor is recommending an FY 2011 General Fund appropriation of \$854,000 for operation of the Office. This is no change compared to estimated FY 2010. The Governor is also recommending a Road Use Tax Fund appropriation of \$93,000 for FY 2011 to fund I/3 budget system expenses. This is no change compared to estimated FY 2010.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs FY 2010</u>
<u>Treasurer of State</u>			
Treasurer - General Office	\$ 854,289	\$ 854,289	\$ 0
Total Treasurer of State	<u>\$ 854,289</u>	<u>\$ 854,289</u>	<u>\$ 0</u>

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Treasurer of State</u>			
Treasurer of State			
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 0
Total Treasurer of State	<u>\$ 93,148</u>	<u>\$ 93,148</u>	<u>\$ 0</u>

Issues

Public Works Efficiency Report – The Public Works Efficiency Report makes a recommendation concerning the State collection of unclaimed property. The Report recommends that Iowa purchase new software and search engine technologies to enhance the location of lost assets and missing policy holders as a result of insurance company demutualization. The Report estimates that this, as well as other related recommended actions, would allow Iowa to generate \$40.0 million per year over five years. It is unclear from the information available whether this is gross revenue or net revenue (after claims have been paid).

Iowa Public Employees Retirement System

The Iowa Public Employees' Retirement System (IPERS) administers the retirement benefits for many of Iowa's public employees. Iowa's public employers use IPERS benefits to attract and retain qualified public personnel in public service. The benefits help public employees care for themselves during retirement.

The Governor is recommending an appropriation of \$17.7 million from the IPERS Trust Fund for FY 2011 for administration of the Fund. This is a decrease of \$315,000 (2.0%) compared to estimated FY 2010.

Other Fund Recommendations

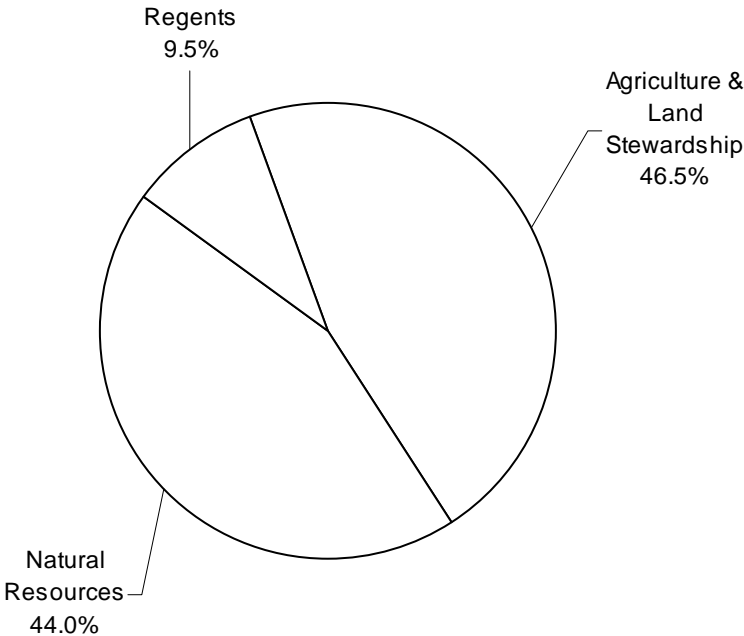
	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>IPERS Administration</u>			
IPERS Administration			
IPERS Administration	\$ 18,001,480	\$ 17,686,968	\$ -314,512
Total IPERS Administration	<u>\$ 18,001,480</u>	<u>\$ 17,686,968</u>	<u>\$ -314,512</u>

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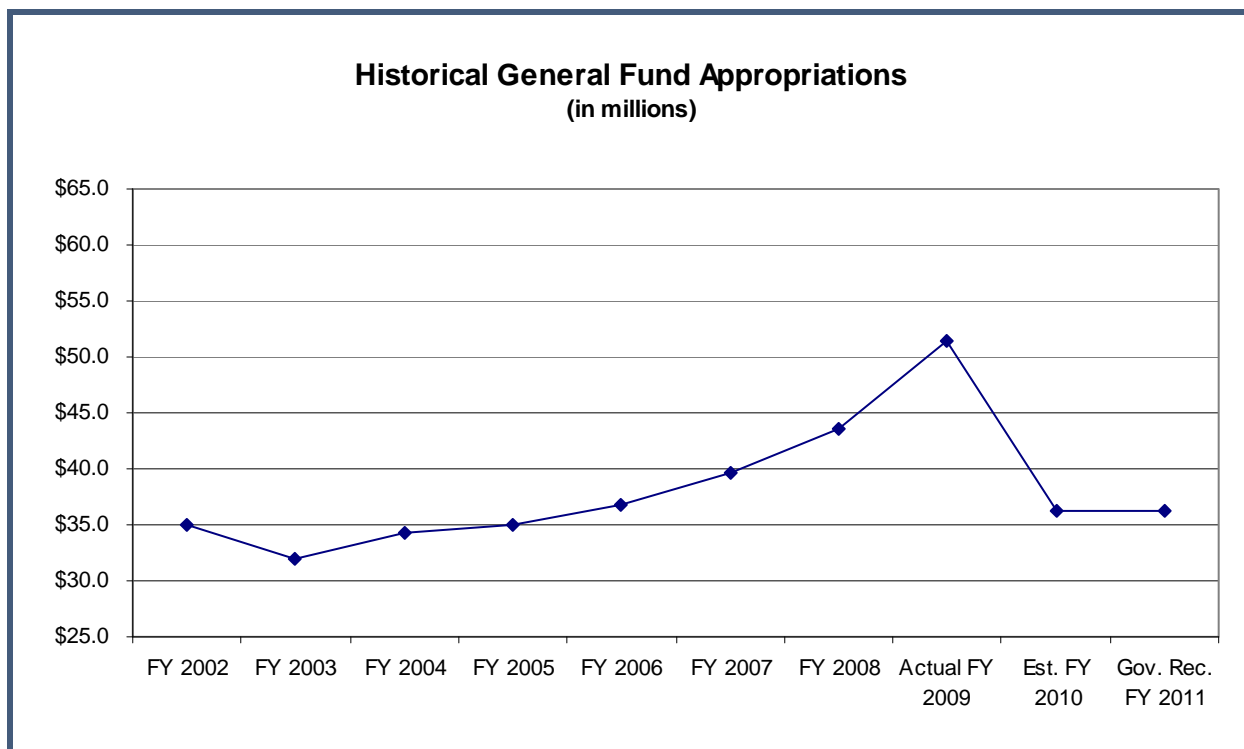
**AGRICULTURE AND NATURAL RESOURCES
APPROPRIATIONS SUBCOMMITTEE**

FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Agriculture & Land Stewardship	\$	16,872,308
Natural Resources		15,968,410
Regents		3,444,294
	\$	<u>36,285,012</u>



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department of Agriculture and Land Stewardship

The Department of Agriculture and Land Stewardship (DALs) was created in 1923 to oversee agriculture in the State. Land stewardship functions were added in 1986. The Department has two operating divisions: the Consumer Protection and Industry Services Division and the Soil Conservation Division.

The Governor is recommending FY 2011 General Fund appropriations totaling \$16.9 million. This is an increase of \$18,000 compared to estimated FY 2010 to replace funding that was previously reduced in the Avian Influenza Program. The Governor is also recommending FY 2011 other fund appropriations totaling \$14.3 million. This is a decrease of \$2.0 million (12.4%) compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Agriculture and Land Stewardship</u>			
Administrative Division	\$ 16,872,308	\$ 16,872,308	\$ 0
Avian Influenza	-18,077	0	18,077
Total Agriculture and Land Stewardship	\$ 16,854,231	\$ 16,872,308	\$ 18,077

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Agriculture and Land Stewardship</u>			
Agriculture and Land Stewardship			
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 0
Motor Fuel Inspection-RFIF	300,000	300,000	0
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	0
Watershed Protection Fund-EFF	2,550,000	1,500,000	-1,050,000
Farm Management Demo.-EFF	800,000	750,000	-50,000
Agricultural Drainage Wells-EFF	1,500,000	1,000,000	-500,000
Cost Share-EFF	7,000,000	7,000,000	0
Conservation Reserve Prog.-EFF	1,500,000	1,221,600	-278,400
So. Iowa Conservation & Dev.-EFF	300,000	250,000	-50,000
Total Agriculture and Land Stewardship	\$ 15,755,516	\$ 13,827,116	\$ -1,928,400
Loess Hills Dev. and Conservation			
Loess Hills-EFF	\$ 600,000	\$ 500,000	\$ -100,000
Total Agriculture and Land Stewardship	\$ 16,355,516	\$ 14,327,116	\$ -2,028,400

Changes include:

- A decrease of \$1.1 million for the Watershed Protection Fund.
- A decrease of \$50,000 for the Farm Management Demonstration Program.
- A decrease of \$500,000 for the Agricultural Drainage Wells Program.
- A decrease of \$278,000 for the Conservation Reserve Program.
- A decrease of \$50,000 for the Southern Iowa Conservation and Development Authority.
- A decrease of \$100,000 for the Loess Hills Development and Conservation Authority.

Issues

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$561,000 was transferred to the Department for payment of salaries and operations for FY 2010.

Watershed Protection Fund – The Department works with Soil and Water Conservation Districts to identify problem watersheds to reduce soil erosion, protect water quality, provide flood reduction, and protect natural resources. Currently there are 50 watershed projects that have leveraged over \$1.3 million in funding from other sources. The Governor is recommending funding of \$1.5 million from the Environment First Fund for FY 2011. This is decrease of \$1.1 million compared to estimated FY 2010.

I-JOBS Soil Conservation Projects – The Department was appropriated one-time funding of \$11.5 million from the Revenue Bonds Capital Fund for the following soil conservation projects:

- \$4.0 million for the Conservation Reserve Enhancement Program (CREP)/Iowa Drainage & Wetlands Landscape Systems Initiative.
- \$3.0 million for the repair of conservation practices due to flooding that were not covered by a maintenance agreement.

- \$3.5 million for a Targeted Watersheds Program that focuses on reducing future flooding and improving water quality in selected watersheds.
- \$500,000 for wetland mitigation banks that are wetlands, streams, or other aquatic resource areas that have been restored, established, or enhanced, to compensate for unavoidable impacts to aquatic resources as outlined in Section 404 of the federal Clean Water Act.
- \$500,000 for the abandoned coal mines reclamation projects and money will be leverage to obtain federal funds and private funding.
- The Governor is not recommending funding for FY 2011.

Department of Natural Resources

The Department of Natural Resources (DNR) is responsible for maintaining State parks and forests, protecting the environment, and managing energy, fish, wildlife, and land and water resources in Iowa.

The Governor is recommending FY 2011 General Fund appropriations totaling \$16.0 million. This is an increase of \$9,000 (0.1%) compared to estimated FY 2010 to replace funding that was reduced in the Redemption Center Grants Program. The Governor is recommending other fund appropriations of \$42.5 million. This is no change compared to estimated FY 2010. The Governor is also recommending \$21.3 million for capital projects. This is a decrease of \$4.5 million (17.4%) compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Natural Resources, Dept. of</u>			
Natural Resources Operations	\$ 15,968,410	\$ 15,968,410	\$ 0
Redemption Center	-8,843	0	8,843
Supplemental to Fish & Wildlife Trust Fund	0	0	0
Total Natural Resources, Dept. of	\$ 15,959,567	\$ 15,968,410	\$ 8,843

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Natural Resources, Dept. of</u>			
Natural Resources			
Fish & Game-DNR Admin Expenses	\$ 38,793,154	\$ 38,793,154	\$ 0
Snowmobile Registration Fees	100,000	100,000	0
UST Administration Match	200,000	200,000	0
GWF-Storage Tanks Study-DNR	100,303	100,303	0
GWF-Household Hazardous Waste-DNR	447,324	447,324	0
GWF-Well Testing Admin 2%-DNR	62,461	62,461	0
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	0
GWF-Landfill Alternatives-DNR	618,993	618,993	0
GWF-Waste Reduction and Assistance	192,500	192,500	0
GWF-Solid Waste Authorization	50,000	50,000	0
GWF-Geographic Information System	297,500	297,500	0
Total Natural Resources, Dept. of	\$ 42,548,986	\$ 42,548,986	\$ 0
<u>Natural Resources Capital</u>			
Natural Resources Capital			
REAP-EFF	\$ 18,000,000	\$ 12,000,000	\$ -6,000,000
Volunteers and Keepers of Land-EFF	100,000	100,000	0
Park Operations & Maintenance-EFF	2,470,000	4,000,000	1,530,000
GIS Information for Watershed-EFF	195,000	195,000	0
Water Quality Monitoring-EFF	2,955,000	2,955,000	0
Water Quality Protection-EFF	500,000	500,000	0
Air Quality Monitoring-EFF	425,000	425,000	0
Water Quantity-EFF	495,000	495,000	0
Resource Conservation and Dev.-EFF	250,000	0	-250,000
Animal Feeding Operations-EFF	360,000	608,400	248,400
Total Natural Resources Capital	\$ 25,750,000	\$ 21,278,400	\$ -4,471,600

Changes include:

- A decrease of \$6.0 million to the Resource Enhancement and Protection Fund (REAP).
- An increase of \$1.5 million for State Park operations and maintenance.
- A decrease of \$250,000 for the Resource Conservation and Development Authority.
- An increase of \$248,000 for regulation of animal feeding operations.

Issues

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$273,000 was transferred from the DNR from furlough and deferred compensation savings to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Public Works Report – The Public Works Report recommended the elimination of the Underground Storage Tank Board and to transfer the Board’s administrative functions to the Department of Natural Resources. The recommendation estimated annual administrative expenditures at \$1.4 million per year

Agriculture and Natural Resources Appropriations Subcommittee

and that the Department could perform these tasks for \$600,000 per year. Cost savings to the State would be \$800,000 per year.

State Park Operations – The DNR estimated there were over 14.0 million visitors and 715,000 campers at the 84 State Parks in FY 2009. Due to General Fund budget reductions, seasonal staff was reduced from 300 to 32 individuals and in turn routine maintenance such as cutting the grass and trash removal has been reduced. Although numerous volunteer organizations have assisted the DNR in performing these tasks, many parks are not being maintained as well as in previous years. The Governor is recommending funding of \$4.0 million from the Environment First Fund for State Park maintenance and operations. This is an increase of \$1.5 million compared to estimated FY 2010.

Animal Feeding Operations – The DNR estimates there were over 5,000 manure management plans in FY 2009. Due to General Fund budget cuts, the staff in the Animal Feeding Operations Program has been reduced from 23.0 FTE positions to 11.5 FTE positions. The Governor is recommending \$608,000 from the Environment First Fund for Animal Feeding Operations. This is an increase of \$248,000 compared to estimated FY 2010.

Board of Regents

The Board of Regents oversees the three State universities, including Iowa State University (ISU). The Veterinary Diagnostic Laboratory at ISU historically received funding through the Agriculture and Natural Resource Appropriations Subcommittee. The Governor is recommending a \$3.4 million appropriation for FY 2011 for the Veterinary Diagnostic Laboratory. This is no change compared to estimated FY 2010.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Regents, Board of</u>			
ISU - Veterinary Diagnostic Laboratory	\$ 3,444,294	\$ 3,444,294	\$ 0
<u>Total Regents, Board of</u>	<u>\$ 3,444,294</u>	<u>\$ 3,444,294</u>	<u>\$ 0</u>

Department of Economic Development

The Department of Economic Development (DED) promotes economic development policies and practices that stimulates and sustains Iowa's economic growth and climate and that integrate efforts across public and private sectors. The Agriculture and Natural Resource Appropriations Subcommittee appropriated funds to DED in FY 2009 from the Environment First Fund for the Brownfields Redevelopment Program. The Governor is recommending no funding from the Environment First Fund for FY 2011. This is a decrease of \$500,000 (100.0%) compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Economic Development, Dept. of</u>			
Economic Development, Dept. of			
Brownfields Redevelopment-EFF	\$ 500,000	\$ 0	\$ -500,000
Total Economic Development, Dept. of	<u>\$ 500,000</u>	<u>\$ 0</u>	<u>\$ -500,000</u>

Environment First Fund

The Environment First Fund was created by the 2000 General Assembly to provide funding for environmental programs. A standing appropriation of \$35.0 million was established in FY 2001 for the Fund from the Rebuild Iowa Infrastructure Fund (RIIF). The standing appropriation was increased to \$40.0 million for FY 2008 and \$42.0 million for FY 2009. The Agriculture and Natural Resources Appropriations Subcommittee made recommendations to the General Assembly regarding programs that should receive appropriations from the Fund. The Governor is recommending funding of \$35.0 million to the Environment First Fund. This is a decrease of \$7.0 million (16.7%) compared to estimated FY 2010. The following is a summary of the recommendations:

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Dept. of Agriculture and Land Stewardship</u>			
Conservation Reserve Enhancement	\$ 1,500,000	\$ 1,500,000	\$ 0
Watershed Protection Fund	2,550,000	1,500,000	-1,050,000
Farm Management Demonstration	800,000	750,000	-50,000
Agricultural Drainage Wells	1,500,000	1,000,000	-500,000
Cost Share	7,000,000	7,000,000	0
Conservation Reserve Program	1,500,000	1,221,600	-278,400
So. Iowa Conservation & Dev. Authority	300,000	250,000	-50,000
Loess Hills Authority	600,000	500,000	-100,000
Total Dept. Agriculture and Land Steward.	<u>\$ 15,750,000</u>	<u>\$ 13,721,600</u>	<u>\$ -2,028,400</u>

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Dept. of Natural Resources</u>			
REAP	\$ 18,000,000	\$ 12,000,000	\$ -6,000,000
Volunteers and Keepers of Land	100,000	100,000	0
Park Operations & Maintenance	2,470,000	4,000,000	1,530,000
GIS Information for Watershed	195,000	195,000	0
Water Quality Monitoring	2,955,000	2,955,000	0
Water Quality Protection	500,000	500,000	0
Air Quality Monitoring	425,000	425,000	0
Animal Feeding Operations	360,000	608,400	248,400
Global Climate Change	0	0	0
Water Quantity	495,000	495,000	0
Resource Conservation and Development	250,000	0	-250,000
Total Dept. of Natural Resources	\$ 25,750,000	\$ 21,278,400	\$ -4,471,600
<u>Economic Development, Department of</u>			
Env DED Brownfields	\$ 500,000	\$ 0	\$ -500,000
Total Economic Development, Dept. of	\$ 500,000	\$ 0	\$ -500,000
Total Environment First Fund	\$ 42,000,000	\$ 35,000,000	\$ -7,000,000

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Care of Animals in Commercial Enterprises Study Committee

The Care of Animals in Commercial Enterprises Study Committee was created with the charge to consider regulation and other issues connected with the care of dogs, cats, and other pets in nonagricultural commercial establishments and enterprises. The Committee met on September 29, 2009, and made the following recommendations:

- Upon complaint, the State may inspect an establishment with a federal license who is issued a State Certificate of Inspection.
- A federal licensee that is issued a State Certificate of Inspection as a commercial breeder must obtain continuing training if the commercial breeder violates the federal Animal Welfare Act.
- The General Assembly may increase fees imposed upon federal licensees who are being issued a State Certificate of Registration and that the Department of Agriculture and Land Stewardship (DALs) retain the fees to be used for regulating commercial establishments.
- The General Assembly provide methods necessary to better identify persons operating a commercial establishment that has not been issued a State license or State Certificate of Registration as required by law.
- The General Assembly requires a veterinarian to report to the State any serious violation with regards to the standard of care after examining an animal in their office.
- The Department of Revenue consistently enforce the collection of the sales tax currently imposed on persons that sell companion animals on a retail basis, including enforcement on persons operating commercial establishments that fail to remit the sales tax on the sale of dogs as required by law.

- That the State Veterinarian investigates the possibility of requiring veterinarians to issue certificates of inspection or health certificates when dogs are moved within the State, and report the results of that investigation to the General Assembly.
- That the Legislative Services Agency research provisions in Colorado statutes that address issues discussed by the Committee during its meeting, and report the results of that research to the Committee.
- That the Legislative Services Agency draft a letter for submission by the co-chairpersons on behalf of the Committee to members of Iowa's congressional delegation, and to the Secretary of Agriculture, United States Department of Agriculture, which expresses concern regarding the failure of a federal inspector in Iowa to adequately report violations of the federal Animal Welfare Act and USDA regulations in inspection reports, and to encourage the delegation to meet with the Secretary or the appropriate undersecretary responsible for the department's Animal and Plant Health Inspection Service.

Comprehensive Recycling Planning Task Force

The General Assembly created the Comprehensive Recycling Task Force in HF 826 (FY 2010 Recycling Planning Task Force Act). The Task Force met to make recommendations to the General Assembly related to the creation and enhancement of sustainable recycling programs in Iowa that addressed waste generated from the residential, commercial and industrial sectors. A final report was submitted to the Governor and the General Assembly on December 21, 2009. For more information on the Task Force, refer to the following website at: <http://www.iowadnr.gov/waste/sw/taskforce.html>.

Upland Game Bird Study Advisory Committee

The Upland Game Bird Study Advisory Committee was created in HF 722 (FY 2010 Natural Resource Conservation Act). The Committee began meeting in September to determine ways to restore sustainable populations of pheasants and quail in Iowa in order to maximize the economic value of upland game bird hunting to Iowa's economy. A final report with recommendations will be submitted to the Governor and the General Assembly in February 2010.

Water Resources Coordinating Council

The Water Resources Coordinating Council was established in HF 2400 (FY 2009 Watershed Quality Task Force Policy Act). The Council is under the Office of the Governor with the purpose to preserve and protect Iowa's water resources, and to coordinate the management of those resources in a sustainable and fiscally responsible manner. The General Assembly passed HF 756 (FY 2010 Rebuild Iowa Policy Act) that added to the responsibilities of floodplain mitigation to the Council and specified that recommendations on flooding issues be submitted to the Governor and the General Assembly by November 15, 2009. For more information on the Council that includes the report, refer to the following website: <http://www.rio.iowa.gov/wrcc/council.html>.

Watershed Improvement Review Board

The Watershed Improvement Review Program was established during the 2005 General Assembly in SF 200 (Agriculture Powers, Duties, and Watershed Improvement Act). The legislation also created a Watershed Improvement Review Fund and a Watershed Improvement Review Board. The purpose of

the Board is to review applications and award grants for projects that will encourage public participation and input for determining priorities to improve the State's water quality. Beginning in FY 2006, \$5.0 million has been appropriated each year for grants.

Funding for the Watershed Improvement Review Fund is appropriated to the State Treasurer each year. The State Treasurer is requesting \$5.0 million from the Rebuild Iowa Infrastructure Fund for FY 2011 to continue the funding for the Program. For more information on the Watershed Improvement Review Board, refer to the following website: <http://www.iowaagriculture.gov/IWIRB.asp>.

LSA Publications

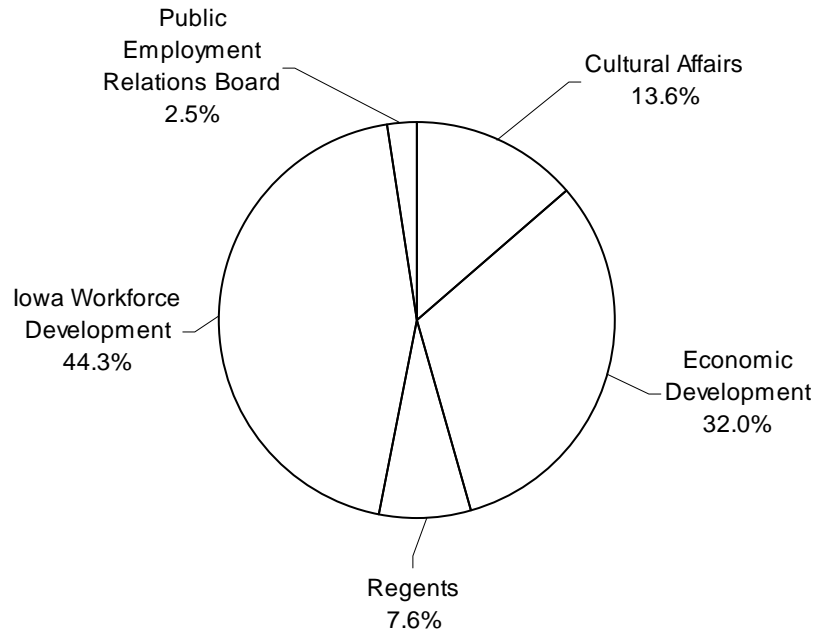
The following *Fiscal Topics* have been issued by the LSA that relate to the Agriculture and Natural Resources Appropriations Subcommittee:

- [Environment First Fund](#)
- [Resource Enhancement and Protection Fund](#)

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ECONOMIC DEVELOPMENT APPROPRIATIONS SUBCOMMITTEE

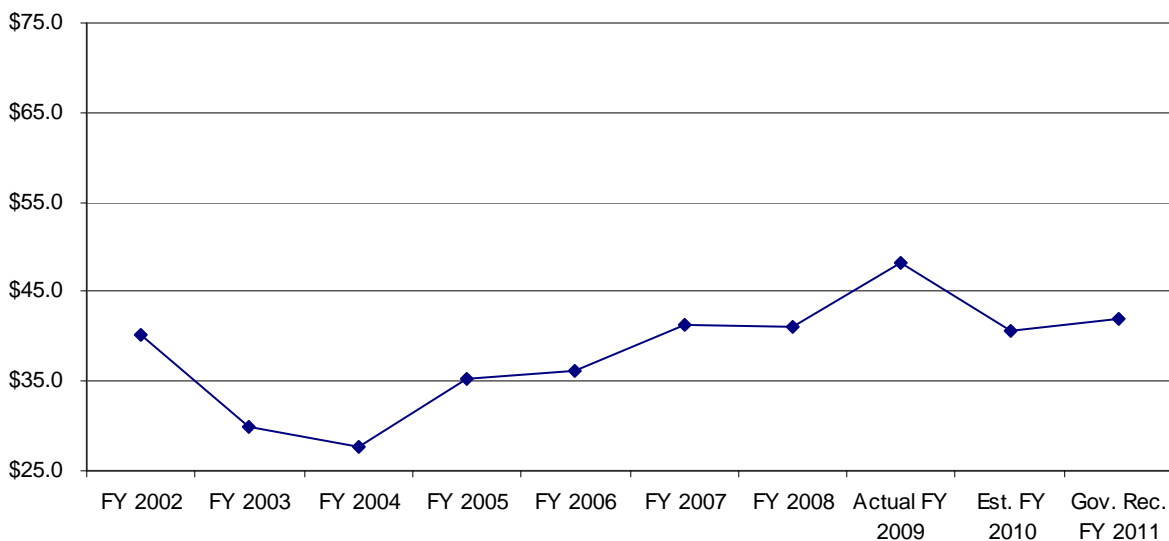
FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Cultural Affairs	\$ 5,682,275
Economic Development	13,414,774
Regents	3,184,029
Iowa Workforce Development	18,571,976
Public Employment Relations Board	1,051,903
	<u>\$ 41,904,957</u>

Historical General Fund Appropriations (in millions)



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department of Cultural Affairs

The Iowa Department of Cultural Affairs provides cultural leadership and direction for the State through the Iowa Arts Council and the State Historical Society of Iowa.

The Governor is recommending FY 2011 General Fund appropriations totaling \$5.7 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Cultural Affairs, Dept. of</u>			
Administration Division	\$ 212,069	\$ 212,069	\$ 0
Community Cultural Grants	273,500	273,500	0
Historical Division	3,195,107	3,195,107	0
Historic Sites	493,060	493,060	0
Arts Division	1,023,712	1,023,712	0
Great Places	214,869	214,869	0
Archiving Former Governor's Papers	70,142	70,142	0
Records Center Rent	199,816	199,816	0
Total Cultural Affairs, Dept. of	\$ 5,682,275	\$ 5,682,275	\$ 0

Issues

Iowa Cultural Trust – When the principal balance in the Iowa Cultural Trust Grant Account equals or exceeds \$3.0 million, the Board of Trustees of the Iowa Cultural Trust may use moneys for a Statewide educational program to promote participation in, expanded support of, and local endowment building for, Iowa nonprofit arts, history, and sciences and humanities organizations. The current balance in the Account, as of January 26, 2010, is \$5.2 million. Iowa Code Section 15G.111(7) allocates through FY 2015, \$1.0 million annually from the \$50.0 million Grow Iowa Values Fund (GIVF) appropriation. The Governor has recommended a \$38.0 million appropriation from the Rebuild Iowa Infrastructure Fund (RIIF) for the GIVF. The Governor is also recommending a \$1.0 million appropriation for Great Places from the GIVF. It is not clear how this will impact the allocation of the GIVF funding.

Notice of Appropriation Transfer – On October 5, 2009, LSA received notice that \$60,000 was being transferred into the State Historical Society from Great Places. The transfer was to reduce worker layoffs.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$35,000 was being transferred into the State Historical Society from savings generated by furlough and deferred compensation savings from the other appropriations in the Department. These funds partially offset the 10.0% across-the-board reduction implemented on October 9, 2009.

Department of Economic Development

The main products and services offered by the Iowa Department of Economic Development generally involve business development or community development. The types of products and services in both categories include the following:

- Marketing and promotion to encourage customers and partners to help achieve common development goals.
- Financial assistance to communities and businesses for specific development.
- Technical assistance to communities and community organizations and businesses.

The Governor is recommending FY 2011 General Fund appropriations totaling \$13.4 million. This is an increase of \$259,000 compared to estimated FY 2010. The Governor is also recommending other fund appropriations totaling \$4.1 million for FY 2011. This is a decrease of \$144,00 compared to estimated FY 2010 to eliminate the funding for the Council of Governments.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Economic Development, Dept. of</u>			
Economic Dev. Administration	\$ 1,826,046	\$ 1,976,046	\$ 150,000
Business Development	5,346,536	5,346,536	0
Community Development Division	5,063,917	5,063,917	0
World Food Prize	750,000	750,000	0
Historic Preservation Challenge Grants	165,775	165,775	0
Iowa Comm. Volunteer Ser.-Promise	112,500	112,500	0
TSB Marketing and Compliance	-9,457	0	9,457
TSB Process Improvement & Admin.	-20,358	0	20,358
TSB Advocacy Centers	-79,308	0	79,308
Total Economic Development, Dept. of	\$ 13,155,651	\$ 13,414,774	\$ 259,123

Significant changes include:

- An increase of \$150,000 for Economic Development Administration to replace a portion of the \$219,000 FY 2010 ATB reduction.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Economic Development, Dept. of</u>			
Council of Governments	\$ 144,000	\$ 0	\$ -144,000
DED - Workforce Development Fund	4,000,000	4,000,000	0
Endow Iowa Admin-County Endw. Fund	70,000	70,000	0
Total Economic Development, Dept. of	\$ 4,214,000	\$ 4,070,000	\$ -144,000

Changes include:

- Council of Governments - A decrease of \$144,000 from interest earnings on the Federal Economic Stimulus and Jobs Holding Account to eliminate the support.

Issues

Targeted Small Business (TSB) Funding – The Subcommittee may want to review the historic funding for TSB programs. House File 890 (Targeted Small Business FY 2007 Supplemental Appropriations Act) made General Fund appropriations totaling \$4.0 million for efforts to support the Targeted Small Business (TSB) Taskforce recommendations. The Department is currently operating the programs with carry-forward funds and other funding sources. The funding was allocated as follows:

- \$900,000 to the Department of Economic Development (DED) for the establishment of TSB advocate service providers.
- \$2.5 million to the DED for deposit in the TSB Financial Assistance Program Account of the Strategic Investment Fund.

- \$225,000 and 1.0 FTE position to the DED for marketing, compliance activities, and administrative costs related to the TSB Financial Assistance Program and the Iowa TSB Procurement Act.
- \$225,000 to the DED for process improvement and administrative costs related to the TSB Financial Assistance Program and the Iowa TSB Procurement Act.
- \$150,000 and 1.0 FTE position to the Department of Inspections and Appeals (DIA) for a dedicated TSB Certification Employee.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$122,000 was being transferred to other appropriations, including \$15,000 for the DED Administrative Division, from savings generated by furlough and deferred compensation savings from the other appropriations in the Department. These funds partially offset the 10.0% across-the-board reduction implemented on October 9, 2009.

Board of Regents

The Economic Development Appropriations Subcommittee appropriates funds to the Board of Regents universities for the following purposes:

- The University of Iowa (SUI) Economic Development appropriation includes Advanced Drug Development, Oakdale Research Park, and the Technology Innovation Center.
- The Iowa State University (ISU) Economic Development appropriation includes the Institute for Physical Research and Technology, Small Business Development Centers, and the ISU Research Park.
- The University of Northern Iowa (UNI) Economic Development appropriation includes the Institute for Decision Making, Metal Casting Center, and MyEntrenet.

The Governor is recommending FY 2011 General Fund appropriations totaling \$3.2 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Regents, Board of</u>			
ISU - Economic Development	\$ 2,475,983	\$ 2,475,983	\$ 0
SUI - Economic Development	222,372	222,372	0
UNI - Economic Development	485,674	485,674	0
Total Regents, Board of	\$ 3,184,029	\$ 3,184,029	\$ 0

Issues

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$6,000 was being transferred to other appropriations from savings generated by furlough and deferred compensation savings. These funds partially offset the 10.0% across-the-board reduction implemented on October 9, 2009 for the recipient agencies.

Iowa Workforce Development

The Department of Iowa Workforce Development (IWD) strives to improve the income, productivity, and safety of all Iowans. In conjunction with State and local economic development efforts, the IWD also assists businesses in fulfilling workforce needs. The IWD major products and services include:

- Workforce Center Services
- Compliance Assistance and Enforcement
- Unemployment Insurance
- Workforce Information and Analysis
- Adjudication, Compliance, and Education
- Resource Management

The Governor is recommending FY 2011 General Fund appropriations totaling \$18.6 million. This is an increase of \$1.0 million compared to estimated FY 2010. The Governor is also recommending other fund appropriations totaling \$7.3 million for FY 2011. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Iowa Workforce Development</u>			
IWD - Labor Services Division	\$ 3,395,440	\$ 3,495,440	\$ 100,000
IWD - Workers' Comp Division	2,595,768	2,595,768	0
IWD Operations - Field Offices	10,795,474	11,645,474	850,000
Offender Reentry Program	322,261	322,261	0
Security Employee Training Program	13,033	13,033	0
Statewide Standard Skills Assessment	-33,699	0	33,699
Employee Misclassification	450,000	500,000	50,000
Total Iowa Workforce Development	\$ 17,538,277	\$ 18,571,976	\$ 1,033,699

Significant changes include:

- An increase of \$100,000 for IWD Labor Services to replace a portion of the \$456,000 ATB reduction to continue inspection of inflatable amusement devices.
- An increase of \$850,000 for Workforce Development Field Offices to replace a portion of the \$1.2 million ATB reduction.
- An increase of \$50,000 for the Employee Misclassification Program to restore the ATB reduction.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Iowa Workforce Development</u>			
P & I Workforce Development Field Offices	\$ 360,000	\$ 360,000	\$ 0
Workers' Comp. Div.-Sp. Cont. Fund	471,000	471,000	0
IWD Field Offices (UI Reserve Interest)	6,500,000	6,500,000	0
Total Iowa Workforce Development	\$ 7,331,000	\$ 7,331,000	\$ 0

Issues

Workforce Development Field Offices Funding – The Subcommittee may want to review the funding streams for the Workforce Development Field Offices. The total estimated FY 2010 appropriation is \$17.3 million and the FY 2011 Governor's recommendation is \$18.1 million, with \$6.5 million from interest on the Unemployment Compensation Reserve Fund and the remaining amounts appropriated from the General Fund. The current balance in the fund is approximately \$154.1 million.

Notice of Appropriation Transfer – On October 5, 2009, LSA received notice that \$250,000 was being transferred into the Department of Management (DOM) from the Workforce Development Field Offices. The transfer was to be used to pay for contract services for the DOM.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$344,000 was being transferred to other appropriations from savings generated by furlough and deferred compensation savings. These funds partially offset the 10.0% across-the-board reduction implemented on October 9, 2009 for the recipient agencies.

Public Employment Relations Board

The Public Employment Relations Board (PERB) is responsible for implementing the provisions of the Public Employment Relations Act (PERA), and for adjudicating and conciliating labor/management disputes involving public employers and employee organizations throughout the State.

The Governor is recommending an FY 2011 General Fund appropriation of \$1.1 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Employment Relations Board</u>			
PER Board - General Office	\$ 1,051,903	\$ 1,051,903	\$ 0
Total Public Employment Relations Board	\$ 1,051,903	\$ 1,051,903	\$ 0

Iowa Finance Authority

The Iowa Finance Authority (IFA) mission is to finance, administer, advance and preserve affordable housing and to promote community and economic development for Iowans.

The Governor is recommending no FY 2011 General Fund appropriation. House Study Bill 666 (IFA Programs Bill) would shift the responsibility for paying the expenses for public members of the Council on Homelessness to other IFA funding sources.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Iowa Finance Authority</u>			
Council on Homelessness	\$ 4,500	\$ 0	\$ -4,500
Total Iowa Finance Authority	\$ 4,500	\$ 0	\$ -4,500

Issues

Consolidation of Housing Programs - The Public Works LLC recommended moving the housing programs located at the Department of Economic Development (DED) to the Iowa Finance Authority (IFA). Their report reflected a State funds savings of \$100,000. The programs do not involve the General Fund. Any savings would be for non-General Fund sources. Senate File 2088 (State Government Reorganization) does not move the programs. However, the Bill does require a joint review of the programs by the DED and IFA. Any administrative efficiencies that may arise from the consolidation of federally funded programs is unknown until the required review is completed.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$4,500 was being transferred into the Department of Management (DOM) from the Council on Homeless. The transfer was to be used to pay for contract services for the DOM.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Job Training Needs Study Committee

The Job Training Needs Study Committee was charged with examining various job training issues and needs, with a particular focus on underserved populations in Iowa. Underserved populations include people earning less than \$20,000 per year, minorities, women, persons with disabilities, the elderly, and persons convicted of felonies who are trying to reenter society after release from prison. The Committee had one meeting on November 3, 2009.

Proposed Job Training Needs Interim Study Committee Recommendations

The following are policy recommendations that are encouraged to be implemented without fiscal restraints:

1. As the Department of Workforce Development proceeds in developing efforts to integrate its service delivery and one-stop centers, the centers should integrate apprenticeships into their

business engagement strategies by encouraging the development of new apprenticeship programs. As part of that effort, apprenticeship staff should be colocated in one-stop centers to work collaboratively with federal Workforce Investment Act (WIA) case managers and veterans' representatives.

2. Increase apprenticeship training through the Iowa Jobs Training Act, Code Chapter 260F, under the \$4 million cap established under Code Section 15.343(3).
 3. The departments of Human Services and Workforce Development should collaboratively look at ways to reduced the administration costs and improve the service delivery of the Family Investment Program and PROMISE JOBS, and recommend any changes to these programs to the Legislature.
 4. The Department of Workforce Development should be commended for the use of discretionary funding for the Iowa Jobs for America's Graduates (IJAG) program and developing a \$1 million competitive grant program using federal American Recovery and Reinvestment Act of 2009 (ARRA) dollars that the 15 Regional Workforce Investment Boards could apply for. The grants could be used for supporting existing programs or special projects for Disadvantaged Minority Youths. After the funded projects meet their completion on June 30, 2010, these projects should be evaluated for effectiveness. If more federal funds become available, the grant program is encouraged to continue and identified effective practices should be emphasized in the application process.
 5. The Board of Parole should develop an outreach program to employers to create greater awareness of the Certificate of Employability program.
 6. Job training programs established under Code Chapters 260E and 260F need to identify how many jobs are created in a project and determine which projects have met their job creation goals, and this information needs to be posted on the Department of Economic Development's website.
- Agencies across Iowa state government are involved in job training. With the budget situation being compressed for the 2010-2011 fiscal year, agencies, non-profit entities, businesses, and federal agencies should all be encouraged to look for ways for collaboration, promotion, partnering, pooling resources and collocating programs in how they are administered.
 - The Department of Workforce Development should examine the relative proportions of funding the state receives under WIA that is going to training, administration, or other WIA-related requirements, including requirements and best practices that other states have implemented in providing job training services.
 - Community colleges should look for ways to enroll the underserved populations in job training programs, in particular, training programs which are funded with Workforce Training and Economic Development Funds.
 - Community colleges, businesses and other groups that train employees should issue training completion certificates to those who successfully complete training programs.
 - The committee identified many ideas that need to be explored when funds become available. The ideas would improve Iowa's job training efforts and participation of underserved populations. Those ideas include the following:

1. Fund the National Career Readiness Certificate.
2. Increase funding for integrating adult basic education and English as a second language programs that concurrently provide students with literacy education and workforce skills.
3. Increase access to basic digital literacy programs.
4. Create a specific source of funding for short-term job training programs that are not eligible for Pell Grants.
5. The addition of full-time equivalent positions by the Department of Corrections to collaborate with the Department of Workforce Development on the Offender Reentry Program.
6. Expand eligibility and the availability of Individual Training Accounts.
7. Create a tuition scholarship program for low-income workers.
8. Fully fund Iowa's Work-Study Program.
9. Encourage schools to expose students at an early age to the availability of technical training through Iowa's community colleges.
10. Labor unions should encourage minorities, persons with disabilities, and women to work in trades fields.
11. Community colleges should promote job training programs to Iowa's youth, ages 7-14.
12. Training should be made available to assist apprenticeship providers in the best practices for recruitment and retention and avoiding conflict in the workplace.
13. Funding for IJAG through General Fund and discretionary allocations should continue. The program provides students with life skills and job attainment and assistance to a post secondary education.
14. When possible, government job training programs need to collaborate with non-profit, community, faith based, and other agencies, to make sure underserved populations have a part of their continued services.

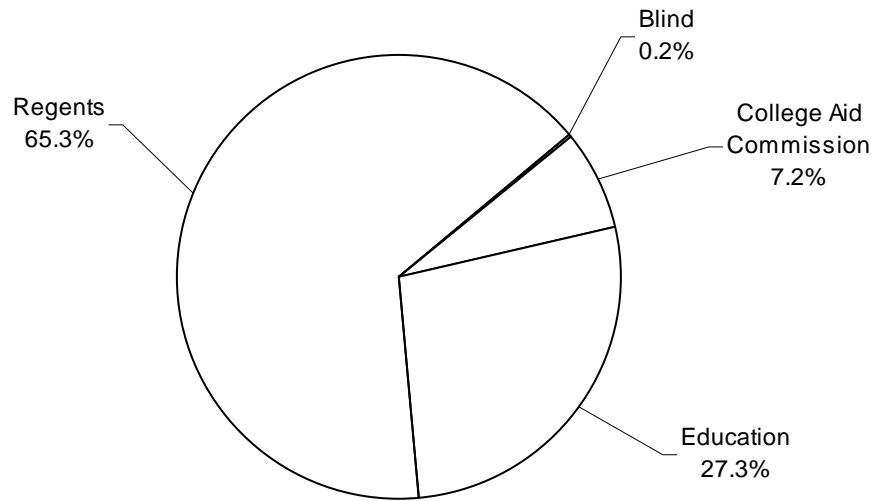
Additional information is available on the website at:

http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=485

Staff Contact: Ron Robinson (515-281-6256) ron.robinson@legis.state.ia.us

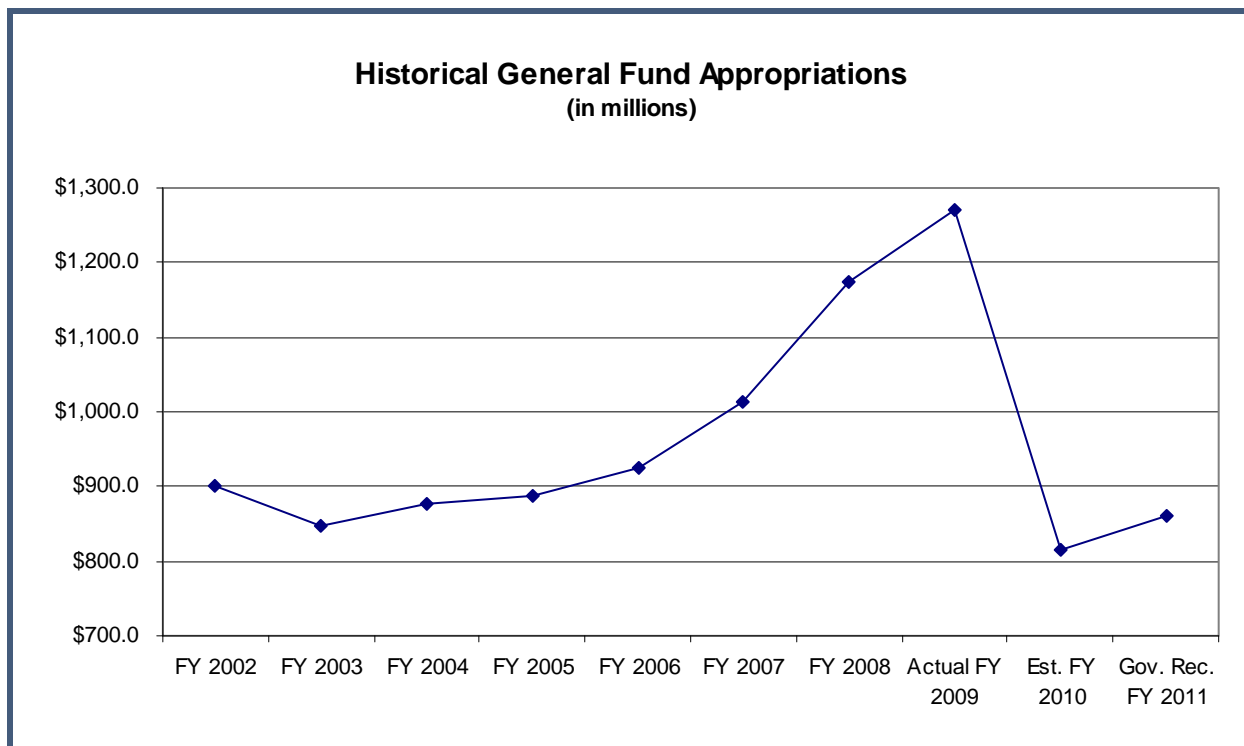
EDUCATION APPROPRIATIONS SUBCOMMITTEE

FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Blind	\$ 2,032,265
College Student Aid	61,742,720
Education	235,168,310
Regents	562,035,207
	<u>\$ 860,978,502</u>



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department for the Blind

The Department for the Blind provides vocational rehabilitation, independent living skills, library services, and other essential services to blind Iowans. The Department consists of four organizational divisions: Field Operations, Adult Orientation and Adjustment Center, Business Enterprises Program, and Library for the Blind and Physically Handicapped.

The Governor is recommending an FY 2011 General Fund appropriation of \$2.0 million, which is no change compared to estimated FY 2010.

General Fund Recommendation

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Blind, Dept. of the</u>			
Department for the Blind	\$ 2,032,265	\$ 2,032,265	\$ 0
Total Blind, Dept. of the	<u>\$ 2,032,265</u>	<u>\$ 2,032,265</u>	<u>\$ 0</u>

Issues

Federal ARRA Funds – The Department received \$1.1 million in federal stimulus funds to supplement the Basic Support Grant under Title I of the Vocational Rehabilitation Act. In addition, the Department received \$379,000 in federal stimulus funds for the Older Blind Program and \$49,000 for Independent

Living. The latter two amounts are subject to State matching requirements of \$42,000 and \$5,000, respectively. None of this funding was subject to appropriation by the General Assembly.

Prior to the FY 2010 across-the-board reduction, the Department planned to use the stimulus funds for development of an outreach plan, redesign of the website, maintenance of services and staffing, improving services to those with secondary disabilities, and a pilot youth employment program. The outreach plan and website redesign have been completed. The funding allowed the Department to hire seven additional staff. No decision has yet been made regarding whether these positions will be maintained in FY 2011.

Public Works Efficiency Report – The Governor’s Executive Order 20 includes many cost saving measures that will impact the Department for the Blind. An estimate of the amount of savings attributable to the Department has not been reported.

State Match Requirements for Federal Funds – The majority of the General Fund appropriation for the Department for the Blind serves as State match to draw down federal funds at a ratio of 21%/79%. This funding is also subject to a maintenance of effort requirement. Reduction in this State funding can lead to audits, sanctions, delays in funding, or total loss of funding.

The Department expects to be in violation of federal maintenance of effort (MOE) requirements for the federal fiscal year ending September 30, 2010, and will file a request for waiver of penalties in October 2010. If the waiver request is denied, a significant penalty may be assessed.

Reserve Funds – The Department has approximately \$3.0 million in reserve funds that it has been using to maintain services during the economic downturn. These funds are accumulated from the Federal Stimulus Program and from reimbursements received from the Social Security Administration when clients are placed in employment and begin earning at or above a certain wage.

Notice of Appropriation Transfer – On December 23, 2009, Legislative Services Agency (LSA) received notice that \$38,000 was being transferred from the Department to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

College Student Aid Commission

The College Student Aid Commission, under the direction of a 12-member commission, administers a variety of State and federal programs to connect students with resources and services to finance a college education. The Commission offers need-based scholarships, grants, work study, and loans and serves as Iowa’s student loan guarantee agency. It provides school and lender services, borrower and collections services, communications services to assist students and families in planning and paying for college, and data collection and management.

The Governor is recommending FY 2011 General Fund appropriations totaling \$61.7 million, an increase of \$4.4 million compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
College Aid Commission			
College Aid Commission	\$ 314,443	\$ 314,443	\$ 0
Iowa Grants	981,743	883,569	-98,174
DSM University-Osteopathic Loans	91,668	82,501	-9,167
DSM University-Physician Recruit.	281,539	281,539	0
National Guard Benefits Program	3,075,783	3,316,903	241,120
Teacher Shortage Forgivable Loan	394,454	438,282	43,828
All Iowa Opportunity Foster Care Grant Program	618,759	618,759	0
All Iowa Opportunity Scholarships	2,252,283	2,502,537	250,254
Nurse & Nurse Educator Loan Program	81,264	90,293	9,029
Barber & Cosmetology Tuition Grant Program	45,834	41,251	-4,583
College Work Study	0	0	0
Tuition Grant Program-Standing	42,491,762	45,802,158	3,310,396
Tuition Grant - For-Profit	4,489,705	4,857,527	367,822
Vocational Technical Tuition Grant	2,261,662	2,512,958	251,296
Washington DC Internships	0	0	0
Total College Aid Commission	\$ 57,380,899	\$ 61,742,720	\$ 4,361,821

Changes include:

- A decrease of \$98,000 for Iowa Grants for a general reduction of 10.0%.
- A decrease of \$9,000 for Des Moines University Osteopathic Loans for a general reduction of 10.0%.
- An increase of \$241,000 for the National Guard Benefits Program to partially backfill the FY 2010 across-the-board reduction.
- An increase of \$44,000 for the Teacher Shortage Forgivable Loan Program to backfill the FY 2010 across-the-board reduction.
- An increase of \$250,000 for the All Iowa Opportunity Scholarships to backfill the FY 2010 across-the-board reduction.
- An increase of \$9,000 for the Nurse and Nurse Educator Loan Program to backfill the FY 2010 across-the-board reduction.
- A decrease of \$5,000 for the Barber and Cosmetology Tuition Grant Program for a general reduction of 10.0%.
- An increase of \$3.3 million for the Tuition Grant Program to partially backfill the FY 2010 across-the-board reduction.
- An increase of \$368,000 for For-Profit Tuition Grants to partially backfill the FY 2010 across-the-board reduction.
- An increase of \$251,000 for the Vocational Technical Tuition Grant to backfill the FY 2010 across-the-board reduction.

Issues

Public Works Efficiency Report – The Governor’s Executive Order 20 includes many cost saving measures that will impact the College Student Aid Commission. An estimate of the amount of savings attributable to the Commission has not been reported.

Federal Funds – The Commission is short \$1.7 million in FFY 2010 to draw down federal funding through the Leveraging Educational Assistance Program (LEAP) and Supplemental Leveraging Educational Assistance Program (SLEAP). The Commission’s request for a waiver of the maintenance of effort requirements has been denied, and they are anticipating an order to repay \$742,000 in federal funds within the next few months. The Commission believes it will be able to repay the funds. Failure to repay the funds promptly may result in accrual of interest charges until repayment is made. The Commission anticipates being short \$4.1 million in FFY 2011, which could also result in a repayment of \$742,000.

Federal Family Education Loan Program (FFELP) – The Obama administration is proposing ending this program, and a bill in the U. S. House of Representatives would prohibit new FFELP loans after July 1, 2010. The College Student Aid Commission, as the designated student loan guaranty agency in Iowa, would lose approximately \$3.0 million in annual revenue from loan processing, issuance, and account maintenance fee payments on the existing guarantee portfolio.

Notice of Appropriation Transfer – On December 23, 2009, Legislative Services Agency (LSA) received notice that \$7,000 was being transferred from the Commission to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Department of Education

The Department of Education oversees K-12 education in Iowa, as well as the community college system. In addition, the Department’s budget includes early childhood programming, the State Library and local library support, Iowa Public Television (IPTV), and Iowa Vocational Rehabilitation Services (IVRS). Direct aid to local schools is not part of the Subcommittee’s budget. For more information on school aid, see the Standing Appropriations section of this document.

The Governor is recommending FY 2011 General Fund appropriations totaling \$235.2 million. This is an increase of \$10.4 million compared to estimated FY 2010.

The Governor is recommending no other fund appropriations for FY 2011. This is a decrease of \$25.6 million compared to estimated FY 2010. The decrease represents the FY 2010 ARRA funding to community colleges.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Education, Dept. of</u>			
Education, Dept. of			
Administration	\$ 7,266,578	\$ 7,099,482	\$ -167,096
Vocational Education Administration	524,479	582,755	58,276
Vocational Education Secondary	2,427,229	2,696,921	269,692
Food Service	2,039,462	2,266,069	226,607

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Education, Dept. of, cont.			
State Library	1,573,650	1,573,650	0
State Library - Enrich Iowa	1,616,473	1,796,081	179,608
State Library - Library Service Areas	1,405,989	1,405,989	0
Early Child - Comm. Empowerment Gen. Aid	6,729,907	6,729,907	0
Early Child - Family Support & Parent Ed.	13,693,096	13,693,096	0
Early Child - Empower. Preschool Assistance	7,894,935	7,894,935	0
Early Child - Early Care, Health & Ed.	-54,595	0	54,595
Early Child - Spec. Ed. Services Birth to 3	1,398,874	1,565,970	167,096
Early Child - Voluntary Preschool	10,344,294	12,744,294	2,400,000
Adult Education Capacity	0	500,000	500,000
Nonpublic Textbook Services	563,071	625,634	62,563
Administrator Mentoring	203,160	203,160	0
Model Core Curriculum	1,781,586	1,979,540	197,954
Student Achievement/Teacher Quality	6,722,322	7,614,750	892,428
Community Colleges General Aid	142,810,651	148,754,232	5,943,581
Community College Salaries - Past Years	825,012	825,012	0
Comm College Interpreters for Deaf	180,000	0	-180,000
Jobs For America's Grads	540,000	540,000	0
Educational Expenses for American Indians	90,000	0	-90,000
K-12 Management Information System	207,000	0	-207,000
Senior Year Plus	-140,566	0	140,566
Private Instruction	0	0	0
Total Education, Dept. of	\$ 210,642,607	\$ 221,091,477	\$ 10,448,870
Vocational Rehabilitation			
Vocational Rehabilitation	\$ 4,639,957	\$ 4,639,957	\$ 0
Independent Living	45,967	45,967	0
Entrepreneurs with Disabilities Program	162,531	162,531	0
Farmers with Disabilities	97,200	0	-97,200
Independent Living Center Grant	45,000	45,000	0
Total Vocational Rehabilitation	\$ 4,990,655	\$ 4,893,455	\$ -97,200
Iowa Public Television			
Iowa Public Television	\$ 8,074,514	\$ 8,074,514	\$ 0
Regional Telecom. Councils	1,108,864	1,108,864	0
Total Iowa Public Television	\$ 9,183,378	\$ 9,183,378	\$ 0
Total Education, Dept. of	\$ 224,816,640	\$ 235,168,310	\$ 10,351,670

Changes include:

- A decrease of \$167,000 for Administration to be achieved by shifting this funding to the Special Education Services Birth to 3 appropriation.
- An increase of \$58,000 for Vocational Education Administration to backfill the FY 2010 across-the-board reduction.
- An increase of \$270,000 for Vocational Education Secondary to backfill the FY 2010 across-the-board reduction.
- An increase of \$227,000 for Food Service to backfill the FY 2010 across-the-board reduction.
- An increase of \$180,000 for the Enrich Iowa Libraries Program to backfill the FY 2010 across-the-board reduction. The Governor is recommending an FY 2010 supplemental appropriation of \$180,000. The FY 2011 recommendation is no change compared to estimated FY 2010 when the supplemental appropriation is included.

- No change in funding for Empowerment Preschool Assistance. The Governor is recommending an FY 2010 supplemental appropriation of \$877,000 to backfill the FY 2010 across-the-board reduction. The FY 2011 recommendation is a decrease of \$877,000 compared to estimated FY 2010 when the supplemental appropriation is included.
- An increase of \$167,000 for Special Education Services Birth to 3. This is funding shifted from the Administration appropriation.
- An increase of \$2.4 million for Voluntary Preschool. The Governor is recommending an FY 2010 supplemental appropriation of \$1.2 million to backfill the FY 2010 across-the-board reduction. The FY 2011 recommendation is an increase of \$1.2 million compared to estimated FY 2010 when the supplemental appropriation is included.
- A new appropriation for Adult Education Capacity to help dislocated workers acquire the General Equivalency Diploma (GED) through enhanced instructional support, an online curriculum, and increasing access to instruction and assessment in high need regions.
- An increase of \$63,000 for Nonpublic Textbook Services to backfill the FY 2010 across-the-board reduction. The Governor is recommending an FY 2010 supplemental appropriation of \$63,000. The FY 2011 recommendation is no change compared to estimated FY 2010 when the supplemental appropriation is included.
- An increase of \$198,000 for Model Core Curriculum to backfill the FY 2010 across-the-board reduction. The Governor is recommending an FY 2010 supplemental appropriation of \$198,000. The FY 2011 recommendation is no change compared to estimated FY 2010 when the supplemental appropriation is included.
- An increase of \$892,000 for Student Achievement and Teacher Quality to backfill the FY 2010 across-the-board reduction. The Governor is recommending an FY 2010 supplemental appropriation of \$892,000. The FY 2011 recommendation is no change compared to estimated FY 2010 when the supplemental appropriation is included. This appropriation does not fund teacher salaries. It includes funding for National Board Certification awards, Beginning Teacher Mentoring and Induction, Career Development and Evaluator Training, Teacher Development Academies, and expenses for the Teacher of the Year.
- An increase of \$5.9 million for Community College General Aid to meet federal maintenance of effort requirements. The Governor is recommending an FY 2010 supplemental appropriation of \$5.9 million. The FY 2011 recommendation is no change compared to estimated FY 2010 when the supplemental appropriation is included. The community colleges received \$25.6 million in ARRA funds in FY 2010. The Governor is recommending no additional stimulus funding for FY 2011.
- No change in funding for Community College Salaries. This is an effective increase of \$825,000 for FY 2011 because the FY 2010 appropriation of the same amount has become part of the base for General Aid.
- A decrease of \$180,000 to eliminate funding for Community College Interpreters for the Deaf.
- A decrease of \$90,000 to eliminate funding for Educational Expenses for American Indians. Prior to FY 2010, this funding was included in the Educational Excellence Program standing appropriation.
- A decrease of \$207,000 to eliminate funding for K-12 Management Information System. The Governor is recommending an FY 2010 supplemental appropriation of \$63,000. The FY 2011 recommendation is a decrease of \$230,000 compared to estimated FY 2010 when the supplemental

appropriation is included. Prior to FY 2010, this funding was included in the Educational Excellence Program standing appropriation.

- A decrease of \$97,000 to eliminate funding for Farmers with Disabilities.
- The Governor is recommending FY 2010 supplemental appropriations for two budget units that were not funded in FY 2010 but had FY 2009 carryforward balances. The carryforward balances were affected by the across-the-board reduction in FY 2010, and the supplemental appropriations would backfill those reductions. The two affected budget units are:
 - Empowerment Early Care, Health and Education - \$55,000
 - Senior Year Plus - \$141,000. The FY 2009 carryforward balance was used by the Governor in an appropriation transfer to backfill the FY 2010 across-the-board reduction in several other Department of Education budget units that match federal funds. See below for details.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Education, Dept. of			
Community Colleges - ARRA	\$ 25,600,000	\$ 0	\$ -25,600,000
Total Education, Dept. of	<u>\$ 25,600,000</u>	<u>\$ 0</u>	<u>\$ -25,600,000</u>

The Governor is not recommending replacement of the FY 2010 ARRA funding for community colleges. This results in a decrease in funding of \$25.6 million.

Issues

Federal ARRA Funds – In FY 2010, the \$25.6 million federal stimulus appropriation was used by the community colleges for ongoing operational expenses. No further stimulus funding is available in FY 2011, and the Governor's budget provides a General Fund increase of only \$5.9 million to offset the reduction. The Education Appropriations Subcommittee may want to explore this issue to learn how the community colleges would adapt to a net reduction of \$19.7 million in funding for ongoing operations.

Public Works Efficiency Report – The Governor's Executive Order 20 includes many cost saving measures that will impact the Department of the Education. An estimate of the amount of savings attributable to the Department has not been reported.

FY 2010 Supplemental Recommendations – The Governor's recommendations include FY 2010 supplemental appropriations to the following:

- Enrich Iowa Libraries - \$180,000
- Empowerment Preschool Assistance - \$877,000
- Empowerment Early Care, Health, and Education - \$55,000
- Voluntary Preschool - \$1.2 million
- Nonpublic Textbook Services - \$63,000
- Model Core Curriculum - \$198,000
- Student Achievement and Teacher Quality - \$892,000

- Community College General Aid - \$5.9 million
- K-12 Management Information System - \$23,000
- Senior Year Plus - \$141,000

Details regarding these supplemental appropriations and their impact on the Governor's FY 2011 recommendations are provided earlier in this section, in the analysis of the FY 2011 General Fund recommendations.

FY 2010 Appropriation Transfers – The Governor approved a transfer of \$727,000 from FY 2009 carryforward in the Senior Year Plus appropriation to backfill the FY 2010 appropriations for Vocational Education Administration, Vocational Education Secondary, School Food Service, and Special Education Services Birth to 3 to their original levels to avoid federal maintenance of effort issues.

The Governor also approved a statewide transfer to backfill critical needs appropriations in the Department of Corrections and elsewhere. This transfer included reductions to the following Department of Education budget units:

- Administration - \$1,000
- Vocational Education Administration - \$13,000
- Student Achievement and Teacher Quality - \$37,000
- Voluntary Preschool - \$7,000
- State Library - \$40,000
- Vocational Rehabilitation - \$37,000
- Independent Living - \$2,000
- Entrepreneurs with Disabilities Program - \$200
- Iowa Public Television - \$103,000

FY 2010 Transfers of Funds Enacted in SF 470 – Senate File 470 (FY 2010 Education Appropriations Act) required the following transfers of funds from FY 2009 ending balances:

- \$454,000 from the Board of Educational Examiners to the Student Achievement and Teacher Quality Program for Beginning Teacher Mentoring and Induction.
- \$246,000 from the Institute for Tomorrow's Workforce allocation to the Beginning Teacher Mentoring and Induction allocation; both allocations are part of the Student Achievement and Teacher Quality appropriation.

Because these are transfers and not appropriations, these amounts are not reflected in FY 2010 appropriations tracking.

Federal Funding for Iowa Vocational Rehabilitation Services (IVRS) and Impact of FY 2010 ATB Reduction – For current FFY 2010, the IVRS is estimating a shortage of \$1.3 million in State and local match to draw down federal funds. This will mean that \$4.7 million in available federal funds will not be earned. For FFY 2011, the Division anticipates a match deficit of \$1.5 million and \$5.6 million in unearned federal funds. The Division's current caseload is 14,850, and they are estimating a caseload reduction of 4,400 by FFY 2011 due to reductions in State, local, and federal funding. The Division reinstated a waiting list in FY 2010 for those with the least need and anticipates placing significantly disabled referrals on the waiting list at a later date.

Proposed Community Empowerment Reorganization – During the summer of 2009, the Department of Management conducted a Lean Design event to involve a variety of stakeholders in the process of redesigning Community Empowerment. The event resulted in a series of recommendations that were forwarded to the Governor and to the State Government Reorganization Commission. The recommendations included:

- Create a new State structure for coordination and leadership of all early childhood services in Iowa, including, but not limited to, Community Empowerment.
- Redefine local Empowerment areas to reduce the number of areas and maximize expertise, efficiency, accountability, and quality of service at both the local and State levels.
- Create a recognition program for local boards to identify those emerging boards that may need additional support, those that are in a capacity-building stage of development, and those that have achieved excellence and can serve as models for other boards. Incentives for boards to pursue the highest level of recognition would include the opportunity for more flexibility in spending program funding.
- Develop and implement a marketing plan to increase awareness of Community Empowerment among targeted audiences.

Division XXII of SF 2088 (State Government Reorganization Bill) implements these recommendations. The LSA has published an *Issue Review* entitled “[Community Empowerment](#)” that provides a history of the program and highlights the Lean recommendations.

Board of Regents

The Board of Regents is a nine-member board that oversees the University of Iowa, Iowa State University, University of Northern Iowa, Iowa School for the Deaf, and the Iowa Braille and Sight Saving School. The Board establishes policy for the institutions; hires the university presidents and special school superintendents; approves budgets, tuition and fees, bonding, investment policies, and other business and finance matters; reviews and approves academic programs; and serves as the trustees for the University of Iowa Hospitals and Clinics.

The Governor is recommending FY 2011 General Fund appropriations totaling \$562.0 million. This is an increase of \$30.4 million compared to estimated FY 2010. The Governor is not recommending other fund appropriations for general operations or special purposes for FY 2011. This is a decrease of \$80.3 million compared to estimated FY 2010. The decrease represents the FY 2010 ARRA funding to the universities.

The Governor is recommending continued funding of \$24.3 million for tuition replacement from the Rebuild Iowa Infrastructure Fund (RIIF), the same level as FY 2010. The Governor is also recommending total funding of \$74.3 million for the University of Iowa Hospitals and Clinic from IowaCares funds, the same level as FY 2010. These other fund appropriations are under the purview of the Transportation, Infrastructure, and Capitals Appropriations Subcommittee and the Human Services Appropriations Subcommittee, respectively.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Regents, Board of			
Regent Board Office	\$ 1,105,123	\$ 1,105,123	\$ 0
Southwest Iowa Resource Ctr	90,766	90,766	0
Tri State Graduate	69,110	69,110	0
Quad Cities Grad Ctr	134,665	134,665	0
Midwestern Higher Ed Consortium	0	0	0
IPR - Iowa Public Radio	406,318	406,318	0
University of Iowa - General	211,934,782	226,306,403	14,371,621
SUI - Center for Disabilities & Development	0	0	0
SUI - Oakdale Campus	2,268,925	2,268,925	0
SUI - Hygienic Laboratory	3,669,943	3,669,943	0
SUI - Family Practice Program	1,855,628	1,855,628	0
SUI - Specialized Children Health Services (SCHS)	684,297	684,297	0
SUI - Iowa Cancer Registry	154,666	154,666	0
SUI - Substance Abuse Consortium	57,621	57,621	0
SUI - Biocatalysis	750,990	750,990	0
SUI - Primary Health Care	673,375	673,375	0
SUI - Iowa Birth Defects Registry	39,730	39,730	0
SUI - Iowa Nonprofit Resource Center	168,662	168,662	0
SUI Ag Health & Safety	0	0	0
Iowa State: Gen. University	166,488,825	177,328,346	10,839,521
ISU - Agricultural Experiment Station	29,170,840	29,170,840	0
ISU - Cooperative Extension	18,612,391	18,612,391	0
ISU - Leopold Center	412,388	412,388	0
ISU - Livestock Disease Research	179,356	179,356	0
ISU - George Washington Carver Endowed Chair	0	0	0
UNI - University of Northern Iowa	75,410,898	80,638,563	5,227,665
UNI - Recycling and Reuse Center	181,858	181,858	0
UNI - Math and Science Collaborative	3,250,549	3,250,549	0
UNI - Real Estate Education Program	130,022	130,022	0
ISD - Iowa School for the Deaf	8,679,964	8,679,964	0
IBS - Iowa Braille and Sight Saving School	4,917,362	4,917,362	0
ISD/IBS - Tuition and Transportation	12,206	12,206	0
UNI - Research Dev. School Infrastructure Study	31,500	0	-31,500
ISD/IBS - Licensed Classroom Teachers	85,140	85,140	0
Total Regents, Board of	\$ 531,627,900	\$ 562,035,207	\$ 30,407,307

Changes include:

- An increase of \$30.4 million for the General University appropriations at the three universities. This is no change compared to estimated FY 2010 when the Governor's recommended supplemental appropriation is included. The funding is distributed as follows:
 - University of Iowa - \$14.4 million
 - Iowa State University - \$10.8 million
 - University of Northern Iowa - \$5.2 million
- A decrease of \$31,500 to eliminate funding for Research Development School Infrastructure at the University of Northern Iowa.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Regents, Board of			
BOR - ARRA	\$ 80,280,000	\$ 0	\$ -80,280,000
Total Regents, Board of	<u>\$ 80,280,000</u>	<u>\$ 0</u>	<u>\$ -80,280,000</u>

The Governor is not recommending replacement of the FY 2010 ARRA funding for the Regents universities. This results in a decrease in funding of \$80.3 million.

Issues

Federal ARRA Funds – In FY 2010, the \$80.3 million federal stimulus appropriation was used by the Regents universities for ongoing operational expenses. No further stimulus funding is available in FY 2011, and the Governor’s budget provides a General Fund increase of only \$30.4 million to offset the reduction. The Education Appropriations Subcommittee may want to explore this issue to learn how the Board of Regents would adapt to a net reduction of \$49.9 million in funding for ongoing operations.

Public Works Efficiency Report – The Board and State universities will participate in the reorganization of government services included in SF 2088 (Government Reorganization and Efficiency Bill). Public Works estimated that there would be a cost savings resulting from purchasing consolidation, sale of under-utilized and surplus assets, energy efficiency efforts, and the elimination of health benefits for employees working less than 20 hours per week. The Regents have not confirmed all of the potential savings identified by Public Works. Further cost savings are likely from implementation of other Public Works recommendations, but the amount of those savings cannot be estimated because of insufficient information. The Governor includes \$25.0 million of “participation savings” from the Regents in the FY 2011 budget.

FY 2010 Supplemental Recommendations – The Governor’s recommendations include FY 2010 supplemental appropriations to the three universities totaling \$30.4 million. The recommendations maintain that funding in FY 2011.

Tuition and Student Debt – Increasing tuition rates coupled with high student debt load is an ongoing issue for the Regents universities. The elimination of federal stimulus funding in FY 2011 will exacerbate the issue. The Subcommittee may want to explore this issue to learn what plans the Board of Regents has to address it.

Federal Grants – Applications by the universities for federal grants are increasing. The Subcommittee may want to explore this issue to determine how effective those applications have been and how it will impact the universities.

Notice of Appropriation Transfer – On December 23, 2009, Legislative Services Agency (LSA) received notice that \$1.5 million was being transferred from the Board of Regents to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

LSA Publications

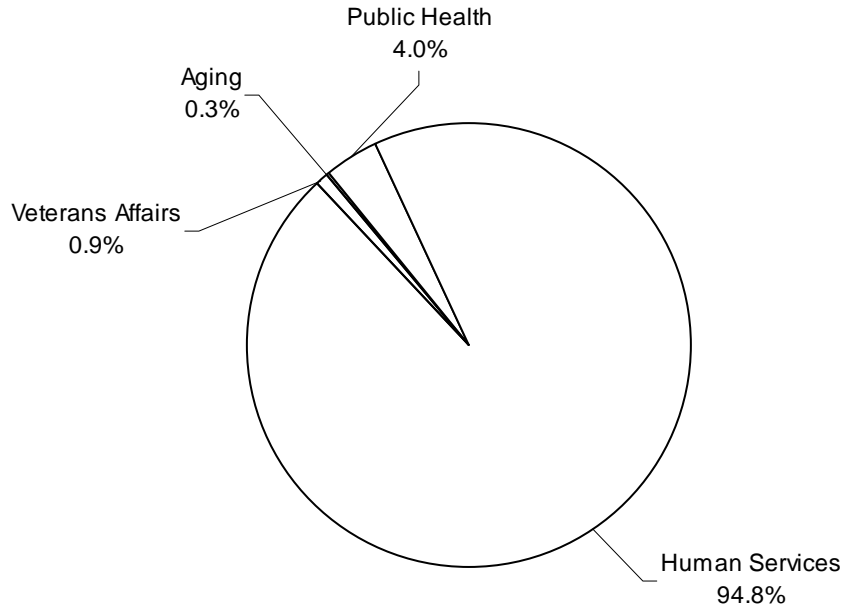
The following publications have been published by the LSA that relate to the Education Appropriations Subcommittee:

- *Fiscal Topic:* [Community College Revenue](#)
- *Issue Review:* [Community Empowerment](#)
- *Fiscal Topic:* [Iowa College Student Aid Commission](#)
- *Issue Review:* [Regents Employees FY 2001 – FY 2010](#)
- *Fiscal Topic:* [Regents Universities Total Revenues and Expenditures](#)
- *Fiscal Topic:* [School Aid Formula – Additional Levy Components](#)
- *Issue Review:* [School Aid Funding for FY 2010 and FY 2011](#)

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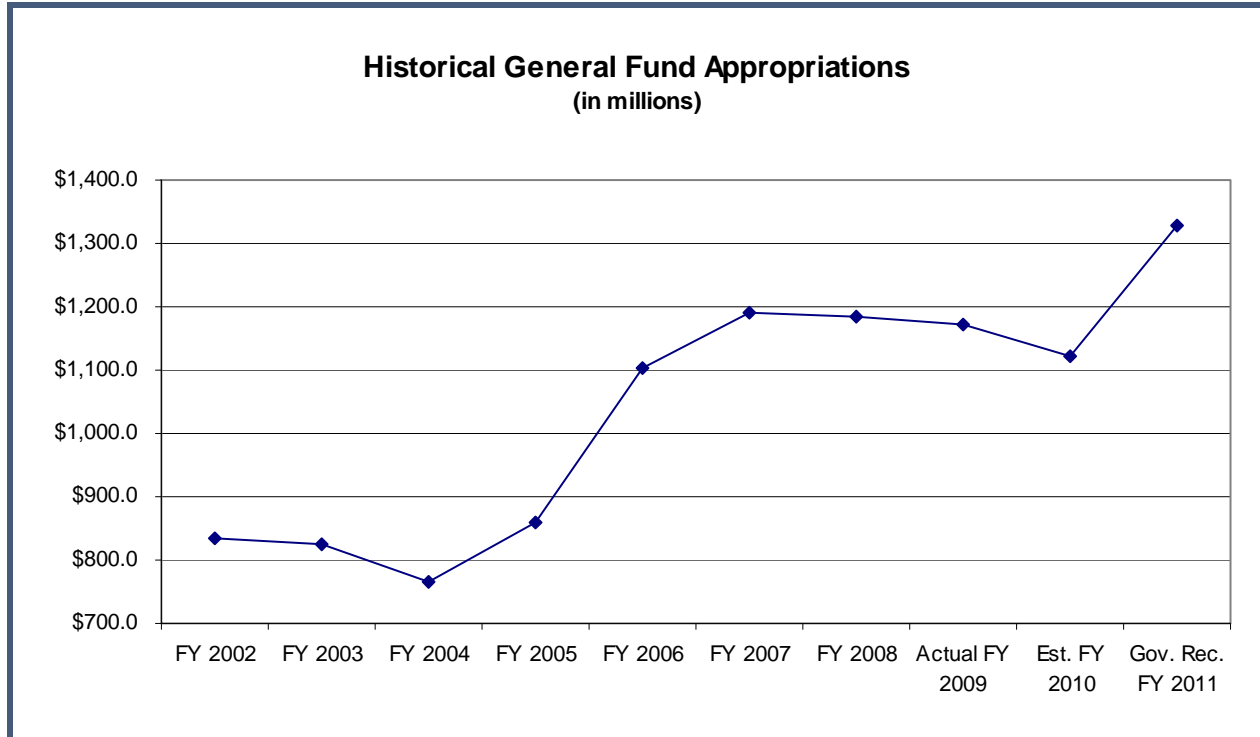
HEALTH AND HUMAN SERVICES APPROPRIATIONS SUBCOMMITTEE

FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Aging	\$ 4,462,407
Public Health	52,408,912
Human Services	1,258,244,725
Veterans Affairs	11,504,030
	<u>\$ 1,326,620,074</u>



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department on Aging

The Department on Aging is designated as the State Unit on Aging. The Department advocates for Iowans age 60 and older and is responsible for developing a comprehensive and coordinated system of services and activities for older Iowans through the 13 local Area Agencies on Aging (AAAs) across the State.

The Governor is recommending an FY 2011 General Fund appropriation of \$4.5 million. This is no change compared to estimated net FY 2010. The Governor is also recommending a Senior Living Trust Fund appropriation of \$8.5 million for FY 2010. This is no change compared to estimated FY 2010.

General Fund Recommendation

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Aging, Dept. on</u>			
Aging Programs	\$ 4,462,407	\$ 4,462,407	\$ 0
Total Aging, Dept. on	<u>\$ 4,462,407</u>	<u>\$ 4,462,407</u>	<u>\$ 0</u>

Other Fund Recommendation

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Aging, Dept. on</u>			
<u>Aging, Dept. on</u>			
Seamless computer system	\$ 200,000	\$ 0	\$ -200,000
Elder Affairs Operations-SLTF	8,486,698	8,486,698	0
Total Aging, Dept. on	\$ 8,686,698	\$ 8,486,698	\$ -200,000

Issues

Senior Living Trust Fund – The Governor recommends depleting the Senior Living Trust Fund with several appropriations in FY 2011. The Governor recommends \$8.5 million to the Department on Aging from the Senior Living Trust Fund in FY 2011. This is no change from the estimated FY 2010 appropriation.

Department of Public Health

The Department of Public Health (DPH) works with local public health agencies to ensure quality health services in Iowa communities through contracts with all 99 counties to provide population-based health services and a limited number of personal health services. The Department assists in the prevention of epidemics and the spread of disease; protection against environmental hazards; preventing injuries; promoting and encouraging healthy behaviors and mental health; preparing for and responding to public health emergencies and assisting communities in recovery; and assuring the quality and accessibility of health services.

The Governor is recommending FY 2011 General Fund appropriations totaling \$52.4 million. This is a decrease of \$4.4 million (9.1%) compared to estimated net FY 2010. The Governor is recommending other fund appropriations totaling \$6.3 million for FY 2011. This is a decrease of \$3.0 million (32.4%) compared to estimated FY 2010 due one-time funding from the American Recovery and Reinvestment Act of 2009.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Health, Dept. of</u>			
Addictive Disorders	\$ 25,787,250	\$ 28,414,782	\$ 2,627,532
Healthy Children and Families	2,024,250	2,353,517	329,267
Chronic Conditions	2,480,612	2,802,255	321,643
Community Capacity	3,705,162	3,728,162	23,000
Elderly Wellness	7,511,201	8,345,779	834,578
Environmental Hazards	900,352	965,950	65,598
Infectious Diseases	1,467,595	1,605,967	138,372
Public Protection	3,212,987	3,236,235	23,248
Resource Management	956,265	956,265	0
Prevention and Chronic Care Management	0	0	0
Medical Home System	0	0	0

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Health, Dept. of, cont.</u>			
Healthy Communities Initiative	0	0	0
Gov. Council on Physical Fitness and Nutrition	0	0	0
Iowa Health Information Technology System	0	0	0
Health Care Access	0	0	0
Total Public Health, Dept. of	\$ 48,045,674	\$ 52,408,912	\$ 4,363,238

Significant changes include:

- **Addictive Disorders** – An increase of \$2.6 million to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$1.2 million for substance abuse treatment.
 - \$164,000 for substance abuse prevention.
 - \$115,000 for three culturally competent substance abuse treatment pilot projects.
 - \$350,000 for tobacco use, prevention and control.
 - \$723,000 for gambling treatment.
- **Healthy Children and Families** – An increase of \$329,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$257,000 for the Healthy Opportunities for Parents to Experience Success (HOPES) Program.
 - \$23,000 for Oral Health services in the Early and Periodic Screening, Diagnosis and Treatment (EPSDT) Program.
 - \$500 for the Assuring Better Child (Mental) Health and Development (ABCD) II Program.
 - \$14,000 for childhood obesity prevention.
 - \$34,000 for the Audiological Services for Kids Program.
- **Chronic Conditions** – An increase of \$322,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor's recommended supplemental appropriation is included. The increases are as follows:
 - \$57,000 for Child Health Specialty Clinics.
 - \$2,000 for muscular dystrophy.
 - \$29,000 for birth defects.
 - \$24,000 for the AIDS Drug Assistance Program (ADAPT).
 - \$56,000 for phenylketonuria (PKU) assistance.
 - \$11,000 for the Prescription Drug Donation Program.
 - \$32,000 for epilepsy education.
 - \$28,000 for the Brain Injury Council.

- \$21,000 for the Brain Injury Services Program.
- \$62,000 for the Comprehensive Cancer Control Program.
- **Community Capacity** – An increase of \$23,000 for the Governor’s Physical Fitness Council to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor’s recommended supplemental appropriation is included.
- **Elderly Wellness** – An increase of \$834,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor’s recommended supplemental appropriation is included. The increases are as follows:
 - \$229,000 for Local Public Health Nursing services.
 - \$605,000 for Home Care Aide Services.
- **Environmental Hazards** – An increase of \$66,000 for the Childhood Lead Poisoning Program to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor’s recommended supplemental appropriation is included.
- **Infectious Diseases** – An increase of \$138,000 to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor’s recommended supplemental appropriation is included. The increases are as follows:
 - \$119,000 for the Vaccine Preventable Diseases for Children Program.
 - \$7,000 for hepatitis education, treatment, and prevention.
 - \$6,000 for prescription services for persons with Chlamydia, Gonorrhea, or latent Tuberculosis.
 - \$3,000 for testing services related to sexually transmitted diseases (STD).
 - \$3,000 for treatment for Tuberculosis.
- **Public Protection** – An increase of \$23,000 for children sex violence protection programs to restore the ATB reduction in FY 2010 in FY 2011. This is no change compared to FY 2010 when the Governor’s recommended supplemental appropriation is included.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Public Health, Dept. of</u>			
Public Health, Dept. of			
Community Capacity-FRRF	\$ 500,000	\$ 0	\$ -500,000
Healthy Aging-FRRF	700,000	0	-700,000
Resource Management-FRRF	1,800,000	0	-1,800,000
Addictive Disorders-HCTF	2,473,823	2,473,823	0
Healthy Children and Families-HCTF	444,217	444,217	0
Chronic Conditions-HCTF	899,297	899,297	0
Community Capacity-HCTF	2,448,456	2,448,456	0
Total Public Health, Dept. of	\$ 9,265,793	\$ 6,265,793	\$ -3,000,000

The decrease of \$3.0 million is due one-time funding from the American Recovery and Reinvestment Act of 2009.

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board (ATB) reduction for the Department of Public Health was \$1.2 million for General Fund appropriations and \$432,000 for other fund appropriations. For a summary of the Department's plan to implement the reductions see the Health and Human Services ATB Explanation of this document.

FY 2010 Supplemental Recommendations – The Governor has recommended that the General Assembly provide the Department with a \$4.4 million supplemental appropriation from the General Fund for FY 2010, including:

- \$2.6 million for addictive disorders.
- \$329,000 for healthy children and families.
- \$322,000 for chronic conditions.
- \$23,000 for community capacity.
- \$835,000 for elderly wellness.
- \$204,000 for infectious diseases.
- \$23,000 for public protection.

The Governor has also recommended a supplemental appropriation of \$21,000 from the General Fund for the standing appropriation for the Birth Institute Registry.

These FY 2010 supplemental recommendations for the Department reflect the same programs recommended for restoration in the Governor's FY 2011 budget recommendations.

Federal ARRA Funds – For FY 2010, the Department received a one-time appropriation of \$3.0 million that was used for various programs under the Addictive Disorders, Healthy Children and Families, and Chronic Conditions appropriations budget units. The Department did not request replacement of these funds for FY 2011. The Department continues to apply for ARRA grants as they become available however, no additional funding has been awarded as of the date of this publication.

Public Works Efficiency Report – The Public Works Efficiency Report recommends the elimination of TANF funding that is currently transferred from the Department of Human Services (DHS) to the DPH for Health Opportunities for Parents to Experience Success (HOPES). According to the Public Works Report, this funding would be directed to the DHS' field operations. HOPES provides family support through home visiting for families that begin during pregnancy or at the birth of a child and can continue for up to 4 years of the child's age. The Iowa Department of Public Health will need to absorb this reduction or reduce services provided. For FY 2010, \$200,000 was appropriated for this transfer in HF 811 (FY 2010 Health and Human Services Budget Appropriations Act).

Department of Human Services

The Department of Human Services (DHS) is responsible for administering cash assistance for needy families (Family Investment Program), food assistance, Medicaid, child support enforcement, subsidized adoption, child abuse assessments, dependent adult abuse assessments, foster care, various family preservation and strengthening programs, child care registration and subsidy, two institutions for juveniles, refugee services, and services for the mentally ill and developmentally disabled, including the operation of four mental health institutes, and two resource centers for people with mental retardation.

The Governor is recommending FY 2010 General Fund appropriations totaling \$1.258 billion. This is an increase of \$199.7 million (18.9%) compared to estimated net FY 2010. The Governor is also recommending other fund appropriations totaling \$467.4 million for FY 2010. This is a decrease of \$3.0 million compared to estimated net FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Human Services, Dept. of			
Toledo Juvenile Home			
Licensed Classroom Teachers	\$ 103,950	\$ 103,950	\$ 0
General Administration			
General Administration	\$ 13,727,271	\$ 13,727,271	\$ 0
Field Operations			
Child Support Recoveries	\$ 12,078,414	\$ 12,078,414	\$ 0
Field Operations	56,729,548	56,729,548	0
Total Field Operations	<u>\$ 68,807,962</u>	<u>\$ 68,807,962</u>	<u>\$ 0</u>
Toledo Juvenile Home			
Toledo Juvenile Home	\$ 6,079,283	\$ 6,189,283	\$ 110,000
Eldora Training School			
Eldora Training School	\$ 9,646,008	\$ 9,536,008	\$ -110,000
Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,174,184	\$ 6,174,184	\$ 0
Cherokee			
Cherokee MHI	\$ 4,892,468	\$ 4,892,468	\$ 0
Clarinda			
Clarinda MHI	\$ 5,604,601	\$ 5,604,601	\$ 0
Independence			
Independence MHI	\$ 8,553,210	\$ 8,553,210	\$ 0
Mt Pleasant			
Mt Pleasant MHI	\$ 1,614,663	\$ 1,614,663	\$ 0
Glenwood			
Glenwood Resource Center	\$ 15,808,438	\$ 15,489,063	\$ -319,375
Woodward			
Woodward Resource Center	\$ 9,786,280	\$ 9,703,456	\$ -82,824
Assistance			
Family Investment Program/JOBS	\$ 31,133,430	\$ 31,735,539	\$ 602,109
Medical Assistance	610,096,134	790,982,609	180,886,475
Health Insurance Premium Payment	457,210	457,210	0
Medical Contracts	12,286,353	10,413,090	-1,873,263
State Supplementary Assistance	16,457,833	18,259,235	1,801,402
State Children's Health Insurance	13,166,847	23,637,040	10,470,193
Child Care Assistance	32,547,464	32,768,964	221,500
Child and Family Services	81,532,306	80,425,523	-1,106,783
Adoption Subsidy	31,395,307	34,202,696	2,807,389

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Human Services, Dept. of (continued)			
Family Support Subsidy	1,522,998	1,522,998	0
Connors Training	33,622	33,622	0
MI/MR/DD State Cases	10,295,207	10,295,207	0
MH/DD Community Services	14,211,100	14,211,100	0
Volunteers	84,660	84,660	0
Family Planning	-45,654	0	45,654
Pregnancy Counseling	71,688	71,688	0
MH/DD Growth Factor	48,697,893	48,697,893	0
Medical Assist., Hawk-i, Hawk-i Expansion	3,786,301	10,049,532	6,263,231
Total Assistance	\$ 907,730,699	\$ 1,107,848,606	\$ 200,117,907
Total Human Services, Dept. of	\$ 1,058,529,017	\$ 1,258,244,725	\$ 199,715,708

Significant changes include:

- **Toledo Juvenile Home** – An increase of \$214,000 compared to estimated net FY 2010, including:
 - \$110,000 due to a transfer of funds from the Eldora Training School to Toledo to partially restore ATB reductions in FY 2010 in FY 2011.
 - \$104,000 to partially restore the ATB reductions to licensed classroom teachers in FY 2010 in FY 2011.
- **Eldora Training School** – A decrease of \$110,000 compared to estimated net FY 2010 due to a transfer from Eldora to the Toledo Juvenile Home to partially restore Toledo's ATB reduction.
- **Economic Assistance** – An increase of \$600,000. This includes:
 - A net increase of \$600,000 for the Family Investment Program, including:
 - An increase of \$7.5 million to restore ARRA funding from FY 2010.
 - An increase of \$8.2 million due to increased caseload growth and cost per case.
 - An increase of \$11.7 million to replace TANF carryforward from FY 2009 to FY 2010.
 - A decrease of \$3.5 million due to projected carryforward available at the end of FY 2010.
 - A decrease of \$11.6 million due to the availability of TANF Emergency ARRA funding.
 - A decrease of \$13.5 million due to the elimination of a transfer to Child Care.
 - An increase of \$78,000 for increased caseloads for the Promise Jobs Program.
 - A decrease of \$854,000 due to savings from a new EBT vendor contract.
 - A decrease of \$64,000 due to savings from issuing electronic benefits cards.
 - An increase of \$2.0 million due to additional cases from less reviews.
 - An increase of \$602,000 for a partial restoration of the FY 2010 10.0% ATB.
- **Medicaid** – A net increase of \$180.9 million, including:
 - An increase of \$120.1 million to replace enhanced FMAP dollars from ARRA.

- An increase of \$37.6 million due to increase in enrollment, utilization and cost based reimbursement for fee-for-service providers.
- An increase of \$8.6 million due to increase in Medicare-related payments to cover dual eligibles.
- An increase of \$7.5 million to reflect increased utilization of mental health services including, remedial services, the Iowa Plan, habilitation services, Psychiatric Medical Institute for Children (PMIC), and Psychiatric Services.
- An increase of \$4.7 million due to increases in the Elderly Waiver and increases in utilization and inflation across all waivers.
- An increase of \$985,000 for Money Follows the Person due to increased program enrollment from 54 to 114.
- An increase of \$800,000 to reflect increases in both utilization and growth for Targeted Case Management Services.
- An increase of \$1.2 million for all other Medicaid Programs including PACE and Non-Emergency Transportation.
- An increase of \$1.8 million to replace a one-time transfer of funding to rebase hospitals in FY 2010.
- A decrease of \$3.8 million due to an increase in the federal share of the FMAP rate.
- A decrease of \$12.2 million due to expenditure decreases for nursing facility bed days, normal rebate and recovery increases and a one-time payment paid in FY 2010.
- A decrease of \$20.1 million due to revised estimates for the Senior Living Trust Fund.
- An increase of \$48.3 million to match the Medicaid Projections Workgroup Estimates.
- A decrease of \$12.8 million due to savings from annualizing the ATB savings initiatives, including the provider rate cuts.
- A decrease of \$1.8 million due to elimination of a transfer to the State Supplementary Assistance Program.
- **Medical Contracts** – An decrease of \$1.9 million, including:
 - An increase of \$915,000 for contract and other inflation costs.
 - A decrease of \$150,000 due costs of re-procuring IME contracts going away in FY 2011.
 - An increase of \$34,000 for upgrades related to the Health Insurance Portability and Accountability Act (HIPAA).
 - A decrease of \$191,000 due to moving away from paper transactions and towards electronic methods.
 - A decrease of \$609,000 due to increased funds available from the Pharmaceutical Settlement Account.
 - A decrease of \$1.9 million due to a transfer of state matching funds to the DIA for surveys and certification costs.
- **State Supplementary Assistance Program** – An increase of \$1.8 million due to additional funded that was transferred from Medicaid in FY 2010 to meet federal Maintenance of Effort requirements.

- **State Children's Health Insurance Program (SCHIP)** – An increase of \$10.5 million, including:
 - An increase of \$7.2 million to maintain services and replace carryforward from FY 2008.
 - An increase of \$2.0 million to fund an additional children for both health and dental coverage.
 - An increase of \$1.3 million to match hawk-i estimating workgroup projections.
- **Child Care Assistance** – A net increase of \$222,000 compared to estimated net FY 2010, including:
 - A decrease of \$1.8 million due to declining caseload growth.
 - An increase of \$13.0 million to replace the FY 2009 carryforward and to maintain funding at the FY 2010 service level.
 - A decrease of \$8.9 million due to available carryforward funding from FY 2010.
 - An increase of \$13.5 million to eliminate direct TANF funding for child care.
 - A decrease of \$15.8 million due to available federal ARRA Child Care Development Funds that decreases the need for General Funds.
 - An increase of \$590,000 to fund anticipated caseload growth for the PROMISE JOBS Program child care subsidies.
 - A decrease of \$592,000 to continue funding for child care wraparound grants at the FY 2010 level and redirect funding to maintain child care assistance.
 - An increase of \$222,000 to restore the ATB reduction in FY 2010 in FY 2011. This includes the following increases:
 - \$175,000 for a Special Needs Children Grant in Polk County.
 - \$46,500 for a Low Income Special Needs Children Grant in Polk County.
- **Child Abuse Prevention Standing Appropriation** - An increase of \$44,000 to restore the ATB reduction for child abuse prevention standing appropriation (Prevent Child Abuse Iowa Contract) in FY 2010 in FY 2011 using General Funds.
- **Child and Family Services** – A net decrease of \$1.1 million compared to estimated net FY 2010, including:
 - An increase of \$1.3 million to restore the loss of the one-time ARRA funding, including:
 - An increase \$500,000 for shelter care services.
 - An increase of \$784,000 to replace the loss of the ARRA increased federal Title IV-E FMAP share that will expire in December of 2010.
 - A decrease of \$47,000 to update the estimated portion of federal Title IV-E funding that reduces the need for State General Funds.
 - A decrease of \$1.4 million due to the enhanced ARRA FMAP for Title IV-E eligible expenditures in CFS for the first six months of FY 2011. In FY 2010, the Department transferred the State funding that was replaced by the FMAP increase to the Human Resources Reinvestment Fund. In FY 2011, this transferred is not required. The Department will not need as much State funding since they will be keeping the increased federal funding.
 - An increase of \$1.7 million to restore the ATB reductions in FY 2010 in FY 2011. This includes:
 - \$101,000 for child abuse prevention programs.

- \$66,000 for the Preparation of Adult Living (PAL) Program.
 - \$413,000 for shelter care provider payments.
 - \$1.1 million for empty guaranteed bed payments.
- A decrease of \$2.8 million to transfer funding to the Adoption Subsidy appropriation to partially restore the ATB reduction in FY 2010 in FY 2011.
- **Adoption Subsidy** – A net increase of \$2.8 million compared to estimated net FY 2010. This includes:
 - An increase of \$1.5 million to replace the reduction in ARRA increased Title IV-E funding in FY 2011. The increased FMAP is scheduled to expire after December 2010.
 - A decrease of \$122,000 to update the estimated portion of federal Title IV-E funding that reduces the need for State General Funds.
 - A decrease of \$314,000 due to estimated carryforward funding from FY 2010 that will reduce the need for State General Funds.
 - A reduction of \$1.1 million to reflect the annualized reduction from continuing the ATB provider rate 5.0% decrease from FY 2010 in FY 2011.
 - An increase of \$2.8 million from a transfer to adoption subsidy from child and family services. The transfer is a reflection of child and family services savings incurred from the ATB reduction in FY 2010.
- **Mental Health/Mental Retardation/Developmental Disabilities/Brain Injury** – A net decrease of \$402,000, including:
 - A decrease of \$319,000 for the Glenwood Resource Center due to the availability of ARRA dollars and an FMAP adjustment.
 - A decrease of \$83,000 for the Woodward Resource Center due to an FMAP adjustment.
- **Medical Assistance, hawk-i, hawk-i Expansion** – An increase of \$6.3 million to restore funding appropriated from the Federal Recovery and Reinvestment Fund.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Human Services, Dept. of</u>			
General Administration			
FIP-TANF	\$ 28,584,403	\$ 36,797,711	\$ 8,213,308
Promise Jobs-TANF	13,026,796	13,084,528	57,732
FaDDS-TANF	2,448,980	2,448,980	0
Field Operations-TANF	21,659,136	21,659,136	0

Health and Human Services Appropriations Subcommittee

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Human Services, Dept. of, cont.			
General Administration-TANF	3,744,000	3,744,000	0
Local Admin. Cost-TANF	1,094,915	1,094,915	0
State Day Care-TANF	18,986,177	12,382,687	-6,603,490
MH/DD Comm. Services-TANF	4,894,052	4,894,052	0
Child & Family Services-TANF	32,084,430	32,084,430	0
Child Abuse Prevention-TANF	125,000	125,000	0
Training & Technology-TANF	1,037,186	1,037,186	0
0-5 Children-TANF	6,850,000	6,850,000	0
General Administration-DHSRF	1,500,000	0	-1,500,000
Child Care Direct Assistance-TANF	6,845,000	0	-6,845,000
FIP Emergency ARRA- TANF	10,226,991	23,119,822	12,892,831
Total General Administration	\$ 153,107,066	\$ 159,322,447	\$ 6,215,381
Field Operations			
Field Operations-FRRF	\$ 680,596	\$ 0	\$ -680,596
Field Operations-DHSRF	8,386,761	0	-8,386,761
Total Field Operations	\$ 9,067,357	\$ 0	\$ -9,067,357
Toledo Juvenile Home			
Toledo-DHSRF	\$ 836,515	\$ 0	\$ -836,515
Eldora Training School			
Eldora-DHSRF	\$ 1,327,300	\$ 0	\$ -1,327,300
Cherokee CCUSO			
CCUSO-DHSRF	\$ 503,554	\$ 0	\$ -503,554
Cherokee			
Cherokee MHI-DHSRF	\$ 673,209	\$ 0	\$ -673,209
Clarinda			
Clarinda MHI-DHSRF	\$ 804,256	\$ 0	\$ -804,256
Independence			
Independence MHI-DHSRF	\$ 1,177,799	\$ 0	\$ -1,177,799
Mt Pleasant			
Mt Pleasant MHI-DHSRF	\$ 222,694	\$ 0	\$ -222,694
Assistance			
Medical Contracts-HCTA	\$ 1,300,000	\$ 1,300,000	\$ 0
MH Property Tax Relief - Cash Reserve	0	22,792,000	22,792,000
Medical Assistance-FRRF	6,237,173	0	-6,237,173
Covering All Kids-FRRF	6,263,231	0	-6,263,231
MH Risk Pool-FRRF	10,000,000	0	-10,000,000
Child and Family Services-FRRF	2,500,000	0	-2,500,000
Volunteer Health Care-FRRF	20,000	0	-20,000
Health Insurance Pilot-FRRF	400,000	0	-400,000
MH Property Tax Replacment-FRRF	10,480,000	0	-10,480,000
MH/MR State Cases-DHSRF	325,430	0	-325,430
Pregnancy Prevention-TANF	1,327,878	1,327,878	0
Medical Supplemental-SLTF	17,686,827	37,740,908	20,054,081
Medical Contracts-Pharm. Settlement	1,323,833	3,298,191	1,974,358

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Human Services, Dept. of, cont.			
Broadlawns Hospital-ICA	46,000,000	46,000,000	0
Medical Examinations-HCTA	556,800	556,800	0
Medical Information Hotline-HCTA	100,000	100,000	0
Health Partnership Activities-HCTA	600,000	600,000	0
Audits, Perf. Eval., Studies-HCTA	125,000	125,000	0
IowaCare Admin. Costs-HCTA	1,132,412	1,132,412	0
Dental Home for Children-HCTA	1,000,000	1,000,000	0
MH/DD Workforce Development-HCTA	50,000	50,000	0
Medical Assistance-HCTF	100,650,740	100,650,740	0
Broadlawns Admin-HCTA	290,000	290,000	0
Total Assistance	\$ 208,369,324	\$ 216,963,929	\$ 8,594,605
Total Human Services, Dept. of	\$ 376,089,074	\$ 376,286,376	\$ 197,302

Significant changes include:

- A decrease of \$1.5 million to General Administration from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$9.1 million to DHS Field Operations from the Human Services Reinvestment Fund and the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$837,000 to the Toledo Juvenile Home from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$1.3 million to the Eldora Training School from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$504,000 to the Civil Commitment Unit for Sex Offender from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$673,000 to the Cherokee Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$804,000 to the Clarinda Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$1.2 million to the Independence Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$223,000 to the Mt. Pleasant Mental Health Institute from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.

- A decrease of \$6.2 million to the Medicaid Program from the Federal Recovery and Reinvestment Fund. The Governor is recommending funding this obligation as part of the General Fund appropriation.
- A decrease of \$6.2 million to Covering all Children appropriation from the Federal Recovery and Reinvestment Fund. The Governor is recommending funding this obligation as part of the General Fund appropriation.
- A decrease of \$10.0 million to Mental Health Risk Pool from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$2.5 million to Child and Family Services appropriation from the Federal Recovery and Reinvestment Fund. This was a one time funding source however the Governor has recommended backfilling \$500,000 of this appropriation to restore the loss to shelter care provider payments.
- A decrease of \$20,000 to Volunteer Health Care Program from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$400,000 to Direct Care Workers Health Insurance Pilot Program from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$10.5 million for Mental Health Property Tax Replacement from the Federal Recovery and Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- A decrease of \$325,000 to Mental Health State Cases Program from the Human Services Reinvestment Fund. This was a one time funding source and the Governor has not recommended backfilling this appropriation.
- An increase of \$20.1 million for the Medicaid Program from the Senior Living Trust Fund. There are additional funds available in FY 2011 compared to FY 2010 and the Governor recommends using the balance of the fund for Medicaid.
- An increase of \$2.0 million from the Pharmaceutical Settlement Account for Medical Contracts. There was additional revenue in fund from legal settlements with drug manufacturers.
- An increase of \$21.1 million for the Family Investment Program. The majority of the increase will be paid for with Emergency TANF funds received from ARRA.
- An increase of \$58,000 for the Promise Jobs Program.
- A decrease of \$13.5 million which was transferred to Child Care Assistance.

Issues

Federal ARRA Funds – FY 2011 is the final Fiscal Year for federal American Recovery and Reinvestment Funding. The Medicaid FMAP increase expires mid way through the FY 2011, which means the State will have to increase their share by \$122.0 million for FY 2011 to cover the decrease. Emergency TANF funding also expires at the end of the first quarter of FY 2011. The State has been receiving an 80.0% match on any new cases. The expiration of these funds has the potential to leave significant budget gaps for FY 2012.

The ARRA provided an increase of approximately \$18.1 million for the Iowa allocation for the federal FY 2009 Child Care Development Block Grant (CCDBG). The funding must be expended before FY 2012. The targeted funds for quality expansion and infant and toddler care of approximately \$2.4 million were appropriated for FY 2010 in HF 820 (FY 2010 Federal Funds Appropriations Act). Approximately \$15.8 million remains available in FY 2011 for child care programs.

The ARRA also provided a 6.20% increase in the Federal Medical Assistance Percentage (FMAP) match over 27 months. This time period covered nine months in State FY 2009, all of State FY 2010, and will end by January of State FY 2011. This increase impacts Title IV-E Federal matching funds resulting in an increase in the FMAP formula to offset State dollars needed to fund the adoption subsidy and foster care programs. For State FY 2011, the increase is estimated to offset General Funds of \$1.7 million.

Child Care Assistance - Due to increasing caseloads in the Family Investment Program (FIP), the Governor has recommended that the General Assembly reduce TANF funding for Child Care Services by \$13.4 million and instead, direct it to the FIP appropriation to go toward increasing caseload growth. The Governor also recommends replacing the redirected TANF funding with the unobligated Child Care Development Fund American Reinvestment and Recovery Act (ARRA) funding of \$15.8 million. The redirected TANF money and the ARRA funding are both one-time sources of funding for FY 2011 and will create a potential shortfall in FY 2012 when this funding needs to be replaced.

Iowa Care Waiver – The IowaCare Waiver is an agreement between the State and federal government enabling federal support for the IowaCare Program. The Waiver expires at the end of FY 2010. The Iowa Medicaid Enterprise has made significant progress in the renewal of the waiver with the federal government. The Health and Human Services Subcommittee may wish to continue to monitor the progress of the renewal and any additional requirements the federal government may require of the State.

Senior Living Trust Fund – The Governor recommends depleting the Senior Living Trust Fund with several appropriations in FY 2011. If the Legislature enacts the Governor's recommendations, they may need to find an alternate funding source for the programs funded from the Senior Living Trust Fund in FY 2012.

FY 2010 Supplemental Recommendations – The Governor has recommended that the General Assembly provide a Supplemental appropriation of \$100,000 for the Mental Health State Cases Program. This funding in conjunction with a transfer of \$1.8 million from the Mental Health Risk Pool should allow the Program to operate without disenrolling any individuals. The Program is currently operating with a waiting list.

Public Works Efficiency Report – The LSA analysis of the Government Reorganization Bills in both the House and Senate does not match the savings estimated by the Public Works report. Some of the issues include:

- Public Works assumed different implementation dates for the Medicaid savings. The savings are effected by the FMAP rate which changes annually.
- For the recommendation adding additional prior authorizations for the Home and Community Based Waiver Program, Public Works assumes all of the savings goes to the General Fund when a portion of that savings needs to be returned to counties.
- The Public Works document provided a different plan altogether for the Mental Health Institutes, closing multiple MHI's. The Bill only provides for the closure of Mt. Pleasant.

For more information on the LSA analysis of the Government Reorganization Bills, please visit <http://www3.legis.state.ia.us/noba/>.

Other ideas from the Public Works Efficiency document that would affect the Departments under the purview of the Health and Human Service Budget Appropriation Subcommittee if implemented are as follows:

- Eliminating enrollment in the DHS Family Support Subsidy Program. For the first year savings estimates, LSA must take into account the across the board reductions that occurred in FY 2010. Public Works did not assign a specific fiscal year to their savings estimates and therefore, did not incorporate the ATB reductions.
- Expand the use of electronic payments in DHS. LSA could not provide for any savings since the language in both of the bills is a general directive and does not specify which programs should pursue the use of electronic payments.
- Modify funding for the child care assistance program. The Public Works report suggests a reduction in the TANF transfer from DHS to the Empowerment Program in the Department of Management (DOM). The report also recommends eliminating funding for two pilot projects in Polk County.
- Reduce funding for the Adoption Subsidy Program. For the first year savings estimates, LSA must take into account the across the board reductions that occurred in FY 2010. Public Works did not assign a specific fiscal year to their savings estimates and therefore, did not incorporate the ATB reductions.
- Implement some reductions to the Child and Family Services budget appropriation. The Report identifies savings if reductions are made to foster care group home beds and juvenile detention beds, funding to the Four Oaks autism earmark, the Linn County runaway pilot program earmark, and the PMIC transition pilot programs are eliminated, and if maintenance rate for family foster care, supervised apartment living and the PALS program are maintain at the FY 2009 level. LSA does not disagree with these estimates necessarily however, current legislation eliminates the Juvenile Detention Home Fund and is therefore, different than the estimates in the Public Works report.
- Transfer TANF funding into field operations. The Public Works document delineates several recommended changes to TANF appropriations including some reductions and eliminations. The Report recommends directing these reductions and eliminated funding to the DHS field operations.
- Eliminate requirement for Guardian ad litem to be conducted in person. Public Works recommended making statutory changes to the duties of a guardian ad litem, and limiting judicial discretion in such matters. A guardian ad litem is a person appointed to represent the interests of a juvenile with respect to a single action in litigation. The Department of Human Services (DHS) has procedures in place, including reciprocity agreements with other states, for certain out-of-state placements. Certain children are placed outside of Iowa and are the responsibility of Juvenile Court Officers (Judicial Branch) and their parents. If a child's parents are indigent, certain guardian ad litem are paid through the State Public Defender's Office. This statutory change is estimated to reduce costs for the Indigent Defense Fund by \$112,000 in FY 2011.

Executive Order Number 20 identifies and implements several recommendations from the Public Works Efficiency Report that do not need action from the General assembly. The following are related to Health and Human Services:

- Increase Title IV-E claims for Juvenile Court Services. This would increase federal match for Juvenile Court Services and may reduce the need for State General Funds. However, the federal

Administration for Children and Families within the US Department of Health and Human Services must approve a time study methodology in order to allocate costs. It is unknown when this may occur, therefore LSA determined that savings for a specific fiscal year is undeterminable at this time.

- Claim Title IV-E for eligible placement and relative care. The costs and revenue associated with these recommendations have not been estimated for FY 2011.

Department of Veterans Affairs

The Department of Veteran Affairs includes the Department and the Iowa Veterans Home. The Department provides services to veterans regarding federal pension applications, identifying services to reimburse from the Veterans Trust Fund interest revenues, establishing the Veterans Cemetery, and providing assistance for the County Grant Program, the Injured Veterans Grant Program, and the Vietnam Veterans Bonus Program. The Iowa Veterans Home provides services to veterans at the Home in Marshalltown, including domiciliary, residential, and pharmaceutical.

The Governor is recommending FY 2011 General Fund appropriations totaling \$11.5 million. This is a decrease of \$38,000 (0.3%) compared to estimated net FY 2010. The Governor is also recommending other fund appropriations totaling \$1.0 million for FY 2010 from the Transportation, Infrastructure, and Capitals Appropriations Subcommittee budget. This is a decrease of \$600,000 compared to estimated FY 2010. The other funds comparison is included in the Transportation, Infrastructure, and Capitals Appropriations Subcommittee section of this document.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Veterans Affairs, Dept. of</u>			
General Administration	\$ 960,453	\$ 960,453	\$ 0
War Orphans Educational Assistance	12,731	12,731	0
Injured Veterans Grant Program	-128,145	0	128,145
Veterans County Grants	990,000	900,000	-90,000
Iowa Veterans Home	9,630,846	9,630,846	0
Total Veterans Affairs, Department of	\$ 11,465,885	\$ 11,504,030	\$ 38,145

Significant changes include:

- **Injured Veterans Grant Program** – An increase of \$128,145 due to comparing a recommendation of \$0 for FY 2011 to a negative number of \$128,145 for FY 2010. The negative number is due to the 10.0% across-the-board reduction in FY 2010 to the carryforward from an appropriation in a previous fiscal year that is permitted to be carried forward. The remaining carryforward available for this Grant Program was \$1.0 million as of December 31, 2009.
- **Veterans County Grants Program** – A decrease of \$90,000. This is a result of the \$10,000 per county from the \$1,000,000 FY 2010 appropriation being expended for the 99 counties (\$990,000) prior to the 10.0% across-the-board reduction, leaving only \$10,000 to be captured by that reduction. The Governor recommended for FY 2011 what that amount would have been in FY 2010 if funds had been available in this Program for the reduction.

Issues

Impact of Net Budgeting - With the Veterans Home net budgeted the impact of the across-the-board reduction is less than other Departments. With the 10.00% ATB reduction, the Iowa Veterans Home FY 2010 budget is 18.8% State General Fund and the across-the-board reduction only impacts that 18.8%. The information from the Home did not indicate an impact to the outside funding. A small decrease in reimbursement is expected due to the State funding reduction for the Medicaid Program. Since the adoption of the original budget, the Home has increased their expected revenue from the Veterans Administration per diem reimbursement and decreased their expected revenue from resident support; neither of these adjustments are a result of the across - the - board reduction.

Public Works Efficiency Report – The Public Works Efficiency Report recommends changing the Veteran County Grant Program from a \$10,000 grant per county to an application process to specify the use of the funds in the application to target funding to the geographic areas of need. The Report did not recommend a change in the appropriation.

The Report also referred to possible cost savings at the Iowa Veterans Home as one of eight print shops in State government. An estimated \$200,000 annual savings was projected if centralized at the Department of Administrative Services but the Report did not delineate the amount for each location. Executive Order 20 does not specifically include this recommendation although general language references may result in the inclusion.

The Governor's Executive Order 20 includes many cost saving measures that may impact the Department of Veterans Affairs and the Veterans Home. An estimate of the amount of savings attributable to the Commission has not been reported.

FY 2010 Appropriation Transfers – The Department of Veterans Affairs did receive a FY 2010 transfer of \$85,609 as a result of the Governor transferring funds made available from other Departments furlough salary savings. The Governor does not recommend replacing this \$85,609 in FY 2011.

Construction Funds – The Subcommittee may want to review the amount of funds within the Iowa Veterans Home Construction Account and the timing of the availability of federal matching funds.

Board of Regents

The Board of Regents oversees the University of Iowa Hospitals and Clinics (UIHC) and receives funding for IowaCare through the Health and Human Services Appropriations Subcommittee.

The Governor is recommending other fund appropriations totaling \$74.3 million for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Regents, Board of</u>			
Regents, Board of			
BOR UIHC - Expansion Population-ICA	\$ 47,020,131	\$ 47,020,131	\$ 0
BOR UIHC - ICA	27,284,584	27,284,584	0
Total Regents, Board of	<u>\$ 74,304,715</u>	<u>\$ 74,304,715</u>	<u>\$ 0</u>

Department of Inspections and Appeals

The Department of Inspections and Appeals (DIA) is a regulatory agency charged with protecting the health, safety, and well-being of Iowans. The Department receives funding from the Senior Living Trust Fund to inspect Assisted Living Centers and Adult Day Cares.

The Governor is recommending a Senior Living Trust Fund appropriation of \$1.3 million for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Inspections & Appeals, Dept. of</u>			
Inspections and Appeals, Dept. of			
Assisted Living/Adult Day Care-SLTF	\$ 1,339,527	\$ 1,339,527	\$ 0
Total Inspections & Appeals, Dept. of	<u>\$ 1,339,527</u>	<u>\$ 1,339,527</u>	<u>\$ 0</u>

Iowa Finance Authority

The Iowa Finance Authority (IFA) was created in 1975 to assist in the attainment of housing for low- and moderate-income Iowans. Iowa Finance Authority receives funding from the Senior Living Trust Fund for a Rent Subsidy Program.

The Governor is recommending a Senior Living Trust Fund appropriation of \$700,000 for FY 2011. This is no change compared to estimated FY 2010.

Other Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Iowa Finance Authority</u>			
Iowa Finance Authority			
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 0
Total Iowa Finance Authority	<u>\$ 700,000</u>	<u>\$ 700,000</u>	<u>\$ 0</u>

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Legislative Health Care Coverage Commission

The Legislative Health Care Coverage Commission was created in Senate File 389 (2009 Health Care Omnibus II) and charged to develop an Iowa health care reform strategic plan which includes but is not limited to a review and analysis of and recommendations and prioritization of recommendations for various options for health care coverage of Iowa's children, adults, and families. Three Workgroups for the Commission were also established to work on issues as follows:

Health Care Coverage for Adults

Use/Creation of a State Pool

Administration of Health Reform in Iowa

The Commission has met three times in Des Moines and the three Workgroups within the Commission have each met multiple times. The Commission has compiled a list of 11 recommendations and submitted those recommendations in their annual progress report to the General Assembly. For more information on those recommendations and their fiscal impact, please visit:

http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=484

The Commission is required to provide another annual report to the General Assembly by January 1, 2011, and is directed to conclude its deliberations by July 1, 2011. A final report to the General Assembly is due by October 1, 2011. The Commission will be dissolved as of December 31, 2011.

Adult MH/DD Stakeholders Task Force

The Adult Mental Health/Developmental Disabilities Stakeholders Task Force met multiple times throughout then interim to work on both short and long term solutions for the Mental Health system and the way it is funded. The Taskforce submitted a report to the General Assembly on January 8th providing a list of recommendations and several options for pilot projects. For a copy of the report please visit:

<http://www.legis.state.ia.us/lsadocs/IntReport/2010/IPJCP000.PDF>.

LSA Publications

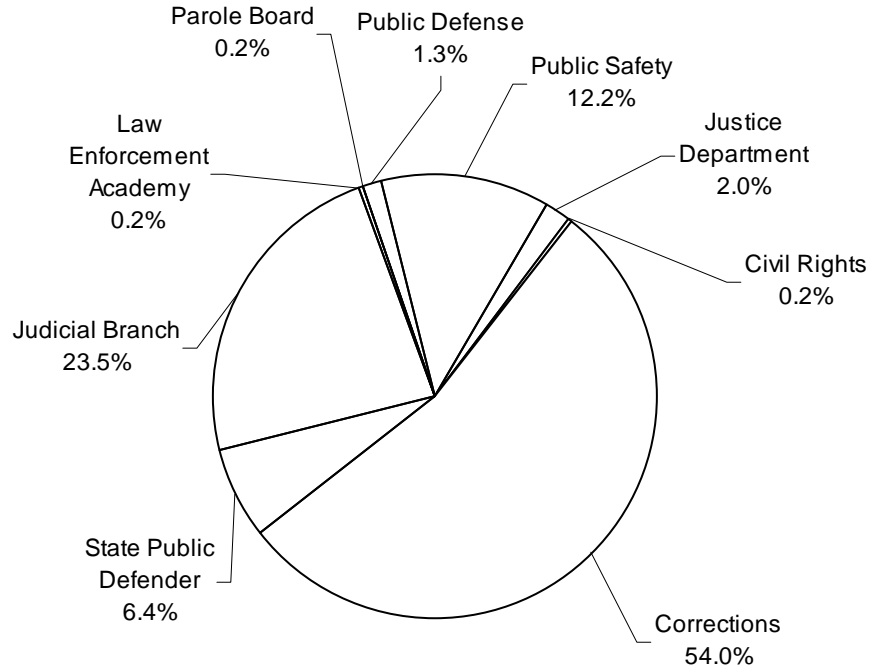
The following publications have been published by the LSA that relate to the Health and Human Services Appropriations Subcommittee:

- *Fiscal Topic:* [Medicaid Overview](#)
- *Fiscal Topic:* [State Children's Health Insurance Program Overview](#)
- *Fiscal Topic:* [Iowa Veterans Home](#)
- *Fiscal Topic:* [Shelter Care](#)
- *Fiscal Topic:* [Social Services Emergency Disaster Relief Grant](#)
- *Issue Review:* [Education Benefits for Children of Deceased Veterans](#)

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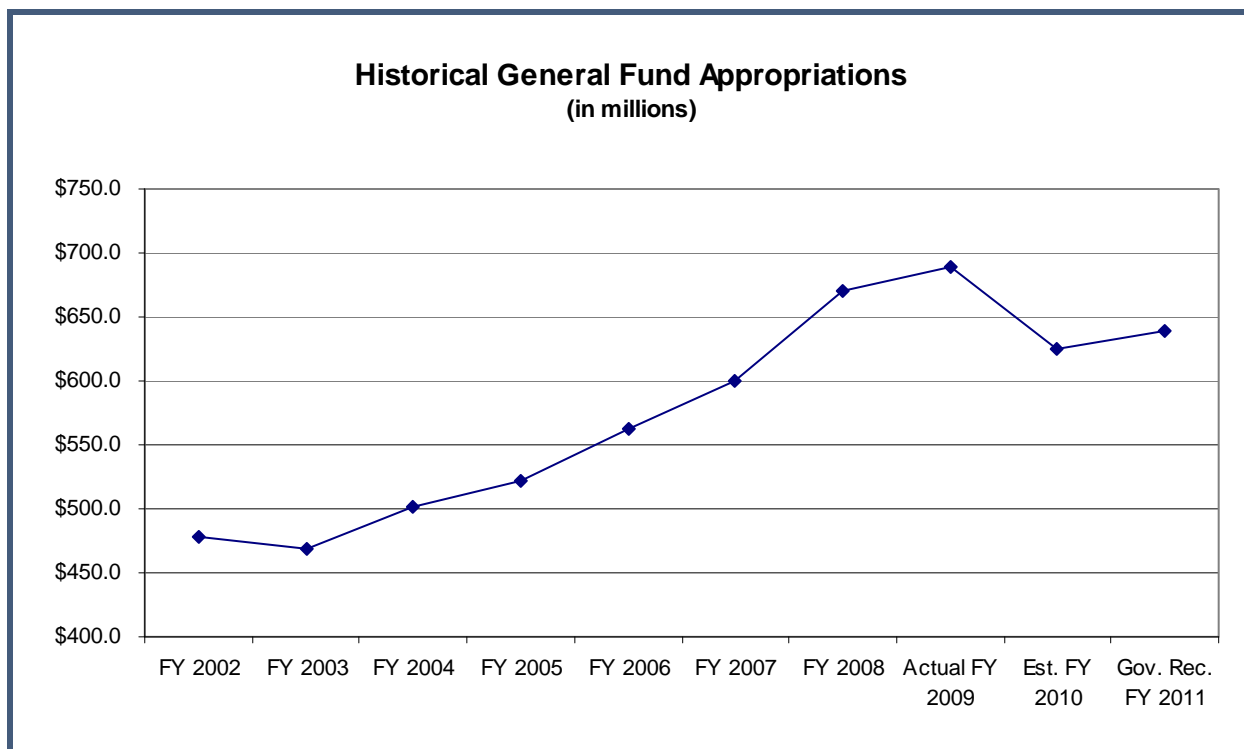
JUSTICE SYSTEM APPROPRIATIONS SUBCOMMITTEE

FY 2011 General Fund Governor's Recommendations



FY 2011 General Fund Governor's Recommendations

Justice Department	\$ 12,552,101
Civil Rights	1,379,861
Corrections	345,839,469
State Public Defender	41,177,111
Judicial Branch	150,311,822
Law Enforcement Academy	1,049,430
Parole Board	1,045,259
Public Defense	8,287,320
Public Safety	78,134,421
	<u>\$ 639,776,794</u>



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department of Justice

The Attorney General is the head of the Department and is elected by popular vote every four years. The Department is composed of the Attorney General's Office, Prosecuting Attorney Training Coordinator, and the Consumer Advocate's Office. The Department represents the State in all litigation, issues formal and informal opinions and advice to State agencies, prosecutes some criminal offenders and handles all criminal appeals, and administers the following programs: Farm Mediation, Crime Victim Assistance, and Legal Services Poverty Grants.

The Governor is recommending FY 2011 General Fund appropriations totaling \$12.6 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Justice, Department of</u>			
Justice, Dept. of			
General Office A.G.	\$ 7,732,930	\$ 7,732,930	\$ 0
Victim Assistance Grants	3,060,000	3,060,000	0
Legal Services Poverty Grants	1,759,171	1,759,171	0
Farm Mediation Services	0	0	0
Total Justice, Dept. of	\$ 12,552,101	\$ 12,552,101	\$ 0
Consumer Advocate			
Consumer Advocate	\$ 0	\$ 0	\$ 0
Total Justice, Department of	\$ 12,552,101	\$ 12,552,101	\$ 0

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Justice, Department of</u>			
Consumer Advocate			
Consumer Advocate	\$ 3,138,888	\$ 3,336,344	\$ 197,456
Total Justice, Department of	\$ 3,138,888	\$ 3,336,344	\$ 197,456

The Governor is recommending an FY 2011 Commerce Revolving Fund appropriation to the Office of the Consumer Advocate of \$3.3 million. This is an increase of \$197,000 (6.3%) compared to estimated FY 2010. The increase is for debt retirement for the new Iowa Utilities Board/Office of the Consumer Advocate building.

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for the Department of Justice was \$1.4 million for General Fund appropriations. The Department has indicated that the General Fund reductions will be achieved by:

- Staggered furloughs based on annual pay.
- Holding open vacant funded positions.
- Reassigning existing staff to vacant positions funded from other sources.
- Greater reliance on restricted funds under the control of the Department, such as the Consumer Education and Litigation Fund and the Forfeited Property Fund.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Department of Justice.

The Report recommends strengthening Medicaid Integrity Efforts by enacting a State False Claims Act. The consultants estimated this proposal would generate \$900,000 the first year. The proposal provides a

procedure for the State and private individuals to bring an action for fraud against a person that may result in financial loss to the government. There are currently 25 states with a False Claims Act. Iowa currently operates under the Federal False Claims Act.

Any statute has to be reviewed by the federal Department of Health and Human Services before it can be implemented. The language will not be reviewed until it has been enacted. So implementation will be delayed the first year. If the language is rejected, the General Assembly has to pass another bill to attempt to get federal approval. Several states have had their statutes rejected. If the language is approved by the federal government, the State will be allowed to retain 10.0% of the federal share of Medicaid Fraud recoveries.

The proposal has the potential to have a significant work load issue on the Judicial Branch and the Attorney General's Office. The proposal may impact collection efforts and staffing workloads of the Department of Human Services and the Department of Inspections and Appeals.

The proposal will most likely increase the number of fraud cases brought to court. Some of the cases will result in additional recoveries to the State. Some may be nuisance cases without a legitimate claim. Those cases will increase the workload of State agencies with no recoveries. There is no method to determine the number of fraud cases that are either legitimate or a nuisance. A percentage of those found fraudulent will not be able to pay. This increases the amount of uncollectible debt owed the State.

The Department of Inspections and Appeals indicates if an approved False Claims Act had been in place, an additional \$350,000 in FY 2008 and an additional \$236,000 in FY 2009 would have been recovered under the Medicaid Fraud provisions, for a two year average of \$293,000 annually. There is no information with which to project the amount to be recovered by lawsuits brought by private individuals.

The net fiscal impact cannot be determined at this time. Any recoveries under the Medicaid Fraud provisions may be offset by increased costs to State agencies for actions under the proposal. Any receipts for FY 2011 will be for a partial year, because no actions may be taken until the language is approved by the federal government. Any receipts generated under the Medicaid Fraud provisions are retained by the Department of Inspections and Appeals Medicaid Fraud Account (penalties only) and the Department of Human Services (restitution applied as a Medicaid offset) and not deposited into the General Fund.

Federal ARRA Funds – The Department received American Reinvestment and Recovery Act (ARRA) funds as follows:

- \$498,000 in Victims of Crime Act (VOCA) funds for direct compensation to victims.
- \$699,000 in VOCA funds for Victim Assistance Grants for victim programs that provide direct services to crime victims in the areas of domestic abuse, sexual abuse, child abuse, and previously under served victims of crime. These funds were distributed as follows:
 - \$458,000 to 22 dual Domestic Abuse/Sexual Abuse programs.
 - \$76,000 to three Domestic Abuse programs.
 - \$44,000 for two Sexual Abuse programs.
 - \$52,000 for two homicide programs.
 - \$25,000 for one youth program.
 - \$8,000 for two victim witness coordinators.
 - \$35,000 for administrative costs related to information technology.

- \$1,645,000 in Violence Against Women Act (VAWA) funds for specialized investigative, prosecution, and court enhancement related to violence against women and support and advocacy services for victims of domestic abuse, dating violence, sexual abuse, and stalking. The funds were distributed as follows:
 - \$370,000 to eight law enforcement agencies.
 - \$61,000 to five prosecution programs in FY 2010 and \$309,000 in FY 2011.
 - \$666,000 to 29 Victim Services programs for domestic abuse and sexual assault programs.
 - \$74,000 for one court program.
 - \$165,000 for administrative costs related to information technology.

Victim Compensation Fund – The Crime Victim Assistance Division administers the Fund. The Fund supports the Crime Victim Compensation Program, Sexual Abuse Examination Program, Victims Assistance Grants, the IowaVINE system, and administrative costs of the Division. Funds available in the Victim Compensation Fund in FY 2010 are \$13.7 million, an increase of \$2.1 million (17.8%) compared to FY 2009. The majority of this increase is primarily due to delayed receipt of the FY 2009 VOCA Compensation grant. The FY 2009 award was received in October 2009, after the close of the fiscal year so it was deposited into the Fund in FY 2010. Expenditures from the Fund in FY 2010 are expected to increase by \$30,000.

The year-end balance carries forward to the next fiscal year and is available for expenditure. The FY 2010 year-end balance of \$2.2 million is the projected balance of the VOCA Compensation grant award. The Victim Compensation Fund is experiencing cash flow problems in FY 2010, primarily due to delayed receipts from the U.S. Department of Justice for the Victims of Crime Act (VOCA) Compensation Program. If the FY 2010 grant award is delayed, the projected ending balance will be significantly less than projected and delayed payments to victims will continue to occur.

The Department expects approximately \$540,000 annually to be expensed against the Fund for the IowaVINE System. The FY 2010 award of \$229,000 cannot be used for operating costs. It may only be used to connect the courts and local law enforcement to the system. The more entities that connect to the IowaVINE system, the more likely it is that operating costs will increase.

The General Assembly may want to review other options for the Fund, such as:

- Increasing receipts to the Fund.
- Using alternative funding sources for Victim Services Grants.
- Decreasing the amount of compensation paid to victims.
- Work with the Iowa delegation to ensure more timely receipts of federal grant awards.

Victim Assistance Grants – The Crime Victim Assistance Division provides grants to service providers for victims of domestic abuse, sexual assaults, and other violent crimes. The Division also provides grants to specialized law enforcement programs and prosecutors to address violence against women. A State General Fund appropriation, combined with federal grants and the Victim Compensation Fund, are used for community crime victim service programs. This combination of funding results in approximately \$11.7 million being distributed to 27 domestic abuse programs, 27 sexual abuse programs, the Iowa Domestic Abuse Hotline, the Sexual Abuse Hotline, four homicide victim survivor programs, several prosecutor-based victim service coordinators, violence against women officers and prosecutors, and four state crime victim specialists. This is an increase of \$1.6 million (16.2%) compared to FY 2009.

Most of this increase is primarily due to receipt of one-time ARRA funds. It is unlikely the Victim Compensation Fund will be able to offset that loss. The Governor is recommending no change in funding for FY 2011.

Civil Rights Commission

The Commission exists to protect the civil rights of all persons throughout Iowa. The Commission's primary functions are to enforce the Iowa Civil Rights Act, investigate and resolve discrimination complaints as a neutral fact finder, advocate for compliance with civil rights laws, and educate and train Iowans to recognize and prevent discrimination.

The Governor is recommending an FY 2011 General Fund appropriation of \$1.4 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Civil Rights Commission</u>			
Civil Rights Commission	\$ 1,379,861	\$ 1,379,861	\$ 0
Total Civil Rights Commission	\$ 1,379,861	\$ 1,379,861	\$ 0

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for the Civil Rights Commission was \$153,000 for the General Fund appropriation. The Commission has indicated that the General Fund reduction will be achieved by holding open one Administrative Assistant position and 0.5 Information Technologist 3 position. The Director reallocated approximately \$121,000 in General Fund expenditures to federal funds in FY 2010. This is not likely to be a valid option in FY 2011 due to an anticipated decline in federal receipts. The Director reduced the support budget and restructured the job duties of existing staff.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$31,000 was being transferred from the Civil Rights Commission from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Civil Rights Commission, and the Commission was not directly impacted by the Report.

Federal ARRA Funds – As of the print date of this publication, the Commission has not received any additional federal funds from the Federal Economic Stimulus Plan 2009.

Federal Funds – The Commission receives approximately 40.0% of its budget from the federal government through the Equal Employment Opportunity Commission (EEOC) and the Department of Housing and Urban Development (HUD). The Director anticipates no impact on the receipt of federal funds in FY 2010. The impact in FY 2011 may be a significant reduction in federal receipts due to not being able to meet maintenance of effort requirements. This applies to the two main federal funding

sources – Equal Employment Opportunity Commission (EEOC) and Housing and Urban Development (HUD) grants. Currently, the EEOC grant is \$604,000 while the HUD grants are \$382,000.

Attendance at mandatory training is required by both EEOC and HUD contracts. Funding for the training comes directly out of federal funds. Failure to attend training jeopardizes contracts and will reduce federal receipts. Not meeting the maintenance of effort requirements in FY 2010 is likely to also reduce federal receipts from both the EEOC and HUD in FY 2011. It is anticipated that the backlog of discrimination complaints, particularly in employment and housing, will increase.

Statistics – The Commission closed 1,837 cases in FY 2009, a decrease of 170 (8.5%) compared to FY 2008. Additionally, the average number of days to process a case increased by 38.7 days (14.8%) during the same period. The decrease in case closures and increase in processing time was primarily due to re-allocation of staff to handle ‘older’ or ‘aged’ cases; changing federal expectations; and the need to resolve cases that have been pending.

Department of Corrections

The Department’s mission is to protect the public, employees, and offenders from victimization. The Department operates nine prisons to incarcerate legally-committed adult offenders; partners with eight Community-Based Corrections (CBC) District Departments to provide supervision for offenders on parole, probation, work release, and Operating While Intoxicated (OWI) offenses; provides opportunities for offenders to make improvements through various educational, skill development, and counseling programs; trains professional staff; operates Iowa Prison Industries; and provides oversight of local jails.

The Governor is recommending FY 2011 General Fund appropriations totaling \$345.8 million. This is an increase of \$25.0 million (7.8%) compared to estimated FY 2010. This is an increase of \$17.4 million (5.3%) compared to FY 2010 when the Governor’s recommended supplemental appropriation is included.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Corrections, Dept. of</u>			
CBC District 1			
CBC District I	\$ 11,918,690	\$ 12,453,082	\$ 534,392
CBC District 2			
CBC District II	\$ 9,986,645	\$ 10,770,616	\$ 783,971
CBC District 3			
CBC District III	\$ 5,345,642	\$ 5,715,578	\$ 369,936
CBC District 4			
CBC District IV	\$ 5,179,500	\$ 5,522,416	\$ 342,916
CBC District 5			
CBC District V	\$ 17,350,422	\$ 18,938,081	\$ 1,587,659
CBC District 6			
CBC District VI	\$ 12,408,317	\$ 13,030,356	\$ 622,039
CBC District 7			
CBC District VII	\$ 6,436,995	\$ 6,846,560	\$ 409,565
CBC District 8			
CBC District VIII	\$ 6,391,827	\$ 6,935,622	\$ 543,795

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Corrections, Dept. of, cont.</u>			
Central Office			
County Confinement	\$ 775,092	\$ 775,092	\$ 0
Federal Prisoners/ Contractual	215,470	239,411	23,941
Corrections Administration	4,329,043	4,491,968	162,925
Corrections Education	1,363,707	1,558,109	194,402
Iowa Corrections Offender Network	381,928	424,364	42,436
Mental Health/Substance Abuse	22,319	22,319	0
Hepatitis Treatment and Education	167,881	167,881	0
Total Central Office	\$ 7,255,440	\$ 7,679,144	\$ 423,704
Fort Madison			
Ft. Madison Institution	\$ 37,003,223	\$ 41,442,374	\$ 4,439,151
Anamosa			
Anamosa Institution	\$ 28,272,505	\$ 30,356,461	\$ 2,083,956
Oakdale			
Oakdale Institution	\$ 52,781,485	\$ 55,955,246	\$ 3,173,761
Newton			
Newton Institution	\$ 25,230,054	\$ 26,452,257	\$ 1,222,203
Mt Pleasant			
Mt. Pleasant Inst.	\$ 24,494,564	\$ 26,265,257	\$ 1,770,693
Rockwell City			
Rockwell City Institution	\$ 8,452,967	\$ 9,324,565	\$ 871,598
Clarinda			
Clarinda Institution	\$ 21,078,946	\$ 23,645,033	\$ 2,566,087
Mitchellville			
Mitchellville Institution	\$ 14,253,115	\$ 15,486,586	\$ 1,233,471
Fort Dodge			
Ft. Dodge Institution	\$ 26,999,132	\$ 29,020,235	\$ 2,021,103
Total Corrections, Dept. of	\$ 320,839,469	\$ 345,839,469	\$ 25,000,000

Significant changes include:

- A transfer of \$107,000 and 1.0 FTE position to transfer a Pharmacist from the Fort Dodge Correctional Facility to the Iowa Medical and Classification Center at Oakdale. This recommendation is revenue neutral.
- A transfer of \$48,000 and 1.0 FTE position to transfer a Pharmacy Assistant from the Newton Correctional Facility to the Iowa Medical and Classification Center at Oakdale. This recommendation is revenue neutral.
- An increase of \$25.0 million to fund positions critical to the mission of the DOC. The funding partially replaces the \$14.0 million ARRA funds appropriated to the DOC in FY 2010, and partially restores the FY 2010 across-the-board reduction. The funding may permit hiring back staff that has been laid off. However, that budget decision is contingent upon salary adjustment funding and how any proposed early retirement incentives are funded.

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Corrections, Dept. of</u>			
Central Office			
DOC Central Office-ARRA	\$ 210,000	\$ 0	\$ -210,000
Fort Madison			
DOC Fort Madison-ARRA	\$ 4,347,000	\$ 0	\$ -4,347,000
Anamosa			
DOC Anamosa-ARRA	\$ 931,000	\$ 0	\$ -931,000
Oakdale			
DOC Oakdale ARRA	\$ 2,030,000	\$ 0	\$ -2,030,000
Newton			
DOC Newton ARRA	\$ 1,029,000	\$ 0	\$ -1,029,000
Mt Pleasant			
DOC Mt. Pleasant ARRA	\$ 903,000	\$ 0	\$ -903,000
Rockwell City			
DOC Rockwell City ARRA	\$ 301,000	\$ 0	\$ -301,000
Clarinda			
DOC Clarinda ARRA	\$ 2,506,000	\$ 0	\$ -2,506,000
Mitchellville			
DOC Mitchellville ARRA	\$ 679,000	\$ 0	\$ -679,000
Fort Dodge			
DOC Fort Dodge ARRA	\$ 1,064,000	\$ 0	\$ -1,064,000
Total Corrections, Dept. of	<u>\$ 14,000,000</u>	<u>\$ 0</u>	<u>\$ -14,000,000</u>

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for the DOC was \$35.7 million for General Fund appropriations. The Department has indicated that the General Fund reductions will be achieved as follows:

- \$11.4 million in vacant positions will not be filled.
- \$3.7 million in savings from furloughs. Noncontract staff are mandated by the Governor to take seven furlough days. Contract staff agreed to take five furlough days.
- \$1.0 million by eliminating the State's deferred compensation match.
- \$2.5 million by laying off 69 positions. These were non-contract and IUP positions.
- \$6.1 million transferred from other agencies and from internal reallocations.
- \$722,000 in support budget reductions.
- \$7.6 million recommended as a supplemental appropriation.
- \$2.7 million may be generated through as yet unidentified savings, such as holding positions vacant, or by year-end appropriation transfers from other State agencies.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that a net of \$6.1 million was being transferred into the DOC and CBC District Departments from savings generated by furlough

and deferred compensation savings. These funds partially offset the 10.0% across-the-board reduction implemented on October 9, 2009.

FY 2010 Supplemental Appropriation – The Governor is recommending an FY 2010 supplemental appropriation of \$7.6 million to fund critical positions in the areas of treatment and security. The funds are distributed across the nine prisons and seven of the eight Community-Based Corrections (CBC) District Departments. These funds partially backfill the 10.0% across-the-board reduction.

Federal ARRA Funds – As of the print date of this publication, the Department does not expect to receive any additional federal funds from the Federal Economic Stimulus Plan 2009. The Department was appropriated \$14.0 million in ARRA funds in FY 2010. These funds were used for staff and support of security needs.

Prison Population – The Criminal and Juvenile Justice Planning Division of the Department of Human Rights recently issued its 10-year prison population forecast. If policies and practices remain the same, the prison population is projected to reach approximately 9,025 inmates by the end of FY 2019. By FY 2019 and without any additional prison beds, overcrowding will reach 115.0% of design capacity. This figure is based on the assumption that the additional beds authorized during the 2008 Legislative Session for Fort Madison and Mitchellville will be operating by FY 2019. If the prison population reaches 9,025 inmates, no additional prisons will need to be built, other than the expansions authorized at Fort Madison and Mitchellville.

Inmate Education – The General Fund appropriation for inmate education peaked in FY 2001 at \$3.3 million. The FY 2010 General Fund appropriation is \$1.6 million, a decrease of \$1.7 million (52.3%) compared to FY 2001. Since FY 2001, the DOC has relied on other funding sources, such as carryover funding from the previous year's appropriation, Institution Canteen receipts, and the Telephone Rebate Fund to provide adult basic education, high school equivalency courses, and vocational courses through the community college system. House File 2660 (FY 2010 Justice System Appropriations Act) requires the DOC to transfer at least \$300,000 from the Canteen Funds to the Corrections Education Account. The DOC is not requesting an increase in the General Fund appropriation for corrections education in FY 2011 due to the required submission of a status quo budget. Literacy is a significant problem that limits employment for the inmate population, and the DOC has focused educational resources on literacy for the past several years. Research suggests that inmate education increases employability of released inmates and reduces recidivism. Vocational education is provided primarily in conjunction with Prison Industries.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Department of Corrections or the CBC District Departments. Following are other items in the Report that impact the DOC.

- **Sale of Assets** – Public Works recommended the Department of Administrative Services (DAS) complete an inventory of surplus State property and recommended assets that could be sold at a premium price. The consultants assumed the State would sell 3,000 acres of land at an average price of \$4,614 per acre, and assumed 2,000 acres of the land sold would be land currently own by the Department of Human Services and rented to the private sector to generate cash flow for the Department of Corrections prison farms.

Public Works assumed the land would be sold during FY 2011. Any land that is identified for sale would require necessary time to complete surveys and the updating of abstracts. The cost of the inventory will be conducted by DAS with existing resources. The sale of 3,000 acres of land at an

average price of \$4,614 per acre will generate an estimated \$13.8 million in revenue to the General Fund in FY 2011. A portion of the land sold will likely be land that is currently leased to the private sector, the proceeds of which are used to help fund the prison farms operated by the Department of Corrections. The loss of the rental proceeds would require the operating expenditures of the prison farms be reduced or would require an alternative source of revenue to maintain funding for the farms at the current level.

- **Pharmaceutical Improvements** – Public Works recommended that the Departments of Human Services, Public Health, Corrections, and Management and any other appropriate agency to identify strategies to improve efficiencies in pharmaceuticals, including changes to State law or approval from the federal government. The DOC is in the process of creating a centralized pharmacy for the prison system, using generics as a base for its formulary. Any substitutes of name brand medications are to be documented. Over the past several years, most if not all of these agencies (including University of Iowa Hospitals and Clinics) have worked together on an intermittent basis to address pharmacy costs. Most cost savings ideas have been hampered by federal regulations regarding the specific populations of the individual agencies. For example, Corrections is at a higher cost than Human Services for the same medicine, because one population is criminals while the other is civilians. The fiscal impact cannot be determined. It is anticipated any savings would be generated after FY 2012, when any potential changes to state law or federal regulations would take effect.
- **Prison Closures** – Public Works recommended the closure of the Luster Heights Prison Camp (satellite of Anamosa State Penitentiary) and Farms One and Three at Iowa State Penitentiary at Fort Madison. Farm Three is scheduled to close in FY 2011 because the new maximum security facility is being constructed on that land. As of January 11, 2010:
 - Luster Heights Prison Camp was at 63.0% of capacity (56 offenders and 88 beds).
 - Farm One was at 75.0% of capacity (60 offenders and 80 beds).
 - Farm Three was at 54.0% of capacity (54 offenders and 100 beds).
 - The prison system was at 111.0% of capacity, with 8,293 offenders and 7,414 beds.

Closing these facilities reduces capacity from 7,414 beds to 7,146 beds. If the population remains stable, the prison system would be operating at 116.0% of capacity. All estimated savings are net of bumping and personnel transfers. The DOC will absorb any employee moving costs, specifically at Luster Heights Prison Camp. The DOC will absorb any costs associated with moth-balling the facilities at Farm Three and the Luster Heights Prison Camp. No allowance is made for the one-time transportation costs of moving offenders to other prison locations.

The total savings due to these closures is estimated to be \$2,361,000 as follows:

- Farm One – \$688,000
- Farm Three – \$763,000
- Luster Heights Prison Camp – \$910,000.

Department of Inspections and Appeals – State Public Defender

General Fund appropriations for the Department of Inspections and Appeals are the responsibility of the Administration and Regulation Subcommittee, except for the State Public Defender's Office and indigent defense. The State Public Defender's Office administers local public defender offices; provides legal counsel to indigent convicted criminals on appeals and for post-conviction relief proceedings; is responsible for indigent juvenile cases; and reviews all expense claim reimbursements from private attorneys for indigent defense cases. In FY 1988, the costs of providing legal counsel to indigent criminal defendants and juveniles (indigent defense) were transferred to the State as part of court reorganization. Before FY 1988, these costs were paid by the counties.

The Governor is recommending FY 2011 General Fund appropriations totaling \$41.2 million for the State Public Defender and Indigent Defense. This is no change compared to current law. This is a decrease of \$10.9 million (20.9%) compared to FY 2010 when the Governor's recommended supplemental appropriation is included.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Inspections & Appeals, Dept. of</u>			
Public Defender			
Public Defender	\$ 19,568,864	\$ 21,743,182	\$ 2,174,318
Indigent Defense Appropriation	21,608,247	19,433,929	-2,174,318
Total Inspections & Appeals, Dept. of	\$ 41,177,111	\$ 41,177,111	\$ 0

Significant changes include:

- State Public Defender's Office – \$2.2 million increase to replace the FY 2010 across-the-board reduction.
- Indigent Defense – A decrease of \$13.1 million as follows:
 - \$2.2 million transferred to the Office of the State Public Defender.
 - \$10.9 million decrease to not annualize the FY 2010 supplemental appropriation recommended by the Governor.

Issues

FY 2010 Budget Reductions – One Public Defender 3 position has been reassigned from processing indigent defense claims from the private bar to staffing cases in the field. This action is projected to save approximately \$209,000 in FY 2010 because cases handled by private attorneys will now be staffed by a public defender. The State Public Defender reallocated approximately \$2.1 million from the Indigent Defense Fund to the State Public Defender's Office.

FY 2010 Supplemental Appropriation – The Governor is recommending an FY 2010 supplemental appropriation of \$10.9 million to partially backfill the 10.0% across-the-board reduction.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$382,000 was being transferred from the Office of the State Public Defender from furlough and deferred compensation savings to the General Fund to implement the Governor’s recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Federal ARRA Funds – As of the print date of this publication, the Office of the State Public Defender is not expecting any federal funds to be received from the Federal Economic Stimulus Plan 2009.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Office of the State Public Defender. Following are other items in the Report that impact the Office of State Public Defender.

- **Guardian Ad Litem** – Public Works recommended making statutory changes to the duties of a guardian ad litem, and limiting judicial discretion in such matters. A guardian ad litem is a person appointed to represent the interests of a juvenile with respect to a single action in litigation. The Department of Human Services (DHS) has procedures in place, including reciprocity agreements with other states, for certain out-of-state placements. Certain children are placed outside of Iowa and are the responsibility of Juvenile Court Officers (Judicial Branch) and their parents. If a child’s parents are indigent, certain guardian ad litem are paid through the State Public Defender’s Office. This statutory change is estimated to reduce costs for the Indigent Defense Fund by \$112,000 in FY 2011.
- **Expansion of Existing Local Public Defender Offices and Establish an Office in Southeast Iowa** – Public Works recommended adding positions to four local offices (Iowa City, Cedar Rapids, and Davenport – two local public defenders each and the Civil Commitment/Special Defense Unit – two local public defenders, one secretary and one investigator). This proposal also funds a new office in southeast Iowa with 6.00 FTE positions (One supervisor, three local public defenders, one secretary and one investigator). Public Defenders provide the same service more efficiently than private attorneys.

The net savings to the General Fund is an estimated \$2,613,000 for FY 2011 as follows:

- Adding positions to the State Public Defender’s Office is estimated to save a net \$1,860,000 (an increase of \$640,000 and 10.00 FTE positions to the State Public Defender’s Office and a decrease of \$2,500,000 to the Indigent Defense Fund appropriation).
- Creating a local office in southeast Iowa is estimated to save \$753,000 (increase of \$500,000 and 6.00 FTE positions to the State Public Defender’s Office and decrease of \$1,253,000 to the Indigent Defense Fund appropriation).

Judicial Branch

Iowa has a unified trial court system known as the Iowa District Court that has general jurisdiction over all civil, criminal, juvenile, and probate matters in the State. The Iowa District Court is composed of different kinds of judicial officers with varying amounts of jurisdiction including judicial magistrates, associate juvenile judges, associate probate judges, district associate judges, and district court judges. There are two appellate courts in Iowa’s judicial system—the Iowa Supreme Court and the Iowa Court of Appeals. Seven justices sit on the Supreme Court and nine judges form the Court of Appeals.

For the Judicial Branch, the Governor passed through the FY 2011 General Fund appropriation request totaling \$148.8 million and recommended \$1.5 million from the General Fund for the Jury and

Witness Fee Revolving Fund. This is a decrease of \$9.9 million compared to estimated FY 2010. The Governor encouraged the General Assembly to consider increasing the Judicial Branch's General Fund appropriation since, as required by the Iowa Code, the Judicial Branch's FY 2011 budget was passed through as submitted.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Judicial Branch			
Jury & Witness (GF) to Revolving Fd. (0043)	\$ 0	\$ 1,500,000	\$ 1,500,000
Judicial Branch	160,184,957	148,811,822	-11,373,135
Judicial Retirement	0	0	0
Total Judicial Branch	\$ 160,184,957	\$ 150,311,822	\$ -9,873,135

Issues

FY 2010 Budget Reductions – The Judicial Branch implemented a voluntary reduction of \$11.4 million (7.1%) to the FY 2010 budget. This has resulted in ten days of unpaid leave for all judges, magistrates, and court staff from December 4, 2009, to June 18, 2010, totaling \$4.1 million. One furlough day of all judges, magistrates, and court personnel is approximately \$418,000. In addition, the Judicial Branch implemented a workforce reduction of approximately 9.3% totaling \$7.3 million and a reduction in non-personnel expenditures of approximately \$700,000. The Judicial Branch will lay off 105.0 employees, eliminate 100.0 vacant positions (27 retirements and 73 vacancies), and reduce the hours of 58 employees. Ninety-five percent of the Judicial Branch budget is personnel costs. The reduction plan downsized the Clerk of Court offices based on a weighted caseload formula. All Clerk of Court offices are staffed 12.0% below staffing formulas and juvenile court services is staffed 9.0% below current services. The Judicial Branch also is encouraging the pooling of court reporters addressed in a previously issued order dated June 25, 2009. (These figures are based on actual headcount rather than FTE positions.)

Public Works Efficiency Report – There was no specific dollar target assigned to the Judicial Branch.

Judicial Branch Built-In Cost - The Judicial Branch has approximately \$5.0 million in General Fund built in cost increases for FY 2011 that are not reflected in their status quo budget request. They include \$3.3 million for salary annualization and \$1.6 million to make up the difference when savings from layoffs and eliminated positions are annualized.

Electronic Document Management System (EDMS) – The pilot project in Plymouth County has begun with Story County and the two appellate courts to follow. Once the pilot projects are completed, two counties will be brought on-line every month. Statewide implementation of the EDMS project will take approximately four years. The Judicial Branch is exploring ways to expedite the pilot project and implementation to help reduce the difficulties caused by the reduction in force. The estimated cost for the EDMS, based on signed contracts for electronic-filing (e-filing) and the document management system, is \$15.0 million. An additional \$4.0 million may be necessary for set-up, preparation, and additional network costs during implementation. There are approximately 7.0 FTE positions dedicated to the project (4.0 FTEs are 100.0% dedicated to the project and another 10.0 FTE positions are approximately 30.0% dedicated to the project). The estimated ongoing operational cost for the EDMS is \$1.2 million (\$700,000 per year for software maintenance and \$500,000 a year for on-going network expenses).

Law Enforcement Academy

The Iowa Law Enforcement Academy (ILEA) provides training for law enforcement officers, jailers, and telecommunicators in the State. The Academy also administers a program of psychological testing for applicants for law enforcement positions, approves regional training programs, establishes hiring standards for peace officers, and provides audio-visual resources for law enforcement training and educational institutions.

The Governor is recommending an FY 2011 General Fund appropriation of \$1.0 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	<u>Estimated FY 2010</u>	<u>Gov Rec FY 2011</u>	<u>Gov Rec vs Est FY 2010</u>
<u>Law Enforcement Academy</u>			
Law Enforcement Academy	\$ 1,049,430	\$ 1,049,430	\$ 0
Total Law Enforcement Academy	<u>\$ 1,049,430</u>	<u>\$ 1,049,430</u>	<u>\$ 0</u>

Issues

Law Enforcement Academy Class Sizes and Appropriations – In FY 2010, language was included in SF 475 (FY 2010 Justice System Appropriations Act) that allowed the ILEA to charge more than 50.0% of the cost of tuition to help offset a potential revenue shortfall in the operating budget resulting from a decrease in attendees to the Basic Academy. The General Fund appropriation to the Academy for FY 2010 was \$1.0 million. The amount recommended for FY 2011 is \$1.0 million. The total cost to attend the Basic Academy in FY 2010 is \$6,900 per person of which attendees pay \$4,000 (58.0%). The rate for FY 2011 will be set in February by the Academy Council. Since FY 2005, language in the Justice System Appropriation budget bill has allowed ILEA to charge more than 50.0%. *The Governor is recommending continued authority to charge more than 50.0% of the cost of tuition to offset potential revenue shortfalls in FY 2011.*

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for ILEA was \$117,000 for the General Fund appropriation. The Academy has indicated that the General Fund reduction will be achieved by a 10.0% decrease in the Director's salary, decreasing in-State travel and vehicle mileage, a reduction in copying and postage, and continuing to shut off the lights, heat, and air conditioning on the weekends.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$37,000 was being transferred from the ILEA from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. Following are items in the Report that impact ILEA.

- **ILEA Training Costs** – Public Works recommended charging the full cost of tuition to the Departments of Natural Resources (DNR) and Transportation (DOT). The current rate charged is \$4,000. The full cost of tuition for FY 2010 is \$6,900. The cost difference between what the DNR and DOT are paying now and the full tuition is \$2,900. In FY 2009, the ILEA trained one DNR and four DOT officers. Park Rangers are funded with General Fund monies, Conservation Officers are funded

with Fish and Wildlife Trust Fund monies, and the Motor Vehicle Enforcement Officers are funded with 96.0% Road Use Tax Fund money and 4.0% Primary Road Fund money. The fiscal impact is approximately \$14,500 and the fees would be retained by the ILEA.

- **Private Security Pilot Training Project** – The ILEA would pilot 50 hours of training seminars with 10 security personnel at a rate of \$50 per hour. The fiscal impact is approximately \$25,000 and the money will be deposited in the General Fund.

Board of Parole

The Board's mission is to reintegrate offenders into the community. There are offenders that the Board has determined can be released from prison without detriment to the public or themselves. The Board performs risk evaluations for inmates, reviews eligible parole cases, holds parole hearings for eligible inmates, and selects inmates for conditional release on parole and work release. The Board revokes conditional releases and returns to prison those offenders that have failed. The Board also notifies victims of relevant information before a parole hearing, and advises the Governor on matters of executive clemency.

The Governor is recommending an FY 2011 General Fund appropriation of \$1.0 million. This is no change compared to estimated FY 2010.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
Parole, Board of			
Parole Board	\$ 1,045,259	\$ 1,045,259	\$ 0
Total Parole, Board of	<u>\$ 1,045,259</u>	<u>\$ 1,045,259</u>	<u>\$ 0</u>

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for the Board of Parole was \$116,000 for the General Fund appropriation. The Board is considering the implementation of a Reduction In Force.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$15,000 was being transferred from the Board of Parole from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Board of Parole, and the Board was not directly impacted by the Report.

Federal Economic Stimulus Plan 2009 – As of the print date of this publication, the Board is not expecting any federal funds to be received from the Federal Economic Stimulus Plan 2009.

Governor's Recommendations Require a Statutory Change – The Governor's recommendation eliminates the Executive Director position. This recommendation includes amending Iowa Code Section 904A.4B to permit the Chair or Vice Chair to perform the duties of the Executive Director.

Department of Public Defense

Two Divisions make up the Department of Public Defense. The Military Division (Iowa National Guard) provides units and equipment to protect life and property, to preserve peace and order, and to ensure public safety for the citizens of Iowa. The Homeland Security and Emergency Management Division manages risks and hazards with local and federal entities through mitigation, preparedness, response, and recovery initiatives.

The Governor is recommending FY 2011 General Fund appropriations totaling \$8.3 million. This is an increase of \$241,000 (3.0%) compared to estimated FY 2010 when the Governor's FY 2010 supplemental recommendation of \$588,000 is included.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Defense, Dept. of</u>			
Public Defense, Dept. of			
Public Defense, Department of	\$ 5,624,281	\$ 6,249,201	\$ 624,920
Emergency Management Division			
Homeland Security & Emer. Mgmt.	\$ 1,834,307	\$ 2,038,119	\$ 203,812
Total Public Defense, Dept. of	\$ 7,458,588	\$ 8,287,320	\$ 828,732

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Defense, Dept. of</u>			
Public Defense, Dept. of			
DPD - Federal Recovery and Reinvestment Fund	\$ 180,000	\$ 0	\$ -180,000
Total Public Defense, Dept. of	\$ 180,000	\$ 0	\$ -180,000

Issues

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for Department was \$829,000 for the General Fund appropriation of which \$625,000 was for the Military Division and \$204,000 was the Homeland Security and Emergency Management Division. The Military Division plans to leave 1.7 FTE positions vacant through FY 2010. The Homeland Security and Emergency Management Division plans to leave 4.0 FTE positions vacant through FY 2011. The Governor is recommending restoration of the ATB through supplemental appropriations in FY 2010 and increased funding in FY 2011.

Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$200,000 was being transferred from the Department from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009 (\$105,000 from the Military Division and \$95,000 from the Homeland Security and Emergency Management Division).

FY 2010 Supplemental Appropriation – The Governor is recommending a supplemental of \$526,000 for the Military Division and \$62,000 for the Homeland Security and Emergency Management Division to partially restore the across-the-board reduction in FY 2010. A reduction in funding to the Department of Public Defense impacts the ability to use State dollars to match federal dollars.

Federal ARRA Funds – As of the print date of this publication, the Department does not expect to receive any additional federal funds from the Federal Economic Stimulus Plan 2009. The Department was appropriated \$180,000 in ARRA funds in FY 2010. These funds were used to reroof buildings at Camp Dodge.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Department. The Department of Public Defense is asking for an exemption from the IT provision of the Reorganization Bill. No longer being able to tie to the federal system would cost \$700,000 and 3.0 FTE positions (2.0 are 100.0% federally funded and 1.0 is 75.0% federally funded). The National Guard Bureau currently provides these services for free to the Military Division.

Department of Public Safety

The Department of Public Safety (DPS) is the State law enforcement agency. The Department includes: Administrative Services Division, Division of Criminal Investigation (DCI), Division of Narcotics Enforcement (DNE), Fire Marshal's Office, and the State Patrol Division.

The Governor is recommending FY 2011 General Fund appropriations totaling \$78.1 million. This is a decrease of \$2.0 million (-2.4%) compared to estimated FY 2010. However, the Governor recommended moving the DCI gaming enforcement from General Fund to direct reimbursement which results in an increase of \$6.9 million.

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Safety, Department of</u>			
Public Safety - Department Wide Duties	\$ 1,419,288	\$ 0	\$ -1,419,288
Public Safety Administration	3,952,071	4,134,461	182,390
Public Safety DCI	19,012,743	12,861,710	-6,151,033
DCI - Crime Lab Equipment/Training	302,345	302,345	0
Narcotics Enforcement	5,747,647	6,507,048	759,401
Public Safety Undercover Funds	109,042	109,042	0
DPS Fire Marshal	3,590,003	4,343,896	753,893
Iowa State Patrol	45,061,285	48,984,147	3,922,862
DPS/SPOC Sick Leave Payout	279,517	279,517	0
Fire Fighter Training	612,255	612,255	0
Total Public Safety, Department of	\$ 80,086,196	\$ 78,134,421	\$ -1,951,775

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Public Safety, Department of</u>			
Public Safety, Dept. of			
DPS Department Wide ARRA	\$ 750,000	\$ 0	\$ -750,000
Total Public Safety, Department of	\$ 750,000	\$ 0	\$ -750,000

Issues

Division of Criminal Investigation (DCI) Receipts – The Governor recommends reducing the DCI General Fund appropriation by \$8.9 million and depositing receipts for direct and indirect costs for gaming enforcement to the DCI in the Department of Public Safety rather than the State General Fund. This recommendation is revenue neutral.

FY 2010 Budget Reductions – The 10.0% across-the-board reduction for the Department of Public Safety was \$8.9 million for the General Fund appropriation. The Department reduced reimbursements to DAS, eliminated 25.0 vacant, funded FTE positions, and shifted 65.0 FTEs to alternative funding sources. The Governor recommended additional funding to avoid the layoff of 122 personnel, to cover the 2.0% increase in the employer's share for the Peace Officers Retirement (POR) Fund, and to cover the new State Peace Officer's Council (SPOC) pay plan for FY 2011.

Public Works Efficiency Report – Executive Order 20 (EO 20) requires agencies to implement efficiencies identified in the Public Works (PW) report. There was no specific dollar target assigned to the Department, and the Department was not directly impacted by the Report.

Federal ARRA Funds – As of the print date of this publication, the Department has not received any additional federal funds from the Federal Economic Stimulus Plan 2009. The Department was appropriated \$750,000 in ARRA Funds in FY 2010. The Department used the funds to retain 13.0 FTE positions (nine peace officers and four civilian). The Governor's recommendation includes funding for the 13.0 FTE positions.

Department-wide Appropriation – The Department received \$1.6 million in SF 478 (FY 2010 Standing Appropriations Act). After the ATB, the amount was \$1.4 million. As requested by the Commissioner of the Public Safety, the Governor recommended redistributing the money among the divisions as follows:

- Administration - \$183,000
- DCI - \$308,000
- DNE - \$62,000
- State Fire Marshal - \$256,000
- Iowa State Patrol - \$610,000

INTERIM COMMITTEES, MEETINGS, AND PUBLICATIONS

Criminal Code Reorganization Study Committee

The Criminal Code Reorganization Study Committee met on May 21, and September 9, 2009, and January 14, 2010. The Committee divided into the following four Subcommittees: Foundational, Reorganization, Specific Crimes, and Sentencing. The first subcommittee worked on foundational issues such as definitions, culpability, defenses, and inchoate crimes. The second subcommittee reviewed proposals reorganizing the Criminal Code. The third subcommittee worked on sentencing classification and the placement of internal references related to sentencing in the Code of Iowa. The fourth subcommittee reviewed proposals relating to specific crimes. The Committee voted out Bills relating to abuse of a corpse, assault causing serious injury, cowl lamps, detention in a brothel, escapes from custody, expunging convictions, extending probation, intimidation with a dangerous weapon, Public Safety Advisory Board, robbery in the third degree, serious injury, and simulated public intoxication. The Committee plans to request additional meetings for the 2010 interim. Additional information is available on the website at: <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=211>.

LSA Publications

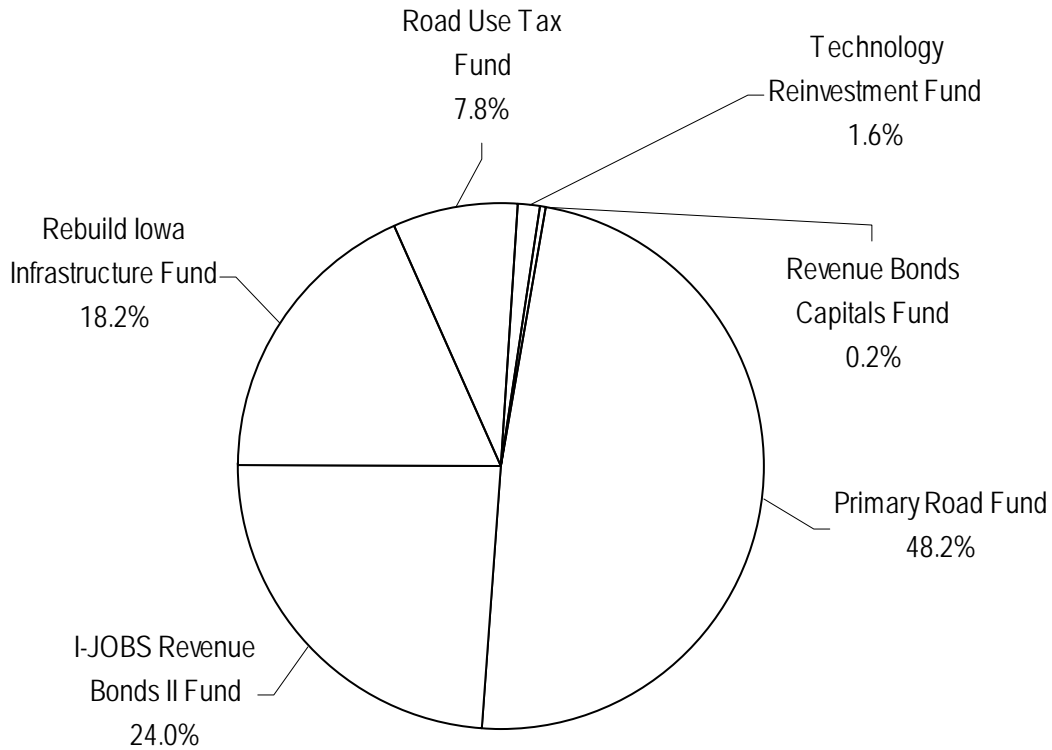
The following documents have been published by the LSA that relate to the Justice System Appropriations Subcommittee:

- *Issue Review:* [Court Debt Collection](#)
- *Issue Review:* [Narrowband Mandate and Statewide Interoperability](#)
- *Fiscal Topic:* [Legal Representation of Indigent Defendants](#)
- *Fiscal Topic:* [Community-Based Corrections](#)
- *Fiscal Topic:* [General Overview of Criminal Fine Revenue and Surcharge Distribution](#)
- *Fiscal Topic:* [Volunteer Fire Departments](#)
- *Fiscal Topic:* [Enhanced 911 Program](#)
- *Fiscal Topic:* [Peace Officers Retirement System](#)
- *Fiscal Topic:* [411 System Deferred Retirement Option Plan](#)
- *Fiscal Topic:* [IPERS Retired Dividend Payments](#)

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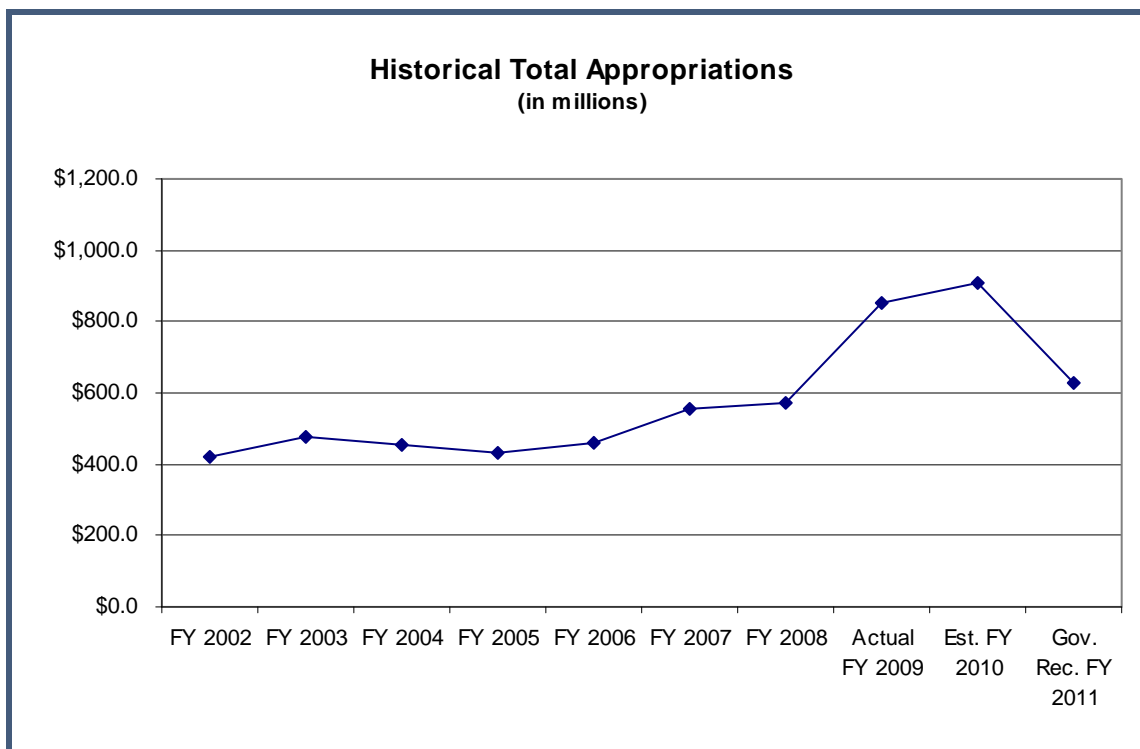
TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS APPROPRIATIONS SUBCOMMITTEE

**FY 2011 Governor's Recommendations
by Funding Source**



FY 2011 Governor's Recommendations by Funding Source

Primary Road Fund	\$	301,780,146
I-JOBS Revenue Bonds II Fund		150,000,000
Rebuild Iowa Infrastructure Fund		113,951,154
Road Use Tax Fund		48,951,420
Technology Reinvestment Fund		9,927,079
Revenue Bonds Capitals Fund		978,120
Total	\$	625,587,919



FY 2011 GOVERNOR'S RECOMMENDATIONS

Department of Transportation

The Department of Transportation's (DOT's) mission is to serve the public by advocating and delivering transportation service that supports the economic, environmental, and social vitality of Iowa. The Department consists of five operating divisions: Operations and Finance; Planning, Programming, and Modal; Motor Vehicle; Information Technology; and Highway. The four operating budget units that receive appropriations to fund the divisions include: Operations, Planning and Programming, Motor Vehicle, and Highway. In addition to the operating budget units, the DOT receives Special Purpose and Capital appropriations that are not part of the operating divisions but are essential for operation of the Department.

The Governor is recommending FY 2011 appropriations totaling \$350.7 million. This is a decrease of \$7.5 million compared to estimated FY 2010. The total recommendation includes \$49.0 million from the Road Use Tax Fund and \$301.8 million from the Primary Road Fund. The decrease of \$7.5 million includes \$5.6 million that was federal stimulus funding used for local roads. The net change in the DOT's budget is a decrease of \$2.0 million.

Road Use Tax Fund and Primary Road Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Transportation, Department of</u>			
Road Use Tax Fund			
Motor Vehicle	\$ 36,752,012	\$ 35,604,012	\$ -1,148,000
Operations	6,654,962	6,654,962	0
Drivers' Licenses	3,714,000	3,876,000	162,000
County Treasurers Support	1,394,000	1,406,000	12,000
Planning & Programming	506,127	506,127	0
Department of Administrative Services	225,000	225,000	0
Scale/MVD Facilities Maintenance	200,000	200,000	0
Workers' Compensation	142,000	137,000	-5,000
Road/Weather Conditions Info	100,000	100,000	0
Indirect Cost Recoveries	78,000	78,000	0
Auditor Reimbursement	67,319	67,319	0
N. America Super Corridor Coalition I-35	50,000	50,000	0
Mississippi River Park. Comm.	40,000	40,000	0
Unemployment Compensation	7,000	7,000	0
Overdimension Permit System	0	0	0
Reimbursement to City of Muscatine	1,072	0	-1,072
Payment to City of Cedar Falls Assess.	317,906	0	-317,906
Subtotal - Road Use Tax Fund	\$ 50,249,398	\$ 48,951,420	\$ -1,297,978
Primary Road Fund			
Highway	\$ 236,262,726	\$ 237,565,726	\$ 1,303,000
Operations	40,876,274	40,951,274	75,000
Planning & Programming	9,610,960	9,610,960	0
DOT Workers' Compensation	3,406,000	3,278,000	-128,000
Inventory & Equipment	2,250,000	2,250,000	0
Motor Vehicle	1,555,005	1,555,005	0
PRF-DAS	1,382,000	1,382,000	0
Waste Water Treatment	0	1,000,000	1,000,000
Field Facility Deferred Maintenance	1,000,000	1,000,000	0
Garage Fuel & Waste Management	800,000	800,000	0
Indirect Cost Recoveries	572,000	572,000	0
Auditor Reimbursement	415,181	415,181	0
Utility Improvements	400,000	400,000	0
Transportation Maps	242,000	242,000	0
HVAC Improvements	100,000	200,000	100,000
Garage Roofing Projects	200,000	200,000	0
DOT Unemployment	138,000	138,000	0
ADA Improvements	120,000	120,000	0
Ames Elevator Upgrade	100,000	100,000	0
PRF-Rockwell City Garage	3,000,000	0	-3,000,000
Subtotal - Primary Road Fund	\$ 302,430,146	\$ 301,780,146	\$ -650,000
Other Fund - Federal Stimulus ARRA			
Counties/Cities Local Roads	5,550,000	0	-5,550,000
Total Department of Transportation	\$ 358,229,544	\$ 350,731,566	\$ -7,497,978

Significant recommendations for the Highway budget unit include:

- An increase of \$1.2 million for road salt costs.

- An increase of \$142,000 for support to maintain additional lane miles added to the State system.
- A decrease of \$75,000 for the transfer of 1.0 FTE position from the Highway Division to the Operations Division.
- An increase of \$75,000 for the transfer of 1.0 FTE position to the Operations Division from the Highway Division.

Significant recommendations for Motor Vehicle budget include:

- A decrease of \$1.1 million for staffing costs associated with implementation of identity theft protection under the federal REAL ID Act. This decrease reflects the elimination of 20.0 FTEs that will not be needed. The DOT advises that the implementation of REAL ID will be made with existing staff and systems.

Significant special purpose recommendations include:

- Driver's License Equipment Lease – An increase of \$162,000 for electronic processing of the fees collected from driver's licenses and non-operator identification. Beginning January 2010, the DOT and county treasurer offices will start collecting electronic payment for driver's licenses and nonoperator identification cards. The Department was appropriated \$162,000 for FY 2010 to fund implementation costs for January 2010 through June 2010. The FY 2011 recommendation for an increase of \$162,000 compared to estimated FY 2010 will provide funding for processing for the entire fiscal year.

Significant capitals recommendations include:

- Wastewater Treatment – A new recommendation of \$1.0 million for costs associated with connecting garages to municipal sanitary sewers or constructing reclamation systems if connecting the garages is not achievable. As a result of DNR wastewater permit requirements, the DOT has identified 21 garages that need to be connected to sewer systems at an estimated cost of \$6.8 million. The Department anticipates requesting an additional \$1.0 million annually over the next six years, or the amount necessary to fully fund the requirements.
- HVAC Improvements – An increase of \$100,000. The total recommendation of \$200,000 will be used to replace the heating, ventilating, and air conditioning system in the DOT's District 4 office in Atlantic.

Issues

FY 2010 Budget Reductions – The DOT's budget does not include General Fund dollars, so the Department was not subject to the Governor's 10.0% across-the-board reduction. In December, however, the Department internally implemented a potential 5.0% reduction in expenditures that could total \$17.6 million saved from the DOT's Road Use Tax Fund and Primary Road Fund appropriations. The reductions were made to selected areas and not across-the-board. Reductions include reduced spending on salary and benefits, not filling the 20.0 new FTEs that were authorized for REAL ID implementation, seven furlough days for non-contract employees (about 500 employees), five furlough days for AFSCME contract-covered employees, suspension of the \$75.0 contribution to deferred compensation for participating employees, and a general attempt to reduce materials, supplies, fuel, and overtime costs. Savings achieved will return to the respective funds for use in program costs, such as highway projects.

Federal Economic Stimulus Plan 2009 – From the American Recovery and Reinvestment Act of 2009, Iowa received the following amounts of stimulus funding for FY 2010:

- Highways: \$358.2 million – Of this amount, \$238.2 million was allocated to State DOT and \$120.7 million to local governments. As of January 2010, \$146.0 million of the State funding and \$64.0 million of the local funding has been expended.
- Transit: \$36.5 million. As of January 2010, \$6.9 million of the non-Transportation Management Area (TMA) funding (\$26.3 million) has been expended. The TMA portion of the funding went directly to the local areas, while the remaining transit funding is administered by the DOT.
- Rail: \$18.0 million in competitive grants for high-speed passenger rail service. The grants were announced in January 2010. The DOT will receive \$1.0 million for a planning study for service between Omaha and Chicago. An additional \$17.0 million will be used to improve infrastructure on the Burlington Northern Santa Fe line that provides current Amtrak service across southern Iowa.
- Aviation: \$10.1 million in competitive grants to airports. The funds will be distributed as follows: \$2.5 million for runway rehabilitation at Iowa City Municipal Airport, \$4.0 million for terminal improvements to Sioux Gateway Airport, and \$3.6 million for runway rehabilitation and lighting at Waterloo Regional Airport.

Electronic Payment of Fees – Beginning January 2010, the DOT and county treasurer offices will start collecting electronic payment for driver's licenses, non-operator identification cards, and civil penalties. House File 2196 (Department of Transportation Electronic Payment Act), enacted during the 2008 Legislative Session, requires the Department to review current payment methods and consider offering electronic payment. The findings and recommendations were reported to the House and Senate Transportation Standing Committees in December 2008. The findings indicated that the estimated cost of covering credit and debit card transaction fees ranges from \$249,000 to \$434,000 annually for driver's licenses, nonoperator identification cards, and civil penalties. The estimate is based on the State Treasurer's current credit card contract and on information provided by Wells Fargo Merchant Services for current fees charged by debit card networks. The estimate does not include the cost of hardware and software used to process transactions, which is unknown.

The report's recommendations included the following:

- Implement the acceptance of MasterCard and Discover credit and debit cards at State and county driver's license stations effective January 2, 2010.
- Change the Code of Iowa to allow for a convenience fee to be assessed to customers that wish to use a MasterCard or Discover Card to pay for their driver's license, non-operator identification card, or civil penalties.
- Annually appropriate from the Road Use Tax Fund to the DOT sufficient funds to cover the costs of accepting credit and debit cards at State and county driver's license stations.

The Governor is recommending an increase of \$162,000 for FY 2011. The Department received \$162,000 for FY 2010 for the first 6 months of funding, so DOT will have a total of \$324,000 available for electronic processing at state DL stations in FY 2011. In addition, of the total \$1.4 million recommended for county treasurer support, a total of \$174,000 will be used for processing electronic payments. This reflects \$87,000 provided to county treasurers in the same manner in the FY 2010 budget. Total available for electronic processing in FY 2011 will be \$498,000.

REAL ID – The federal REAL ID Act was enacted on May 11, 2005. The Act created national standards for the issuance of state driver's licenses and non-operator identification cards and required states to implement REAL ID by May 11, 2008. After that date, the federal government would no longer recognize a state's driver's license or non-operator identification card for federal purposes, including boarding

commercial aircraft, unless it met the national standards or was granted an extension. Iowa requested and was granted an extension.

According to the National Conference of State Legislatures (NCSL), all 56 U.S. jurisdictions have received an extension. The federal government extended the dates for the extensions, so the most recent deadline was for the State to show it was in “material compliance” with 18 benchmarks established by the U.S. Department of Homeland Security by December 31, 2009. The deadline for full compliance is May 11, 2011. The State successfully achieved proof of material compliance within the deadline.

Absent a change in federal law or rule as of December 1, 2014, any individual born after December 1, 1964, that flies commercially and uses a driver’s license or non-operator identification card, must have a REAL ID-compliant document. By December 1, 2017, all individuals, regardless of age, must have the credential. (Other forms of identification will be accepted, including passports.)

The Governor’s FY 2011 recommendations include a decrease of \$1.1 million for implementation of identity theft protection because of the elimination of 20.0 FTEs that were previously thought to be needed to implement REAL ID. The DOT advises it will implement REAL ID with existing staff and systems.

Federal Highway Trust Fund – In recent years, the Congressional Budget Office (CBO) predicted that the Highway Account of the Highway Trust Fund would experience a negative balance at the end of FFY 2009 (September 2009). To remedy the situation, the U.S. House of Representatives passed H.R. 6532 (Restoring the Highway Trust Fund Balance Act) in July 2008. The Act transferred \$8.0 billion from the General Fund to the Highway Account. No further action was taken until September 2008, when the U.S. Department of Transportation announced that the Account would reach a negative balance sooner than expected, by October 1, 2008. On September 11, Congress passed H.R. 6532, and the President signed the bill on September 15, 2008.

When the Highway Account shortfall was first announced, and prior to enactment of H.R. 6532, some states postponed project lettings out of concern that federal reimbursements would be delayed. Iowa was not one of those states. When H.R. 6532 was originally introduced in July, the \$8.0 billion was considered sufficient to satisfy the Highway Account through FFY 2009. In recent months, however, with the continued decrease in vehicle miles of travel (VMT), it is unknown if this amount will be enough. The main source of revenue to the Highway Trust Fund is a federal gas tax of 18.4 cents per gallon.

In December 2009, the U.S. House of Representatives passed H.R. 2847 (The Jobs for Main Street Act of 2010) that, among other things, transfers approximately \$20.0 billion from the General Fund to the Highway Trust Fund. The U.S. Senate is expected to take up the legislation in 2010.

Infrastructure and Capital Recommendations

The Governor is recommending a total of \$274.9 million for infrastructure-related projects and programs for FY 2011. This is a decrease of \$274.2 million compared to estimated FY 2010. Primary infrastructure funding sources for FY 2011 include the Rebuild Iowa Infrastructure Fund (RIIF), Technology Reinvestment Fund, and various bond-related funds. Infrastructure funding was at a record high in FY 2010 and included the creation of the Revenue Bonds Capitals Fund (RBC Fund) to receive the net proceeds of a specific bond issuance. Appropriations from the RBC Fund for FY 2010 totaled \$360.0 million.

Of the \$274.9 million in recommendations, \$114.0 million is being recommended from the RIIF and \$9.9 million from the Technology Reinvestment Fund. The additional funding comes from two bond-related funds, the RBC Fund and the proposed I-JOBS Revenue Bonds II Fund. For a discussion on this proposed bonding scenario and new fund, see the section *Governor's Bonding Proposal* in this document.

Furthermore, the Governor is recommending one decrease in General Fund appropriations for DOT's multimodal infrastructure funding. In FY 2010, the appropriation for Commercial Service Airport infrastructure was funded from the General Fund, but generally this appropriation is funded through infrastructure funding because the projects are infrastructure improvements. Commercial service airports received an FY 2009 appropriation from the RBC Fund in SF 376 of the 2009 Legislative Session.

Rebuild Iowa Infrastructure Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Administrative Services</u>			
DAS Distribution Account-RIIF	\$ 3,700,000	\$ 3,700,000	\$ 0
D-Line Bus Service-RIIF	200,000	0	-200,000
Mercy Capital Hospital Operations	500,000	1,083,175	583,175
Routine Maintenance-RIIF	3,000,000	0	-3,000,000
Wallace Building-RIIF	1,500,000	0	-1,500,000
Cap Comp Elect Dist Upgrade-RIIF	850,000	0	-850,000
Capitol Interior/Exterior-RIIF	5,000,000	0	-5,000,000
Hoover Bldg HVAC Improve.-RIIF	1,500,000	0	-1,500,000
Central Energy Plant & Facilities Mgmt Additions & Impro	623,000	0	-623,000
Terrace Hill Maintenance	769,543	0	-769,543
Total Administrative Services	\$ 17,642,543	\$ 4,783,175	\$ -12,859,368
<u>Corrections</u>			
Project Manager-RIIF	\$ 1,750,000	\$ 0	\$ -1,750,000
Total Corrections	\$ 1,750,000	\$ 0	\$ -1,750,000
<u>Cultural Affairs</u>			
Civil War Sesquicentennial	\$ 350,000	\$ 0	\$ -350,000
Community Cultural Grants	200,000	0	-200,000
Historic Preservation-RIIF	1,000,000	0	-1,000,000
Great Places Capitals	1,900,000	0	-1,900,000
Battle Flags-RIIF	0	100,000	100,000
Total Cultural Affairs	\$ 3,450,000	\$ 100,000	\$ -3,350,000

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Economic Development</u>			
Workforce Training and Economic Development Fund	\$ 2,000,000	\$ 2,000,000	\$ 0
Regional Sports Authorities (RIIF)	500,000	0	-500,000
Grow Iowa Values Fund-RIIF	45,000,000	38,000,000	-7,000,000
City of Seymour Asbestos Demolition Assistance	50,000	0	-50,000
AAU Jr. Olympics Summer 2009	200,000	0	-200,000
Warren Co Econ Dev Bldg Renovation	100,000	0	-100,000
City of Muscatine Fire Station Improvements	200,000	0	-200,000
City of Stratford Community Center Improvements	10,000	0	-10,000
Blank Park Zoo Expansion and Renovation (RIIF)	0	500,000	500,000
Total Economic Development	\$ 48,060,000	\$ 40,500,000	\$ -7,560,000
<u>Education</u>			
Enrich Iowa-RIIF	\$ 1,000,000	\$ 500,000	\$ -500,000
Total Education	\$ 1,000,000	\$ 500,000	\$ -500,000
<u>Human Services</u>			
Independence MH Systems Community Development Blk	\$ 200,000	\$ 0	\$ -200,000
Total Human Services	\$ 200,000	\$ 0	\$ -200,000
<u>Iowa Finance Authority</u>			
I JOBS Administration	\$ 200,000	\$ 200,000	\$ 0
State Housing Trust Fund-RIIF	3,000,000	1,500,000	-1,500,000
Total Iowa Finance Authority	\$ 3,200,000	\$ 1,700,000	\$ -1,500,000
<u>Natural Resources</u>			
Floodplain Management & Dam Safety	\$ 2,000,000	\$ 2,000,000	\$ 0
Lake Restoration and Dredging	2,800,000	0	-2,800,000
Water Trails and Low Head Dam Programs	800,000	0	-800,000
Hungry Canyons Alliance	100,000	0	-100,000
Total Natural Resources	\$ 5,700,000	\$ 2,000,000	\$ -3,700,000
<u>Public Defense</u>			
Armory Construction Projects-RIIF	\$ 1,800,000	\$ 0	\$ -1,800,000
Davenport Readiness Center-RIIF	2,000,000	0	-2,000,000
Facility/Armory Maintenance-RIIF	1,500,000	0	-1,500,000
Gold Star Museum-RIIF	1,000,000	0	-1,000,000
Mount Pleasant Readiness Center-RIIF	1,000,000	0	-1,000,000
Total Public Defense	\$ 7,300,000	\$ 0	\$ -7,300,000
<u>Public Health</u>			
Vision Screening-RIIF	\$ 130,000	\$ 0	\$ -130,000
Total Public Health	\$ 130,000	\$ 0	\$ -130,000
<u>Regents, Board of</u>			
Regents Tuition Replacement	\$ 24,305,412	\$ 24,305,412	\$ 0
SUI - Iowa Flood Center	1,300,000	1,362,567	62,567
SUI-Inst. for Biomedical Discovery-RIIF	0	10,000,000	10,000,000
ISU - Renewable Fuels Building-RIIF	11,597,000	0	-11,597,000
Total Regents	\$ 37,202,412	\$ 35,667,979	\$ -1,534,433
<u>Revenue, Dept. of</u>			
SAVE Appropriation-RIIF	\$ 10,000,000	\$ 0	\$ -10,000,000
Total Revenue, Dept. of	\$ 10,000,000	\$ 0	\$ -10,000,000

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>State Fair Authority</u>			
Agri. Exhibition Center-RIIF	5,500,000	0	-5,500,000
Total State Fair Authority Capital	\$ 5,500,000	\$ 0	\$ -5,500,000
<u>Transportation</u>			
Passenger Rail-RIIF	\$ 3,000,000	\$ 0	\$ -3,000,000
Local Roads Counties/Cities	14,750,000	24,700,000	9,950,000
Recreational Trails-RIIF	3,500,000	0	-3,500,000
Rail Revolving Loan & Grant Fund-RIIF	1,500,000	2,000,000	500,000
General Aviation Grants-RIIF	750,000	0	-750,000
Public Transit Infrastructure-RIIF	1,250,000	0	-1,250,000
Total Transportation	\$ 24,750,000	\$ 26,700,000	\$ 1,950,000
<u>Treasurer of State</u>			
County Fair Improvements-RIIF	\$ 1,590,000	\$ 0	\$ -1,590,000
Watershed Improvement Fund-RIIF	5,000,000	1,000,000	-4,000,000
Total Treasurer of State	\$ 6,590,000	\$ 1,000,000	\$ -5,590,000
<u>Veterans Affairs</u>			
Vet. Home Ownership Assistance-RIIF	\$ 1,600,000	\$ 1,000,000	\$ -600,000
Total Veterans Affairs	\$ 1,600,000	\$ 1,000,000	\$ -600,000
Total Rebuild Iowa Infrastructure Fund	\$ 174,074,955	\$ 113,951,154	\$ -60,123,801

Governor's Recommended Changes to Balance FY 2010 RIIF

After the December 2009 Revenue Estimating Conference, the wagering tax estimates for the deposit in RIIF decreased, as well as the interest earned, compared to the estimates used during the 2009 Legislative Session. As a result, the FY 2010 RIIF showed a negative balance by approximately \$19.3 million. The Governor is recommending the deappropriation of \$19.3 million from existing FY 2010 RIIF appropriations, especially a reduction of the appropriation to the Grow Iowa Values Fund from \$45.0 million to \$27.5 million, along with other reductions to prior appropriations. These actions correct the negative balance in the RIIF for FY 2010.

According to the Department of Management and the Department of Economic Development, the Grow Iowa Values Fund obligations for FY 2010 will be met because of a \$25.0 million unobligated carry forward that will restore the \$17.5 million of the funding for FY 2010 as well as add \$7.0 million to the recommended FY 2011 funding. The remaining \$500,000 will be used for the FY 2010 obligations as well.

Under current law, \$139.7 million in FY 2011 appropriations was previously enacted from the RIIF, including standing appropriations. The Governor's proposed budget adjusts several of these appropriations by eliminating, reducing, or moving them to other funds, such as the RBC Fund or the new I-JOBS Revenue Bonds II Fund. Some of these recommendations are listed below.

Significant FY 2011 RIIF recommendations:

- Eliminating \$10.0 million from the RIIF that deposits into the Secure an Advanced Vision for Education (SAVE) Fund. This is the fund that provides school infrastructure funding to counties and is distributed by a formula in accordance with §423E.4 Iowa Code.
- Reducing the standing appropriation for the Environment First Fund from \$42.0 million to \$35.0 million.

- Moving \$13.0 million for the Iowa State University's Veterinary Small Animals Hospital to the new I-JOBS Revenue Bonds II Fund.
- Moving \$5.0 million for the Community Attraction and Tourism (CAT) grants and \$10.0 million for the River Enhancement Community Attraction and Tourism (RECAT) grants to the new I-JOBS Revenue Bonds II Fund. The CAT funding was slated to resume \$5.0 million from the RIIF and \$7.0 million from the General Fund. The Governor is recommending moving the entire \$12.0 million to the new fund.
- Moving \$10.0 million for DAS major maintenance that was enacted in HF 822 (FY 2010 Infrastructure Appropriations Act) to the RBC Fund and reducing it to \$3.0 million. According to the Department of Management, this funding is intended for the DAS to use for infrastructure improvements at the recently acquired former Mercy Capitol Hospital building.
- Eliminating the \$5.0 million for the Fifth Judicial District CBC in Des Moines that was enacted in HF 822 of the 2009 Legislation Session. This appropriation was part of \$18.1 million that was funded from the RBC Fund for FY 2009 and the RIIF for FY 2011. According to the Department of Management, the appropriation from the RBC Fund is being reduced to allow the CBC to purchase the land and begin architectural and engineering design phase so it may provide updated estimates of the costs for construction. It is anticipated that funding for the project will be provided next fiscal year and after.
- Reducing the standing appropriation for the State Housing Trust Fund from \$3.0 million to \$1.5 million.
- Moving a \$2.5 million previously enacted appropriation for the State Fair Agricultural Exhibition Center from the RIIF to the RBC Fund.
- Moving \$1.8 million for the Department of Public Defense (DPD) Statewide Modernization at Readiness Centers from the RIIF to the new I-JOBS Revenue Bonds II Fund. The Legislative Services Agency notes that this proposed move may not be viable because of the federal laws and regulations that restrict tax-exempt bond proceeds. Under advice by bond counsel, the General Assembly kept the funding for the Iowa National Guard projects in the RIIF for this reason.

The changes mentioned above allowed the Governor to recommend moving some appropriations to the RIIF that were slated to resume from the General Fund in FY 2011. In particular, the Governor is recommending funding the following from the RIIF: \$38.0 million for the Grow Iowa Values Fund, \$24.3 million for tuition replacement that helps pay the debt service on academic bonds by the Board of Regents and \$10.0 million for the Technology Reinvestment Fund. The technology fund is usually a standing appropriation of \$17.5 million from the General Fund and the Grow Iowa Values Fund is a multi-year appropriation that is slated to receive \$50.0 million annually from the General Fund. All three appropriations were funded from the RIIF for FY 2009 and FY 2010.

In order to move some of the funding to the RBC Fund, the Governor recommended reducing the FY 2009 appropriation for the Fifth Judicial District CBC in Des Moines from \$13.1 million to \$2.4 million. As stated previously, the intent is to fund the CBC in later fiscal years after acquisition of land and design plans have been completed.

Revenue Bonds Capitals Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Administrative Services</u>			
Major Maintenance	\$ 0	\$ 3,000,000	\$ 3,000,000
Total Administrative Services	\$ 0	\$ 3,000,000	\$ 3,000,000
<u>Agriculture and Land Stewardship</u>			
Soil Conservation-Cost Share	\$ 11,500,000	\$ 0	\$ -11,500,000
Total Agriculture and Land Stewardship	\$ 11,500,000	\$ 0	\$ -11,500,000
<u>Corrections</u>			
DOC-CBC 5 Des Moines Bed Expansion	\$ 0	\$ -10,740,928	\$ -10,740,928
DOC Project Management	0	2,500,000	2,500,000
DOC/CBC One Time Opening Costs	0	1,519,048	1,519,048
Total Corrections	\$ 0	\$ -6,721,880	\$ -6,721,880
<u>Iowa Finance Authority</u>			
Public Shelter Grant	\$ 10,000,000	\$ 0	\$ -10,000,000
Disaster Damage Housing Assist Grant	5,000,000	0	-5,000,000
Affordable Housing Assist Grant	20,000,000	0	-20,000,000
Sewer Infrastructure	55,000,000	0	-55,000,000
Total Iowa Finance Authority	\$ 90,000,000	\$ 0	\$ -90,000,000
<u>Iowa Tele. & Tech. Commission</u>			
Broadband Deployment and Sustainability Gran	\$ 25,000,000	\$ 0	\$ -25,000,000
Total Iowa Tele. & Tech. Commission	\$ 25,000,000	\$ 0	\$ -25,000,000
<u>Natural Resources</u>			
Watershed Rebuilding-Water Quality	\$ 13,500,000	\$ 0	\$ -13,500,000
Total Natural Resources	\$ 13,500,000	\$ 0	\$ -13,500,000
<u>Public Defense</u>			
DPD Facility/Armory Maintenance	\$ 0	\$ 1,500,000	\$ 1,500,000
DPD Iowa Falls Readiness Center	0	500,000	500,000
DPD Cedar Rapids Armed Forces Readiness C	0	200,000	200,000
Total Public Defense	\$ 0	\$ 2,200,000	\$ 2,200,000
<u>Regents, Board of</u>			
ISU - Iowa Energy Center	\$ 5,000,000	\$ 0	\$ -5,000,000
Total Regents, Board of	\$ 5,000,000	\$ 0	\$ -5,000,000
<u>State Fair Authority</u>			
Agricultural Exhibition Center	\$ 0	\$ 2,500,000	\$ 2,500,000
Total State Fair Authority	\$ 0	\$ 2,500,000	\$ 2,500,000
<u>Transportation, Dept. of</u>			
Bridge Safety Fund	\$ 50,000,000	\$ 0	\$ -50,000,000
Total Transportation, Dept. of	\$ 50,000,000	\$ 0	\$ -50,000,000
<u>Treasurer of State</u>			
IJOBS Board-IJOBS Rest Cap Fund	\$ 165,000,000	\$ 0	\$ -165,000,000
Total Treasurer of State	\$ 165,000,000	\$ 0	\$ -165,000,000
Total Revenue Bonds Capitals Fund	\$ 360,000,000	\$ 978,120	\$ -359,021,880

Transportation, Infrastructure, and Capitals Appropriations Subcommittee

Significant RBC Fund recommendations include:

- A deappropriation of \$10.7 million from the FY 2009 appropriation to the Department of Corrections for the Fifth Judicial District CBC facility.
- \$2.2 million in projects for the DPD for Iowa National Guard. As stated above, on the advice of bond counsel these projects were kept out of tax-exempt bond proceeds. The General Assembly may need to move these projects back to the RIIF if funding is approved for them.
- \$1.5 million for one time start-up costs at several CBCs. These costs primarily include purchase of equipment and some furnishings. Funding is expected to be distributed as follows: First Judicial District CBC in Waterloo - \$256,000, Third Judicial District CBC in Sioux City - \$275,000, Seventh Judicial District CBC in Davenport - \$816,000, and Eighth Judicial District CBC in Ottumwa - \$172,000.

I-JOBS Revenue Bonds II Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Economic Development</u>			
DED Community Attraction and Tourism	\$ 0	\$ 12,000,000	\$ 12,000,000
DED River Enhancement CAT	0	10,000,000	10,000,000
DED ACE Vertical Infrastructure for Community Colle	0	5,500,000	5,500,000
Total Economic Development	\$ 0	\$ 27,500,000	\$ 27,500,000
<u>Education</u>			
Community Colleges Infrastructure	\$ 0	\$ 2,000,000	\$ 2,000,000
Total Education	\$ 0	\$ 2,000,000	\$ 2,000,000
<u>Iowa Finance Authority</u>			
IJOBS IFA	\$ 0	\$ 100,000,000	\$ 100,000,000
Total Iowa Finance Authority	\$ 0	\$ 100,000,000	\$ 100,000,000
<u>Natural Resources</u>			
Lake Restoration & Dredging	\$ 0	\$ 2,000,000	\$ 2,000,000
Total Natural Resources	\$ 0	\$ 2,000,000	\$ 2,000,000
<u>Public Defense</u>			
DPD Construction Improvements Statewide	\$ 0	\$ 1,800,000	\$ 1,800,000
Total Public Defense	\$ 0	\$ 1,800,000	\$ 1,800,000
<u>Regents</u>			
ISU - Veterinary Medical Facility Small Animals Hospi	\$ 0	\$ 13,000,000	\$ 13,000,000
Total Regents	\$ 0	\$ 13,000,000	\$ 13,000,000
<u>Transportation, Dept. of</u>			
Transportation, Dept. of			
Commercial Aviation Infrastructure	\$ 0	\$ 1,500,000	\$ 1,500,000
Public Transit Fund	0	2,200,000	2,200,000
Total Transportation, Dept. of	\$ 0	\$ 3,700,000	\$ 3,700,000
Total I-JOBS Revenue Bonds II	\$ 0	\$ 150,000,000	\$ 150,000,000

Significant I-JOBS Revenue Bonds II Fund recommendations include:

- \$12.0 million and \$10.0 million for CAT and RECAT grant programs, respectively, through the Department of Economic Development.
- \$2.0 million for the Department of Education for infrastructure improvements at community colleges.
- \$1.5 million and \$2.2 million to the DOT for Commercial Service Airport infrastructure and Public Transit infrastructure, respectively.
- \$100.0 million to the Iowa Finance Authority. The Governor is recommending the funding be used by the I-JOBS Board for additional competitive grants for local infrastructure as part of the I-JOBS program.

Technology Reinvestment Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Administrative Services</u>			
ITE Pooled Technology-TRF	\$ 2,037,184	\$ 3,855,123	\$ 1,817,939
Total Administrative Services	\$ 2,037,184	\$ 3,855,123	\$ 1,817,939
<u>Corrections</u>			
Iowa Corrections Offender Network-TRF	\$ 500,000	\$ 500,000	\$ 0
Total Corrections	\$ 500,000	\$ 500,000	\$ 0
<u>Cultural Affairs</u>			
Grout Museum Oral History Exhibit-TRF	\$ 486,250	\$ 0	\$ -486,250
Total Cultural Affairs	\$ 486,250	\$ 0	\$ -486,250
<u>Education</u>			
ICN Part III Leases & Maint.-TRF	\$ 2,727,000	\$ 2,727,000	\$ 0
Education Data Warehouse-TRF	600,000	600,000	0
Total Education	\$ 3,327,000	\$ 3,327,000	\$ 0
<u>Ethics and Campaign Disclosure</u>			
Electronic Filing-TRF	\$ 15,000	\$ 0	\$ -15,000
Total Ethics and Campaign Disclosure	\$ 15,000	\$ 0	\$ -15,000
<u>Human Rights, Dept. of</u>			
Criminal Justice Info. System-TRF	\$ 361,072	\$ 0	\$ -361,072
Total Human Rights, Dept. of	\$ 361,072	\$ 0	\$ -361,072
<u>Iowa Tele. & Tech. Commission</u>			
ICN Equipment Replacement-TRF	\$ 2,211,863	\$ 2,244,956	\$ 33,093
Generator Replacement - TRF	2,755,246	0	-2,755,246
ICN Network Redundancy-TRF	2,320,000	0	-2,320,000
Total Iowa Tele. & Tech. Commission	\$ 7,287,109	\$ 2,244,956	\$ -5,042,153

	Estimated FY 2010	Gov Rec FY 2011	Gov Rev vs Est FY 2010
<u>Law Enforcement Academy</u>			
ILEA Technology Projects-TRF	\$ 185,000	\$ 0	\$ -185,000
Total Law Enforcement Academy	<u>\$ 185,000</u>	<u>\$ 0</u>	<u>\$ -185,000</u>
<u>Public Defense</u>			
2-1-1 Call System	\$ 250,000	\$ 0	\$ -250,000
Total Public Defense	<u>\$ 250,000</u>	<u>\$ 0</u>	<u>\$ -250,000</u>
<u>Public Safety Capital</u>			
AFIS Lease Purchase-TRF	\$ 350,000	\$ 0	\$ -350,000
Total Public Safety Capital	<u>\$ 350,000</u>	<u>\$ 0</u>	<u>\$ -350,000</u>
Total Technology Reinvestment Fund	<u>\$ 14,798,615</u>	<u>\$ 9,927,079</u>	<u>\$ -4,871,536</u>

Significant TRF recommendations include:

- An increase of \$1.8 million for Information Technology Enterprise pooled technology for the DAS.
- Maintaining status quo funding of \$2.7 million for the Department of Education for leases and maintenance associated with the build-out of Part III of the Iowa Communications Network (ICN).
- Maintaining status quo funding of \$600,000 for the Department of Education to develop and implement the Statewide Education Data Warehouse.

LSA Publications

The following documents have been published by the LSA that relate to the Transportation, Infrastructure, and Capitals Appropriations Subcommittee:

- *Fiscal Topic:* [History of Changes to Road Funding Distributions in Iowa](#)

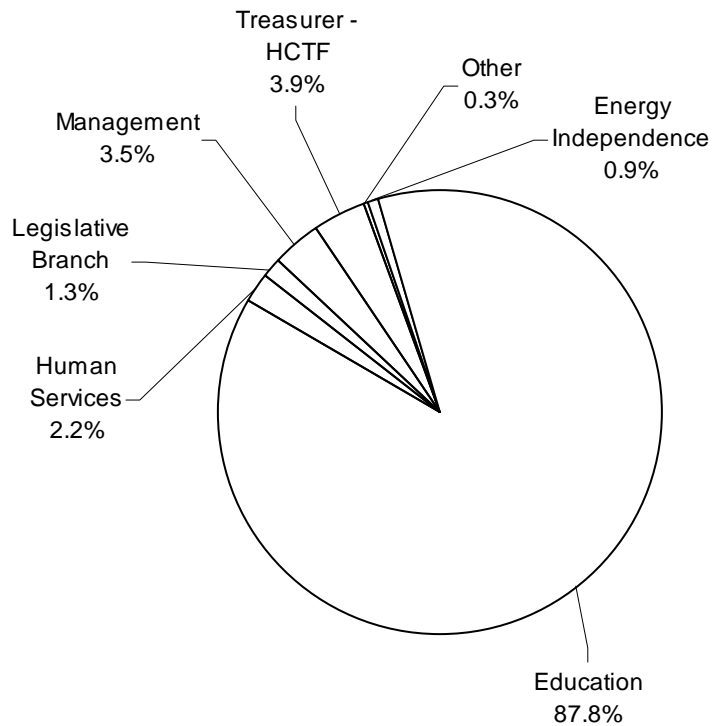
Documents that will be published later in 2010 are:

- *Fiscal Topic:* Update on the Rebuild Iowa Infrastructure Fund
- *Debt Report:* Update on the State of Iowa Outstanding Obligations, Selected State Debt
- *Annual Infrastructure Status Reports:* Submitted from agencies that received infrastructure funding and compiled by the LSA.

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UNASSIGNED STANDING APPROPRIATIONS

FY 2011 General Fund Governor's Recommendations

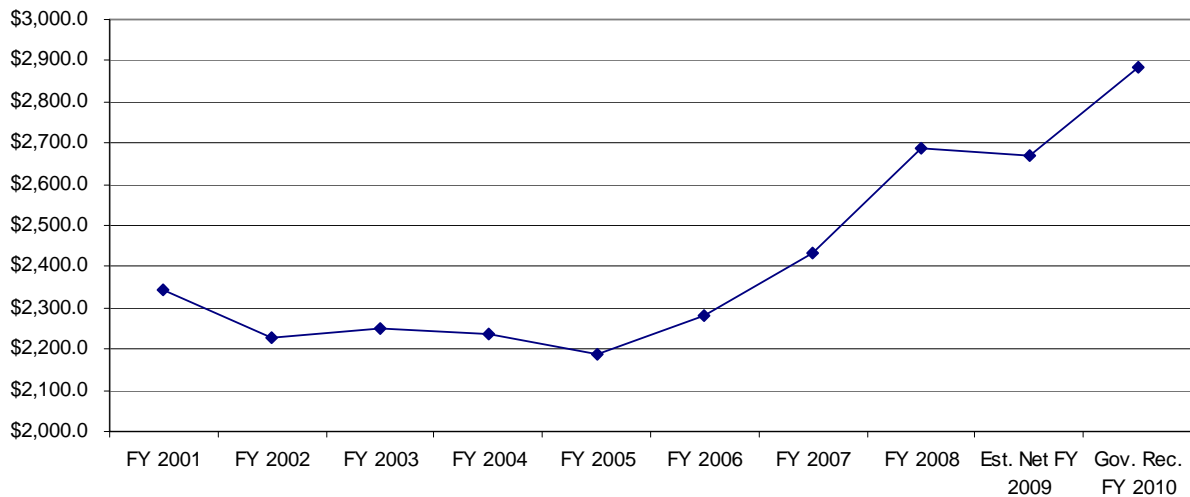


Unassigned Standing Appropriations

FY 2011 General Fund Governor's Recommendations

Administrative Services	\$ 3,050,117
Corrections	59,733
Cultural Affairs	443,300
Economic Development	862,028
Education	2,364,664,900
Energy Independence	25,000,000
Executive Council	1,919,847
Legislative Branch	36,009,827
Governor	3,032
Public Health	182,044
Human Services	58,761,946
Management	94,892,344
Public Defense	344,644
Revenue	144,243
Treasurer - HCTF	106,016,400
	<u>\$ 2,692,354,405</u>

Historical General Fund Appropriations
(in millions)



FY 2011 UNASSIGNED STANDING APPROPRIATIONS

Unassigned Standing Appropriations

A significant portion of the General Fund budget is appropriated automatically by statute. These appropriations do not fall under the purview of a specific appropriations committee. There are two types of standing appropriations:

- Standing Limited Appropriations – These are appropriations of a specific dollar amount. An example is the appropriation to the Iowa Power Fund in Iowa Code 469.1(1) that states, “There is appropriated from the general fund of the state to the office of energy independence for each fiscal year of the fiscal period beginning July 1, 2008, and ending June 30, 2011, the sum of twenty-five million dollars to be used for awarding grants and making loans from the Iowa power fund, and for all other purposes specified in and consistent with this subchapter.”
- Standing Unlimited Appropriations – These are appropriations of an unspecified dollar amount. An example is State aid for public schools pursuant to Iowa Code Section 257.16 that states, “There is appropriated each year from the General Fund of the State an amount necessary to pay the foundation aid, supplementary aid under section 257.4, subsection 2, and adjusted additional property tax levy aid under section 257.15, subsection 4.” The General Assembly may choose to place a dollar limit on a standing unlimited appropriation in a particular year to cap expenditures.

General Fund Standing Appropriations by Department

Illustrated below are the General Fund standing appropriations for FY 2010 and proposed for FY 2011. These are the amounts specified in statute for the limited appropriations and the estimated need for the unlimited appropriations. The Governor is recommending a status quo budget for the majority of the unassigned standing appropriations. Exceptions include:

- State School Foundation Aid (Department of Education). The Governor is recommending an increase of \$199.6 million compared to the estimated FY 2010 appropriation. Additional detail about this increase is included in a separate overall section in this document titled “School Foundation Aid.”
- Child Development (Department of Education). The Governor is recommending an increase of \$1.1 million compared to the estimated FY 2010 appropriation. This increase reflects restoration of the 10.0% across-the-board (ATB) reduction implemented by the Governor’s Executive Order 19 in October 2009.
- Iowa Power Fund (Office of Energy Independence). The Governor is recommending an increase of \$3.4 million compared to the estimated FY 2010 appropriation. This increase reflects restoration of the 10.0% ATB.
- Legislative Branch. This appropriation reflects an increase of \$2.6 million compared to the estimated FY 2010 appropriation. This increase is for increased costs related to returning to a 110-day Session (rather than a shortened 80-day Session), Iowa Code publication, and the costs of redistricting.
- Registry for Inherited and Congenital Disorders (Birth Defects Registry – Department of Public Health). The Governor is recommending an increase of \$21,000 compared to the estimated FY 2010 appropriation. This increase reflects restoration of the 10.0% ATB.
- Mental Health Property Tax Relief (Department of Human Services – DHS). The Governor is recommending a decrease of \$15.0 million compared to estimated FY 2010. Under the Governor’s recommendation, this decrease will be offset with a transfer from the Cash Reserve Fund.
- Child Abuse Prevention (DHS). The Governor is recommending an increase of \$46,000 compared to the estimated FY 2010 appropriation. This increase reflects restoration of the 10.0% ATB.
- Economic Emergency Fund Appropriation (Department of Management). This decrease reflects the one-time transfer of funds from the Economic Emergency Fund to the General Fund to balance the FY 2009 budget.

Unassigned Standing Appropriations

General Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Administrative Services, Dept. of</u>			
State Accounting Trust Accounts			
Federal Cash Management Standing	\$ 356,587	\$ 356,587	\$ 0
Unemployment Compensation-State Standing	440,371	440,371	0
Municipal Fire & Police Retirement	2,253,159	2,253,159	0
Sac Fox Attorney Costs	0	0	0
Total Administrative Services, Dept. of	\$ 3,050,117	\$ 3,050,117	\$ 0
<u>Cultural Affairs, Dept. of</u>			
County Endowment DCA Grants-AGR	\$ 443,300	\$ 443,300	\$ 0
Total Cultural Affairs, Dept. of	\$ 443,300	\$ 443,300	\$ 0
<u>Education, Dept. of</u>			
State Foundation School Aid	\$ 2,146,457,965	\$ 2,346,110,078	\$ 199,652,113
Child Development	10,344,502	11,493,891	1,149,389
Transportation of Nonpublic Pupils	7,060,931	7,060,931	0
Total Education, Dept. of	\$ 2,163,863,398	\$ 2,364,664,900	\$ 200,801,502
<u>Energy Independence</u>			
Iowa Power Fund	\$ 21,600,000	\$ 25,000,000	\$ 3,400,000
Total Energy Independence	\$ 21,600,000	\$ 25,000,000	\$ 3,400,000
<u>Executive Council</u>			
Performance of Duty	\$ 1,800,000	\$ 1,800,000	\$ 0
Court Costs	59,772	59,772	0
Drainage Assessment	20,227	20,227	0
Public Improvements	39,848	39,848	0
Total Executive Council	\$ 1,919,847	\$ 1,919,847	\$ 0
<u>Legislative Branch</u>			
Legislative Branch	\$ 33,410,448	\$ 36,009,827	\$ 2,599,379
Total Legislative Branch	\$ 33,410,448	\$ 36,009,827	\$ 2,599,379
<u>Public Health, Dept. of</u>			
Reg. for Congenital & Inherited Disorders	\$ 161,360	\$ 182,044	\$ 20,684
Total Public Health, Dept. of	\$ 161,360	\$ 182,044	\$ 20,684
<u>Human Services, Dept. of</u>			
General Administration			
Commission of Inquiry	\$ 1,394	\$ 1,394	\$ 0
Non Resident Transfers	67	67	0
Non Resident Commitment Mental Illness	142,802	142,802	0
Total General Administration	\$ 144,263	\$ 144,263	\$ 0

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Human Services, Dept. of, cont.</u>			
Assistance			
MH Property Tax Relief	\$ 73,399,911	\$ 58,399,911	\$ -15,000,000
Child Abuse Prevention	174,076	217,772	43,696
Total Assistance	<u>\$ 73,573,987</u>	<u>\$ 58,617,683</u>	<u>\$ -14,956,304</u>
Total Human Services, Dept. of	<u>\$ 73,718,250</u>	<u>\$ 58,761,946</u>	<u>\$ -14,956,304</u>
<u>Management, Dept. of</u>			
Special Olympics Fund	\$ 50,000	\$ 50,000	\$ 0
Appeal Board Claims	3,586,307	3,586,307	0
Economic Emergency Fund Appropriation	45,327,400	0	-45,327,400
Property Tax Credit Fund	91,256,037	91,256,037	0
Total Management, Dept. of	<u>\$ 140,219,744</u>	<u>\$ 94,892,344</u>	<u>\$ -45,327,400</u>
<u>Revenue, Dept. of</u>			
Printing Cigarette Stamps	\$ 124,652	\$ 124,652	\$ 0
Tobacco Reporting Requirements	19,591	19,591	0
Total Revenue, Dept. of	<u>\$ 144,243</u>	<u>\$ 144,243</u>	<u>\$ 0</u>
<u>Treasurer of State</u>			
Health Care Trust Fund Transfer	\$ 106,016,400	\$ 106,016,400	\$ 0
Total Treasurer of State	<u>\$ 106,016,400</u>	<u>\$ 106,016,400</u>	<u>\$ 0</u>
<u>Corrections, Dept. of</u>			
Central Office			
State Cases Court Costs	\$ 59,733	\$ 59,733	\$ 0
Total Corrections, Dept. of	<u>\$ 59,733</u>	<u>\$ 59,733</u>	<u>\$ 0</u>
<u>Economic Development, Dept. of</u>			
Tourism Marketing - AGR	\$ 862,028	\$ 862,028	\$ 0
Grow Iowa Values Fund	0	0	0
Total Economic Development, Dept. of	<u>\$ 862,028</u>	<u>\$ 862,028</u>	<u>\$ 0</u>
<u>Governor</u>			
Interstate Extradition	\$ 3,032	\$ 3,032	\$ 0
Total Governor	<u>\$ 3,032</u>	<u>\$ 3,032</u>	<u>\$ 0</u>
<u>Public Defense, Dept. of</u>			
Compensation and Expense	\$ 344,644	\$ 344,644	\$ 0
Total Public Defense, Dept. of	<u>\$ 344,644</u>	<u>\$ 344,644</u>	<u>\$ 0</u>
Total Unassigned Standings	<u>\$ 2,545,816,544</u>	<u>\$ 2,692,354,405</u>	<u>\$ 146,537,861</u>

Issues

Supplemental Appropriation for FY 2010 – The Governor is recommending an FY 2010 supplemental appropriation of \$1.1 million for the Child Development standing appropriation. This appropriation would restore the FY 2010 10.0% General Fund across-the-board reduction implemented in October 2009. The Child Development Program provides grants to school districts, area education agencies, and other programs designed to help at-risk students. The Program is a designated standing appropriation of \$12.7

Unassigned Standing Appropriations

million. The 2009 General Assembly limited the Child Development Program standing appropriation to \$11.5 million in SF 478 (FY 2010 Standing Appropriations Act).

Other Fund Recommendations

	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010
<u>Executive Council</u>			
Cash Reserve Fund Appropriation	\$ 25,600,000	\$ 30,000,000	\$ 4,400,000
Total Executive Council	\$ 25,600,000	\$ 30,000,000	\$ 4,400,000
<u>Legislative Branch</u>			
LSA - Health Care Coverage Commission	\$ 315,000	\$ 0	\$ -315,000
LSA - Operations - FRRF	100,000	0	-100,000
Total Legislative Branch	\$ 415,000	\$ 0	\$ -415,000
<u>Human Services, Dept. of</u>			
<u>Assistance</u>			
MH Costs for Children-PTRF	\$ 3,271,911	\$ 3,271,911	\$ 0
Total Human Services, Dept. of	\$ 3,271,911	\$ 3,271,911	\$ 0
<u>Management, Dept. of</u>			
Environment First Fund-RIIF	\$ 42,000,000	\$ 35,000,000	\$ -7,000,000
Technology Reinvestment Fund-RIIF	14,525,000	10,000,000	-4,525,000
Total Management, Dept. of	\$ 56,525,000	\$ 45,000,000	\$ -11,525,000
<u>Revenue, Dept. of</u>			
Homestead Property Tax Credit - PTCF	\$ 94,216,619	\$ 90,407,718	\$ -3,808,901
Ag. Land/Family Farm Tax Credits-PTCF	32,395,131	32,395,131	0
Military Service Tax Credit - PTCF	2,370,995	2,370,995	0
Elderly & Disabled Tax Credit-PTCF	20,779,200	20,779,200	0
Total Revenue, Dept. of	\$ 149,761,945	\$ 145,953,044	\$ -3,808,901
<u>Transportation, Dept. of</u>			
Personal Delivery of Services-RUTF	\$ 225,000	\$ 225,000	\$ 0
County Treasurer Equipment-RUTF	650,000	650,000	0
Total Transportation, Dept. of	\$ 875,000	\$ 875,000	\$ 0
<u>Education, Dept. of</u>			
State Foundation Aid - ARRA	\$ 202,546,705	\$ 47,947,887	\$ -154,598,818
Teacher Professional Development - FRRF	2,000,000	0	-2,000,000
Instructional Support - FRRF	13,103,950	0	-13,103,950
State Foundation Aid - Cash Reserve Fund	0	100,000,000	100,000,000
Total Education, Dept. of	\$ 217,650,655	\$ 147,947,887	\$ -69,702,768

Property Tax Credits for FY 2010 and FY 2011

The Homestead Property Tax Credit, the Agricultural Land and Family Farm Tax Credit, the Military Service Tax Credit, and the Elderly and Disabled Tax Credit and Rent Reimbursement are funded from the FY 2010 Property Tax Credit Fund (PTCF). The PTCF received FY 2010 appropriations of \$101.4 million from the General Fund and \$54.7 million from the Cash Reserve Fund and the transfer of \$3.8 million from the ending balance of the FY 2009 Property Tax Credit Fund. The tax credits were to receive the following amounts from the PTCF:

- Homestead Property Tax Credit – \$100.7 million.
- Agricultural Land and Family Farm Tax Credit – \$34.6 million.
- Military Service Tax Credit – \$2.4 million.
- Elderly and Disabled Tax Credit and Rent Reimbursement – \$22.2 million.

A 10.0% ATB General Fund reduction was announced in October 2009. At that time, funds for the Military Service Tax Credit and the Agricultural Land portion of the Agricultural Land and Family Farm Tax Credit had already been expended, so no reduction was applied. The Homestead Property Tax credit was reduced by \$4.2 million, and the Family Farm portion of the Agricultural Land and Family Farm Tax Credit was reduced by \$2.2 million, for a total reduction of \$6.4 million.

Section 9 of SF 478 (FY 2010 Standing Appropriations Act) requires the Elderly Property Tax Credit and Rent Reimbursement Credit to be paid at the percentage estimated by the Director of the Department of Revenue based upon data submitted by the county treasurers. The estimate provided on June 15, 2009, was for 100.0% reimbursement. Therefore, all elderly credit claims are to be paid at that 100.0% rate established pursuant to Iowa Code Section 25B.7 until the credits can no longer be paid, and then any remaining claims are held over and paid in the subsequent fiscal year. For FY 2010, approximately \$6.1 million of the original Elderly Credit appropriation goes to the county for the property tax credit and \$16.1 million goes to rent reimbursement claims filed by individuals directly with the Department of Revenue. The 100.0% total of \$6.1 million for the Elderly Credit will be paid to the counties. Funding for the individual rent reimbursement claims is projected to be exhausted in April of 2010. At that time, all further claims will be held for payment in FY 2011.

The FY 2010 shortfall in rent reimbursement is expected to be \$1.4 million. If funding remains at the current reduced level for FY 2011, the Director's June 2009 estimate would require both the Elderly Property Tax Credit and rent reimbursements to be prorated to approximately 90.0% of the amount claimed. Additional information regarding the property tax credits can be found in the Projected FY 2011 Built-on and Anticipated General Fund Expenditures section (**Appendix B**).

The Governor is recommending that in FY 2011 the Property Tax Credit Fund be funded by an appropriation of \$91.3 million from the General Fund and \$54.7 million from the Cash Reserve Fund for total funds available of \$146.0 million. The Governor's recommendation funds the property tax credits as follows:

- *\$90.4 million for the Homestead Property Tax Credit. This is a decrease of \$3.8 million compared to the estimated net FY 2010 appropriation. The Department of Revenue's projected FY 2011 demand for Homestead Property Tax Credit claims is \$136.2 million. The recommended funding level is \$45.8 million less than the projected demand.*
- *\$32.4 million for the Agricultural Land and Family Farm Tax Credit. This is no change compared to the estimated net FY 2010 appropriation. The statutory funding for Agricultural Land and Family Farm Tax Credit is \$39.1 million. The recommended funding level is \$6.7 million less than the statutory amount.*
- *\$2.4 million for the Military Service Tax Credit. This is no change compared to the estimated net FY 2010 appropriation. The recommended funding level is estimated to meet the projected FY 2011 demand.*
- *\$20.8 million for the Elderly and Disabled Tax Credit and Reimbursement. This is no change compared to the estimated net FY 2010 appropriation. The recommended funding level is \$2.6 million less than the projected demand.*

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APPROPRIATIONS TRACKING

COMMON ACRONYMS USED IN THE APPROPRIATIONS TABLES

CPB =	Corporation for Public Broadcasting
CSG =	Community Service Grant
DE =	Department of Education
EFF =	Environment First Fund
ENDW =	Endowment for Iowa Health Account (Tobacco Settlement Trust Fund)
ESCF =	Employment Security Contingency Fund
ESEA =	Elementary and Secondary Education Act
FES =	Federal Economic Stimulus Fund
GIVF =	Grow Iowa Values Fund
GTF =	Gamblers Treatment Fund
GWF =	Ground Water Fund
HCTA =	Health Care Transformation Account
HCTF =	Health Care Trust Fund
HITT =	Healthy Iowans Tobacco Trust Fund
ICA =	IowaCare Account
ISU =	Iowa State University
LSTA =	Library Service and Technology Act
MVFT =	Motor Vehicle Fuel Tax
MHI =	Mental Health Institute

NAEP =	National Assessment of Educational Progress
NCES =	National Center for Education Statistics
NTIA =	National Telecommunications and Information Administration
PRF =	Primary Road Fund
PTRF =	Property Tax Relief Fund
PTCF =	Property Tax Credit Fund
RCF =	Restricted Capital Fund (Tobacco Settlement Trust Fund)
RC2 =	Endowment for Iowa Health Restricted Capitals Fund
RC3 =	FY 2009 Tax-Exempt Restricted Capital Fund
RFIF =	Renewable Fuels Infrastructure Fund
RIIF =	Rebuild Iowa Infrastructure Fund
RUTF =	Road Use Tax Fund
SAF =	State Aviation Fund
SLTF =	Senior Living Trust Fund
SUI =	University of Iowa
TANF =	Temporary Assistance for Needy Families
TRF =	Technology Reinvestment Fund
TSB =	Targeted Small Business
UNI =	University of Northern Iowa
UIHC =	University of Iowa Hospitals and Clinics
UST =	Underground Storage Tank Fund
VIF =	Vertical Infrastructure Fund
VTF =	Veterans Trust Fund

Summary Data

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Administration and Regulation	\$ 97,529,560	\$ 60,979,242	\$ 0	\$ 60,979,242	\$ 63,766,703	\$ 2,787,461	4.6%
Agriculture and Natural Resources	51,498,897	36,258,092	0	36,258,092	36,285,012	26,920	0.1%
Economic Development	48,213,307	40,616,635	0	40,616,635	41,904,957	1,288,322	3.2%
Education	1,271,326,576	815,857,704	40,004,886	855,862,590	860,978,502	5,115,912	0.6%
Health and Human Services	1,172,553,570	1,122,502,983	4,463,401	1,126,966,384	1,326,620,074	199,653,690	17.7%
Justice System	689,441,099	625,772,972	7,673,241	633,446,213	639,776,794	6,330,581	1.0%
Transportation, Infrastructure, and Capitals	0	1,350,000	0	1,350,000	0	-1,350,000	-100.0%
Unassigned Standings	2,628,458,707	2,545,816,544	-2,170,338	2,543,646,206	2,692,354,405	148,708,199	5.8%
Grand Total	\$ 5,959,021,716	\$ 5,249,154,172	\$ 49,971,190	\$ 5,299,125,362	\$ 5,661,686,447	\$ 362,561,085	6.8%

Column Explanations:

- (1) Actual FY 2009 - The actual FY 2009 appropriations. Reversions are not deducted from the appropriations.
- (2) Estimated FY 2010 - The FY 2010 legislative action after the Governor's 10.0% across-the-board reduction.
- (3) Gov Rec Supp FY 2010 - Includes the Governor's recommendations for supplemental appropriations and deappropriations.
- (4) Gov Rec Net FY 2010 - The sum of columns 2 and 3.
- (5) Final Action FY 2011 - The Governor's appropriation recommendations for FY 2011..
- (6) Gov Rec FY 11 vs Gov Rec FY 10 - Column 5 minus column 4.
- (7) Percent Change - Column 6 divided by Column 4.

Administration and Regulation

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Administrative Services, Dept. of</u>							
Administrative Services							
Administrative Services, Dept.	\$ 6,316,905	\$ 4,814,309	\$ 0	\$ 4,814,309	\$ 4,814,309	\$ 0	0.0%
Utilities	3,643,197	3,127,085	0	3,127,085	3,127,085	0	0.0%
Total Administrative Services, Dept. of	\$ 9,960,102	\$ 7,941,394	\$ 0	\$ 7,941,394	\$ 7,941,394	\$ 0	0.0%
<u>Auditor of State</u>							
Auditor Of State							
Auditor of State - General Office	\$ 1,233,691	\$ 814,921	\$ 0	\$ 814,921	\$ 814,921	\$ 0	0.0%
Total Auditor of State	\$ 1,233,691	\$ 814,921	\$ 0	\$ 814,921	\$ 814,921	\$ 0	0.0%
<u>Ethics and Campaign Disclosure</u>							
Campaign Finance Disclosure							
Ethics & Campaign Disclosure Board	\$ 537,256	\$ 470,700	\$ 0	\$ 470,700	\$ 470,700	\$ 0	0.0%
Total Ethics and Campaign Disclosure	\$ 537,256	\$ 470,700	\$ 0	\$ 470,700	\$ 470,700	\$ 0	0.0%
<u>Commerce, Dept. of</u>							
Alcoholic Beverages							
Alcoholic Beverages Operations	\$ 2,080,358	\$ 1,806,444	\$ 0	\$ 1,806,444	\$ 1,806,444	\$ 0	0.0%
Banking Division							
Banking Division	\$ 8,662,670	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Credit Union Division							
Credit Union Division	\$ 1,727,995	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Insurance Division							
Insurance Division	\$ 4,881,216	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Senior Health Insurance Information Program	59,100	47,028	0	47,028	47,028	0	0.0%
Health Insurance Oversight	78,800	0	0	0	0	0	0.0%
Total Insurance Division	\$ 5,019,116	\$ 47,028	\$ 0	\$ 47,028	\$ 47,028	\$ 0	0.0%
Professional Licensing and Reg.							
Professional Licensing Bureau	\$ 933,521	\$ 810,498	\$ 0	\$ 810,498	\$ 810,498	\$ 0	0.0%

Administration and Regulation

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Utilities Division							
Utilities Division	\$ 7,795,527	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Commerce, Dept. of	\$ 26,219,187	\$ 2,663,970	\$ 0	\$ 2,663,970	\$ 2,663,970	\$ 0	0.0%
<u>Governor</u>							
Governor's Office							
Governor/Lt. Governor's Office	\$ 2,534,982	\$ 2,064,471	\$ 0	\$ 2,064,471	\$ 2,064,471	\$ 0	0.0%
Terrace Hill Quarters	515,367	394,291	0	394,291	394,291	0	0.0%
Administrative Rules Coordinator	175,552	127,167	0	127,167	127,167	0	0.0%
National Governor's Association	80,600	70,783	0	70,783	63,705	-7,078	-10.0%
State-Federal Relations	141,235	41,958	0	41,958	41,958	0	0.0%
Total Governor	\$ 3,447,736	\$ 2,698,670	\$ 0	\$ 2,698,670	\$ 2,691,592	\$ -7,078	-0.3%
<u>Governor's Office of Drug Control Policy</u>							
Office of Drug Control Policy							
Drug Policy Coordinator	\$ 357,866	\$ 313,531	\$ 0	\$ 313,531	\$ 313,531	\$ 0	0.0%
Drug Task Forces	1,729,812	0	0	0	0	0	0.0%
Total Governor's Office of Drug Control Policy	\$ 2,087,678	\$ 313,531	\$ 0	\$ 313,531	\$ 313,531	\$ 0	0.0%
<u>Human Rights, Dept. of</u>							
Human Rights, Department of							
Human Rights Administration	\$ 359,087	\$ 274,773	\$ 0	\$ 274,773	\$ 274,773	\$ 0	0.0%
Deaf Services	424,859	340,913	0	340,913	340,913	0	0.0%
Asian and Pacific Islanders	149,658	120,087	0	120,087	120,087	0	0.0%
Persons with Disabilities	233,555	187,408	0	187,408	187,408	0	0.0%
Latino Affairs	199,759	160,290	0	160,290	160,290	0	0.0%
Status of Women	354,299	284,295	0	284,295	284,295	0	0.0%
Status of African Americans	187,080	150,116	0	150,116	150,116	0	0.0%
Status of Native Americans	5,910	4,817	0	4,817	4,817	0	0.0%
Criminal & Juvenile Justice	1,601,076	1,284,725	0	1,284,725	1,284,725	0	0.0%
Dev., Assess. & Resolution Prog.	9,850	0	0	0	0	0	0.0%
Total Human Rights, Dept. of	\$ 3,525,133	\$ 2,807,424	\$ 0	\$ 2,807,424	\$ 2,807,424	\$ 0	0.0%

Administration and Regulation

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Inspections & Appeals, Dept. of</u>							
Inspections and Appeals, Dept. of							
Administration Division	\$ 2,248,855	\$ 1,804,510	\$ 0	\$ 1,804,510	\$ 1,984,510	\$ 180,000	10.0%
Administrative Hearings Division	759,690	609,585	0	609,585	609,585	0	0.0%
Investigations Division	1,629,666	1,307,666	0	1,307,666	690,629	-617,037	-47.2%
Health Facilities Division	2,507,242	2,011,845	0	2,011,845	4,030,108	2,018,263	100.3%
Employment Appeal Board	57,724	46,318	0	46,318	46,318	0	0.0%
Child Advocacy Board	2,860,637	2,628,330	0	2,628,330	2,920,367	292,037	11.1%
Total Inspections and Appeals, Dept. of	\$ 10,063,814	\$ 8,408,254	\$ 0	\$ 8,408,254	\$ 10,281,517	\$ 1,873,263	22.3%
Racing Commission							
Pari-Mutuel Regulation	\$ 2,930,682	\$ 2,637,614	\$ 0	\$ 2,637,614	\$ 2,637,614	\$ 0	0.0%
Riverboat Regulation	3,372,069	3,034,862	0	3,034,862	3,034,862	0	0.0%
Total Racing Commission	\$ 6,302,751	\$ 5,672,476	\$ 0	\$ 5,672,476	\$ 5,672,476	\$ 0	0.0%
Total Inspections & Appeals, Dept. of	\$ 16,366,565	\$ 14,080,730	\$ 0	\$ 14,080,730	\$ 15,953,993	\$ 1,873,263	13.3%
<u>Rebuild Iowa Office</u>							
Rebuild Iowa							
Rebuild Iowa OR50	\$ 0	\$ 178,449	\$ 0	\$ 178,449	\$ 1,099,725	\$ 921,276	516.3%
Total Rebuild Iowa Office	\$ 0	\$ 178,449	\$ 0	\$ 178,449	\$ 1,099,725	\$ 921,276	516.3%
<u>Management, Dept. of</u>							
Management, Dept. of							
Department Operations	\$ 3,253,620	\$ 2,530,360	\$ 0	\$ 2,530,360	\$ 2,530,360	\$ 0	0.0%
Total Management, Dept. of	\$ 3,253,620	\$ 2,530,360	\$ 0	\$ 2,530,360	\$ 2,530,360	\$ 0	0.0%
<u>Revenue, Dept. of</u>							
Revenue, Dept. of							
Revenue, Department of	\$ 26,332,296	\$ 22,729,219	\$ 0	\$ 22,729,219	\$ 22,729,219	\$ 0	0.0%
School Infrastructure Transfer	0	0	0	0	0	0	0.0%
Total Revenue, Dept. of	\$ 26,332,296	\$ 22,729,219	\$ 0	\$ 22,729,219	\$ 22,729,219	\$ 0	0.0%

Administration and Regulation

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Secretary of State							
Secretary of State							
Admin/Elections/Voter Registration	\$ 1,515,404	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Secretary of State-Operations	1,986,241	2,895,585	0	2,895,585	2,895,585	0	0.0%
Total Secretary of State	<u>\$ 3,501,645</u>	<u>\$ 2,895,585</u>	<u>\$ 0</u>	<u>\$ 2,895,585</u>	<u>\$ 2,895,585</u>	<u>\$ 0</u>	<u>0.0%</u>
Treasurer of State							
Treasurer of State							
Treasurer - General Office	\$ 1,064,651	\$ 854,289	\$ 0	\$ 854,289	\$ 854,289	\$ 0	0.0%
Total Treasurer of State	<u>\$ 1,064,651</u>	<u>\$ 854,289</u>	<u>\$ 0</u>	<u>\$ 854,289</u>	<u>\$ 854,289</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Administration and Regulation	<u><u>\$ 97,529,560</u></u>	<u><u>\$ 60,979,242</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 60,979,242</u></u>	<u><u>\$ 63,766,703</u></u>	<u><u>\$ 2,787,461</u></u>	<u><u>4.6%</u></u>

Agriculture and Natural Resources

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Agriculture and Land Stewardship</u>							
Agriculture and Land Stewardship							
Administrative Division	\$ 19,044,179	\$ 16,872,308	\$ 0	\$ 16,872,308	\$ 16,872,308	\$ 0	0.0%
Chronic Wasting Disease	98,500	0	0	0	0	0	0.0%
Regulatory Dairy Products	935,750	0	0	0	0	0	0.0%
Avian Influenza	27,750	-18,077	0	-18,077	0	18,077	-100.0%
Apiary Program	73,875	0	0	0	0	0	0.0%
Gypsy Moth Control - GF	49,250	0	0	0	0	0	0.0%
Emerald Ash Borer Public Awareness	49,250	0	0	0	0	0	0.0%
Soil Commissioners Expense	394,000	0	0	0	0	0	0.0%
Sr. Farmers Market Program	73,875	0	0	0	0	0	0.0%
Emergency Veterinarian Rapid Response	128,050	0	0	0	0	0	0.0%
Organic Agricultural Products	49,250	0	0	0	0	0	0.0%
Grape & Wine Development Fund	275,800	0	0	0	0	0	0.0%
Farm to School Program	73,160	0	0	0	0	0	0.0%
Total Agriculture and Land Stewardship	\$ 21,272,689	\$ 16,854,231	\$ 0	\$ 16,854,231	\$ 16,872,308	\$ 18,077	0.1%
<u>Natural Resources, Dept. of</u>							
Natural Resources							
Natural Resources Operations	\$ 22,091,049	\$ 15,968,410	\$ 0	\$ 15,968,410	\$ 15,968,410	\$ 0	0.0%
Redemption Center	985,000	-8,843	0	-8,843	0	8,843	-100.0%
Supplemental to Fish & Wildlife Trust Fund - GF	4,070,000	0	0	0	0	0	0.0%
Total Natural Resources, Dept. of	\$ 27,146,049	\$ 15,959,567	\$ 0	\$ 15,959,567	\$ 15,968,410	\$ 8,843	0.1%
<u>Regents, Board of</u>							
Regents, Board of							
ISU - Veterinary Diagnostic Laboratory	\$ 3,080,159	\$ 3,444,294	\$ 0	\$ 3,444,294	\$ 3,444,294	\$ 0	0.0%
Total Regents, Board of	\$ 3,080,159	\$ 3,444,294	\$ 0	\$ 3,444,294	\$ 3,444,294	\$ 0	0.0%
Total Agriculture and Natural Resources	\$ 51,498,897	\$ 36,258,092	\$ 0	\$ 36,258,092	\$ 36,285,012	\$ 26,920	0.1%

Economic Development General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Cultural Affairs, Dept. of</u>							
Cultural Affairs, Dept. of							
Administration Division	\$ 252,013	\$ 212,069	\$ 0	\$ 212,069	\$ 212,069	\$ 0	0.0%
Community Cultural Grants	298,566	273,500	0	273,500	273,500	0	0.0%
Historical Division	3,796,919	3,195,107	0	3,195,107	3,195,107	0	0.0%
Historic Sites	585,930	493,060	0	493,060	493,060	0	0.0%
Arts Division	1,216,533	1,023,712	0	1,023,712	1,023,712	0	0.0%
Great Places	328,804	214,869	0	214,869	214,869	0	0.0%
Archiving Former Governor's Papers	83,354	70,142	0	70,142	70,142	0	0.0%
Records Center Rent	237,452	199,816	0	199,816	199,816	0	0.0%
Hist. Resource Dev. Emerg. Grants	-1,470	0	0	0	0	0	0.0%
Iowa Cultural Caucus	19,700	0	0	0	0	0	0.0%
Total Cultural Affairs, Dept. of	\$ 6,817,801	\$ 5,682,275	\$ 0	\$ 5,682,275	\$ 5,682,275	\$ 0	0.0%
<u>Economic Development, Dept. of</u>							
Economic Development, Dept. of							
Economic Dev. Administration	\$ 2,186,814	\$ 1,826,046	\$ 0	\$ 1,826,046	\$ 1,976,046	\$ 150,000	8.2%
Business Development	6,513,612	5,346,536	0	5,346,536	5,346,536	0	0.0%
Community Development Division	6,372,598	5,063,917	0	5,063,917	5,063,917	0	0.0%
World Food Prize	1,000,000	750,000	0	750,000	750,000	0	0.0%
Historic Preservation Challenge Grants	197,000	165,775	0	165,775	165,775	0	0.0%
Iowa Comm. Volunteer Ser.-Promise	0	112,500	0	112,500	112,500	0	0.0%
Center for Citizen Diplomacy	147,750	0	0	0	0	0	0.0%
TSB Marketing and Compliance	-2,173	-9,457	0	-9,457	0	9,457	-100.0%
TSB Process Improvement & Admin.	-3,374	-20,358	0	-20,358	0	20,358	-100.0%
TSB Advocacy Centers	-13,104	-79,308	0	-79,308	0	79,308	-100.0%
Total Economic Development, Dept. of	\$ 16,399,123	\$ 13,155,651	\$ 0	\$ 13,155,651	\$ 13,414,774	\$ 259,123	2.0%
<u>Iowa Finance Authority</u>							
Iowa Finance Authority							
Council on Homelessness	\$ 0	\$ 4,500	\$ 0	\$ 4,500	\$ 0	\$ -4,500	-100.0%
Total Iowa Finance Authority	\$ 0	\$ 4,500	\$ 0	\$ 4,500	\$ 0	\$ -4,500	-100.0%

Economic Development General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Iowa Workforce Development</u>							
Iowa Workforce Development							
IWD - Labor Services Division	\$ 3,851,643	\$ 3,395,440	\$ 0	\$ 3,395,440	\$ 3,495,440	\$ 100,000	2.9%
IWD - Workers' Comp Division	2,884,187	2,595,768	0	2,595,768	2,595,768	0	0.0%
IWD Operations - Field Offices	12,370,209	10,795,474	0	10,795,474	11,645,474	850,000	7.9%
Offender Reentry Program	367,447	322,261	0	322,261	322,261	0	0.0%
Security Employee Training Program	15,000	13,033	0	13,033	13,033	0	0.0%
Statewide Standard Skills Assessment	489,929	-33,699	0	-33,699	0	33,699	-100.0%
Employee Misclassification	0	450,000	0	450,000	500,000	50,000	11.1%
Total Iowa Workforce Development	\$ 19,978,415	\$ 17,538,277	\$ 0	\$ 17,538,277	\$ 18,571,976	\$ 1,033,699	5.9%
<u>Public Employment Relations Board</u>							
Public Employment Relations							
PER Board - General Office	\$ 1,227,126	\$ 1,051,903	\$ 0	\$ 1,051,903	\$ 1,051,903	\$ 0	0.0%
Total Public Employment Relations Board	\$ 1,227,126	\$ 1,051,903	\$ 0	\$ 1,051,903	\$ 1,051,903	\$ 0	0.0%
<u>Regents, Board of</u>							
Regents, Board of							
ISU - Economic Development	\$ 2,943,124	\$ 2,475,983	\$ 0	\$ 2,475,983	\$ 2,475,983	\$ 0	0.0%
SUI - Economic Development	264,325	222,372	0	222,372	222,372	0	0.0%
UNI - Economic Development	583,393	485,674	0	485,674	485,674	0	0.0%
Total Regents, Board of	\$ 3,790,842	\$ 3,184,029	\$ 0	\$ 3,184,029	\$ 3,184,029	\$ 0	0.0%
Total Economic Development	\$ 48,213,307	\$ 40,616,635	\$ 0	\$ 40,616,635	\$ 41,904,957	\$ 1,288,322	3.2%

Education General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Blind, Dept. of the							
Blind, Dept. for the Department for the Blind	\$ 2,463,314	\$ 2,032,265	\$ 0	\$ 2,032,265	\$ 2,032,265	\$ 0	0.0%
Total Blind, Dept. of the	\$ 2,463,314	\$ 2,032,265	\$ 0	\$ 2,032,265	\$ 2,032,265	\$ 0	0.0%
College Aid Commission							
College Student Aid Comm.							
College Aid Commission	\$ 381,137	\$ 314,443	\$ 0	\$ 314,443	\$ 314,443	\$ 0	0.0%
Iowa Grants	1,070,976	981,743	0	981,743	883,569	-98,174	-10.0%
DSM University-Osteopathic Loans	100,000	91,668	0	91,668	82,501	-9,167	-10.0%
DSM University-Physician Recruit.	341,254	281,539	0	281,539	281,539	0	0.0%
National Guard Benefits Program	3,742,629	3,075,783	0	3,075,783	3,316,903	241,120	7.8%
Teacher Shortage Forgivable Loan	478,119	394,454	0	394,454	438,282	43,828	11.1%
All Iowa Opportunity Foster Care Grant Program	0	618,759	0	618,759	618,759	0	0.0%
All Iowa Opportunity Scholarships	3,940,000	2,252,283	0	2,252,283	2,502,537	250,254	11.1%
Nurse & Nurse Educator Loan Program	98,500	81,264	0	81,264	90,293	9,029	11.1%
Barber & Cosmetology Tuition Grant Program	50,000	45,834	0	45,834	41,251	-4,583	-10.0%
College Work Study	980,075	0	0	0	0	0	0.0%
Tuition Grant Program-Standing	49,322,612	42,491,762	0	42,491,762	45,802,158	3,310,396	7.8%
Tuition Grant - For-Profit	5,441,985	4,489,705	0	4,489,705	4,857,527	367,822	8.2%
Vocational Technical Tuition Grant	2,741,368	2,261,662	0	2,261,662	2,512,958	251,296	11.1%
Washington DC Internships	100,000	0	0	0	0	0	0.0%
Total College Aid Commission	\$ 68,788,655	\$ 57,380,899	\$ 0	\$ 57,380,899	\$ 61,742,720	\$ 4,361,821	7.6%

Education General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Education, Dept. of							
Education, Dept. of							
Administration	\$ 8,625,560	\$ 7,266,578	\$ 0	\$ 7,266,578	\$ 7,099,482	\$ -167,096	-2.3%
Vocational Education Administration	625,091	524,479	0	524,479	582,755	58,276	11.1%
Vocational Education Secondary	2,892,850	2,427,229	0	2,427,229	2,696,921	269,692	11.1%
Food Service	2,472,038	2,039,462	0	2,039,462	2,266,069	226,607	11.1%
State Library	1,907,426	1,573,650	0	1,573,650	1,573,650	0	0.0%
State Library - Enrich Iowa	1,796,081	1,616,473	179,608	1,796,081	1,796,081	0	0.0%
State Library - Library Service Areas	1,562,210	1,405,989	0	1,405,989	1,405,989	0	0.0%
Early Child - Comm. Empowerment Gen. Aid	21,967,476	6,729,907	0	6,729,907	6,729,907	0	0.0%
Early Child - Family Support & Parent Ed.	4,925,000	13,693,096	0	13,693,096	13,693,096	0	0.0%
Early Child - Empower. Preschool Assistance	0	7,894,935	877,215	8,772,150	7,894,935	-877,215	-10.0%
Early Child - Early Care, Health & Ed.	9,850,000	-54,595	54,595	0	0	0	0.0%
Early Child - Spec. Ed. Services Birth to 3	1,695,579	1,398,874	0	1,398,874	1,565,970	167,096	11.9%
Early Child - Voluntary Preschool	14,769,449	10,344,294	1,194,569	11,538,863	12,744,294	1,205,431	10.4%
Adult Education Capacity	0	0	0	0	500,000	500,000	0.0%
Nonpublic Textbook Services	682,500	563,071	62,563	625,634	625,634	0	0.0%
Administrator Mentoring	246,250	203,160	0	203,160	203,160	0	0.0%
Model Core Curriculum	2,159,466	1,781,586	197,954	1,979,540	1,979,540	0	0.0%
Student Achievement/Teacher Quality	245,752,706	6,722,322	892,428	7,614,750	7,614,750	0	0.0%
Community Colleges General Aid	180,316,478	142,810,651	5,943,581	148,754,232	148,754,232	0	0.0%
Community College Salaries - Past Years	1,477,500	825,012	0	825,012	825,012	0	0.0%
Comm College Interpreters for Deaf	197,000	180,000	0	180,000	0	-180,000	-100.0%
Jobs For America's Grads	591,000	540,000	0	540,000	540,000	0	0.0%
Educational Expenses for American Indians	0	90,000	0	90,000	0	-90,000	-100.0%
K-12 Management Information System	0	207,000	23,000	230,000	0	-230,000	-100.0%
Senior Year Plus	1,871,500	-140,566	140,566	0	0	0	0.0%
Private Instruction	146,000	0	0	0	0	0	0.0%
Total Education, Dept. of	\$ 506,529,160	\$ 210,642,607	\$ 9,566,079	\$ 220,208,686	\$ 221,091,477	\$ 882,791	0.4%
Vocational Rehabilitation							
Vocational Rehabilitation	\$ 5,624,107	\$ 4,639,957	\$ 0	\$ 4,639,957	\$ 4,639,957	\$ 0	0.0%
Independent Living	55,717	45,967	0	45,967	45,967	0	0.0%
Entrepreneurs with Disabilities Program	197,000	162,531	0	162,531	162,531	0	0.0%
Farmers with Disabilities	0	97,200	0	97,200	0	-97,200	-100.0%
Independent Living Center Grant	246,250	45,000	0	45,000	45,000	0	0.0%
Total Vocational Rehabilitation	\$ 6,123,074	\$ 4,990,655	\$ 0	\$ 4,990,655	\$ 4,893,455	\$ -97,200	-1.9%

Education

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Iowa Public Television							
Iowa Public Television	\$ 8,738,387	\$ 8,074,514	\$ 0	\$ 8,074,514	\$ 8,074,514	\$ 0	0.0%
Regional Telecom. Councils	1,344,057	1,108,864	0	1,108,864	1,108,864	0	0.0%
Total Iowa Public Television	\$ 10,082,444	\$ 9,183,378	\$ 0	\$ 9,183,378	\$ 9,183,378	\$ 0	0.0%
Total Education, Dept. of	\$ 522,734,678	\$ 224,816,640	\$ 9,566,079	\$ 234,382,719	\$ 235,168,310	\$ 785,591	0.3%

Education

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Regents, Board of</u>							
Regents, Board of							
Regent Board Office	\$ 1,324,523	\$ 1,105,123	\$ 0	\$ 1,105,123	\$ 1,105,123	\$ 0	0.0%
Southwest Iowa Resource Ctr	110,018	90,766	0	90,766	90,766	0	0.0%
Tri State Graduate	83,769	69,110	0	69,110	69,110	0	0.0%
Quad Cities Grad Ctr	163,228	134,665	0	134,665	134,665	0	0.0%
Midwestern Higher Ed Consortium	90,000	0	0	0	0	0	0.0%
IPR - Iowa Public Radio	492,500	406,318	0	406,318	406,318	0	0.0%
University of Iowa - General	269,527,169	211,934,782	14,371,621	226,306,403	226,306,403	0	0.0%
SUI - Center for Disabilities & Development	6,839,740	0	0	0	0	0	0.0%
SUI - Oakdale Campus	2,721,464	2,268,925	0	2,268,925	2,268,925	0	0.0%
SUI - Hygienic Laboratory	4,401,916	3,669,943	0	3,669,943	3,669,943	0	0.0%
SUI - Family Practice Program	2,225,735	1,855,628	0	1,855,628	1,855,628	0	0.0%
SUI - Specialized Children Health Services (SCHS)	820,780	684,297	0	684,297	684,297	0	0.0%
SUI - Iowa Cancer Registry	185,514	154,666	0	154,666	154,666	0	0.0%
SUI - Substance Abuse Consortium	69,113	57,621	0	57,621	57,621	0	0.0%
SUI - Biocatalysis	900,775	750,990	0	750,990	750,990	0	0.0%
SUI - Primary Health Care	807,680	673,375	0	673,375	673,375	0	0.0%
SUI - Iowa Birth Defects Registry	47,656	39,730	0	39,730	39,730	0	0.0%
SUI - Iowa Nonprofit Resource Center	202,301	168,662	0	168,662	168,662	0	0.0%
SUI Ag Health & Safety	126,713	0	0	0	0	0	0.0%
Iowa State: Gen. University	212,192,481	166,488,825	10,839,521	177,328,346	177,328,346	0	0.0%
ISU - Agricultural Experiment Station	34,989,170	29,170,840	0	29,170,840	29,170,840	0	0.0%
ISU - Cooperative Extension	22,324,765	18,612,391	0	18,612,391	18,612,391	0	0.0%
ISU - Leopold Center	494,642	412,388	0	412,388	412,388	0	0.0%
ISU - Livestock Disease Research	215,129	179,356	0	179,356	179,356	0	0.0%
ISU - George Washington Carver Endowed Chair	243,681	0	0	0	0	0	0.0%
UNI - University of Northern Iowa	95,792,085	75,410,898	5,227,665	80,638,563	80,638,563	0	0.0%
UNI - Recycling and Reuse Center	220,430	181,858	0	181,858	181,858	0	0.0%
UNI - Math and Science Collaborative	3,940,000	3,250,549	0	3,250,549	3,250,549	0	0.0%
UNI - Real Estate Education Program	157,600	130,022	0	130,022	130,022	0	0.0%
ISD - Iowa School for the Deaf	9,974,495	8,679,964	0	8,679,964	8,679,964	0	0.0%
IBS - Iowa Braille and Sight Saving School	5,640,062	4,917,362	0	4,917,362	4,917,362	0	0.0%
ISD/IBS - Tuition and Transportation	14,795	12,206	0	12,206	12,206	0	0.0%
UNI - Research Development School Infrastructure Study	0	31,500	0	31,500	0	-31,500	-100.0%
ISD/IBS - Licensed Classroom Teachers	0	85,140	0	85,140	85,140	0	0.0%
Total Regents, Board of	\$ 677,339,929	\$ 531,627,900	\$ 30,438,807	\$ 562,066,707	\$ 562,035,207	\$ -31,500	0.0%
Total Education	\$ 1,271,326,576	\$ 815,857,704	\$ 40,004,886	\$ 855,862,590	\$ 860,978,502	\$ 5,115,912	0.6%

Health and Human Services

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Aging, Dept. on</u>							
Aging, Dept. on							
Aging Programs	\$ 5,274,444	\$ 4,462,407	\$ 0	\$ 4,462,407	\$ 4,462,407	\$ 0	0.0%
Total Aging, Dept. on	\$ 5,274,444	\$ 4,462,407	\$ 0	\$ 4,462,407	\$ 4,462,407	\$ 0	0.0%
<u>Public Health, Dept. of</u>							
Public Health, Dept. of							
Addictive Disorders	\$ 3,035,917	\$ 25,787,250	\$ 2,627,532	\$ 28,414,782	\$ 28,414,782	\$ 0	0.0%
Healthy Children and Families	2,584,835	2,024,250	329,267	2,353,517	2,353,517	0	0.0%
Chronic Conditions	2,169,991	2,480,612	321,643	2,802,255	2,802,255	0	0.0%
Community Capacity	1,722,362	3,705,162	23,000	3,728,162	3,728,162	0	0.0%
Elderly Wellness	9,095,475	7,511,201	834,578	8,345,779	8,345,779	0	0.0%
Environmental Hazards	721,737	900,352	0	900,352	965,950	65,598	7.3%
Infectious Diseases	2,795,546	1,467,595	203,970	1,671,565	1,605,967	-65,598	-3.9%
Public Protection	3,115,215	3,212,987	23,248	3,236,235	3,236,235	0	0.0%
Resource Management	1,194,098	956,265	0	956,265	956,265	0	0.0%
Prevention and Chronic Care Management	188,165	0	0	0	0	0	0.0%
Medical Home System	163,379	0	0	0	0	0	0.0%
Healthy Communities Initiative	874,682	0	0	0	0	0	0.0%
Gov. Council on Physical Fitness and Nutrition	108,160	0	0	0	0	0	0.0%
Iowa Health Information Technology System	188,069	0	0	0	0	0	0.0%
Health Care Access	171,965	0	0	0	0	0	0.0%
Total Public Health, Dept. of	\$ 28,129,596	\$ 48,045,674	\$ 4,363,238	\$ 52,408,912	\$ 52,408,912	\$ 0	0.0%
<u>Human Services, Dept. of</u>							
Toledo Juvenile Home							
Licensed Classroom Teachers	\$ 0	\$ 103,950	\$ 0	\$ 103,950	\$ 103,950	\$ 0	0.0%
General Administration							
General Administration	\$ 16,848,360	\$ 13,727,271	\$ 0	\$ 13,727,271	\$ 13,727,271	\$ 0	0.0%
Field Operations							
Child Support Recoveries	\$ 15,082,461	\$ 12,078,414	\$ 0	\$ 12,078,414	\$ 12,078,414	\$ 0	0.0%
Field Operations	69,234,591	56,729,548	0	56,729,548	56,729,548	0	0.0%
Total Field Operations	\$ 84,317,052	\$ 68,807,962	\$ 0	\$ 68,807,962	\$ 68,807,962	\$ 0	0.0%

Health and Human Services

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
Toledo Juvenile Home							
Toledo Juvenile Home	\$ 7,591,274	\$ 6,079,283	\$ 0	\$ 6,079,283	\$ 6,189,283	\$ 110,000	1.8%
Eldora Training School							
Eldora Training School	\$ 12,045,087	\$ 9,646,008	\$ 0	\$ 9,646,008	\$ 9,536,008	\$ -110,000	-1.1%
Cherokee CCUSO							
Civil Commit. Unit for Sex Offenders	\$ 6,701,758	\$ 6,174,184	\$ 0	\$ 6,174,184	\$ 6,174,184	\$ 0	0.0%
Cherokee							
Cherokee MHI	\$ 6,109,285	\$ 4,892,468	\$ 0	\$ 4,892,468	\$ 4,892,468	\$ 0	0.0%
Clarinda							
Clarinda MHI	\$ 7,298,531	\$ 5,604,601	\$ 0	\$ 5,604,601	\$ 5,604,601	\$ 0	0.0%
Independence							
Independence MHI	\$ 10,693,858	\$ 8,553,210	\$ 0	\$ 8,553,210	\$ 8,553,210	\$ 0	0.0%
Mt Pleasant							
Mt Pleasant MHI	\$ 2,023,008	\$ 1,614,663	\$ 0	\$ 1,614,663	\$ 1,614,663	\$ 0	0.0%
Glenwood							
Glenwood Resource Center	\$ 18,903,764	\$ 15,808,438	\$ 0	\$ 15,808,438	\$ 15,489,063	\$ -319,375	-2.0%
Woodward							
Woodward Resource Center	\$ 12,561,726	\$ 9,786,280	\$ 0	\$ 9,786,280	\$ 9,703,456	\$ -82,824	-0.8%

Health and Human Services

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Assistance							
Family Investment Program/JOB	\$ 42,060,901	\$ 31,133,430	\$ 0	\$ 31,133,430	\$ 31,735,539	\$ 602,109	1.9%
Medical Assistance	593,302,330	610,096,134	0	610,096,134	790,982,609	180,886,475	29.6%
Health Insurance Premium Payment	570,924	457,210	0	457,210	457,210	0	0.0%
Medical Contracts	13,953,067	12,286,353	0	12,286,353	10,413,090	-1,873,263	-15.2%
State Supplementary Assistance	18,332,214	16,457,833	0	16,457,833	18,259,235	1,801,402	10.9%
State Children's Health Insurance	13,660,852	13,166,847	0	13,166,847	23,637,040	10,470,193	79.5%
Child Care Assistance	40,483,732	32,547,464	0	32,547,464	32,768,964	221,500	0.7%
Child and Family Services	88,971,729	81,532,306	0	81,532,306	80,425,523	-1,106,783	-1.4%
Adoption Subsidy	33,656,339	31,395,307	0	31,395,307	34,202,696	2,807,389	8.9%
Family Support Subsidy	1,907,312	1,522,998	0	1,522,998	1,522,998	0	0.0%
Connors Training	41,984	33,622	0	33,622	33,622	0	0.0%
MI/MR/DD State Cases	13,067,178	10,295,207	100,163	10,395,370	10,295,207	-100,163	-1.0%
MH/DD Community Services	18,017,890	14,211,100	0	14,211,100	14,211,100	0	0.0%
Volunteers	105,717	84,660	0	84,660	84,660	0	0.0%
Family Planning	738,750	-45,654	0	-45,654	0	45,654	-100.0%
Pregnancy Counseling	197,000	71,688	0	71,688	71,688	0	0.0%
MH/DD Growth Factor	54,081,310	48,697,893	0	48,697,893	48,697,893	0	0.0%
Medical Assistance, Hawk-i, Hawk-i Expansion	4,728,000	3,786,301	0	3,786,301	10,049,532	6,263,231	165.4%
Total Assistance	\$ 937,877,229	\$ 907,730,699	\$ 100,163	\$ 907,830,862	\$ 1,107,848,606	\$ 200,017,744	22.0%
Total Human Services, Dept. of	\$ 1,122,970,932	\$ 1,058,529,017	\$ 100,163	\$ 1,058,629,180	\$ 1,258,244,725	\$ 199,615,545	18.9%
<u>Veterans Affairs, Dept. of</u>							
Veterans Affairs, Department of							
General Administration	\$ 1,199,329	\$ 960,453	\$ 0	\$ 960,453	\$ 960,453	\$ 0	0.0%
War Orphans Educational Assistance	25,785	12,731	0	12,731	12,731	0	0.0%
Injured Veterans Grant Program	-23,550	-128,145	0	-128,145	0	128,145	-100.0%
Veterans County Grants	585,599	990,000	0	990,000	900,000	-90,000	-9.1%
Total Veterans Affairs, Department of	\$ 1,787,163	\$ 1,835,039	\$ 0	\$ 1,835,039	\$ 1,873,184	\$ 38,145	2.1%
Veterans Affairs, Dept. of							
Iowa Veterans Home	\$ 14,391,435	\$ 9,630,846	\$ 0	\$ 9,630,846	\$ 9,630,846	\$ 0	0.0%
Total Veterans Affairs, Dept. of	\$ 16,178,598	\$ 11,465,885	\$ 0	\$ 11,465,885	\$ 11,504,030	\$ 38,145	0.3%
Total Health and Human Services	\$ 1,172,553,570	\$ 1,122,502,983	\$ 4,463,401	\$ 1,126,966,384	\$ 1,326,620,074	\$ 199,653,690	17.7%

Justice System

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Justice, Department of</u>							
Justice, Dept. of							
General Office A.G.	\$ 9,359,691	\$ 7,732,930	\$ 0	\$ 7,732,930	\$ 7,732,930	\$ 0	0.0%
Victim Assistance Grants	147,750	3,060,000	0	3,060,000	3,060,000	0	0.0%
Legal Services Poverty Grants	1,970,000	1,759,171	0	1,759,171	1,759,171	0	0.0%
Farm Mediation Services	289,457	0	0	0	0	0	0.0%
Total Justice, Dept. of	\$ 11,766,898	\$ 12,552,101	\$ 0	\$ 12,552,101	\$ 12,552,101	\$ 0	0.0%
Consumer Advocate							
Consumer Advocate	\$ 3,623,328	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Justice, Department of	\$ 15,390,226	\$ 12,552,101	\$ 0	\$ 12,552,101	\$ 12,552,101	\$ 0	0.0%
<u>Civil Rights Commission</u>							
Civil Rights Commission							
Civil Rights Commission	\$ 1,545,232	\$ 1,379,861	\$ 0	\$ 1,379,861	\$ 1,379,861	\$ 0	0.0%
Total Civil Rights Commission	\$ 1,545,232	\$ 1,379,861	\$ 0	\$ 1,379,861	\$ 1,379,861	\$ 0	0.0%
<u>Corrections, Dept. of</u>							
CBC District 1							
CBC District I	\$ 13,300,371	\$ 11,918,690	\$ 110,275	\$ 12,028,965	\$ 12,453,082	\$ 424,117	3.5%
CBC District 2							
CBC District II	\$ 11,053,717	\$ 9,986,645	\$ 308,214	\$ 10,294,859	\$ 10,770,616	\$ 475,757	4.6%
CBC District 3							
CBC District III	\$ 6,104,702	\$ 5,345,642	\$ 18,010	\$ 5,363,652	\$ 5,715,578	\$ 351,926	6.6%
CBC District 4							
CBC District IV	\$ 5,603,983	\$ 5,179,500	\$ 76,117	\$ 5,255,617	\$ 5,522,416	\$ 266,799	5.1%
CBC District 5							
CBC District V	\$ 19,232,705	\$ 17,350,422	\$ 790,020	\$ 18,140,442	\$ 18,938,081	\$ 797,639	4.4%
CBC District 6							
CBC District VI	\$ 14,273,011	\$ 12,408,317	\$ 0	\$ 12,408,317	\$ 13,030,356	\$ 622,039	5.0%
CBC District 7							
CBC District VII	\$ 7,265,034	\$ 6,436,995	\$ 24,923	\$ 6,461,918	\$ 6,846,560	\$ 384,642	6.0%

Justice System

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
CBC District 8							
CBC District VIII	\$ 7,109,164	\$ 6,391,827	\$ 400,850	\$ 6,792,677	\$ 6,935,622	\$ 142,945	2.1%
Central Office							
County Confinement	\$ 967,983	\$ 775,092	\$ 0	\$ 775,092	\$ 775,092	\$ 0	0.0%
Federal Prisoners/ Contractual	241,293	215,470	0	215,470	239,411	23,941	11.1%
Corrections Administration	5,047,861	4,329,043	0	4,329,043	4,491,968	162,925	3.8%
Corrections Education	1,570,358	1,363,707	0	1,363,707	1,558,109	194,402	14.3%
Iowa Corrections Offender Network	427,700	381,928	0	381,928	424,364	42,436	11.1%
Mental Health/Substance Abuse	24,994	22,319	0	22,319	22,319	0	0.0%
Hepatitis Treatment and Education	188,000	167,881	0	167,881	167,881	0	0.0%
Total Central Office	\$ 8,468,189	\$ 7,255,440	\$ 0	\$ 7,255,440	\$ 7,679,144	\$ 423,704	5.8%
Fort Madison							
Ft. Madison Institution	\$ 44,737,908	\$ 37,003,223	\$ 864,048	\$ 37,867,271	\$ 41,442,374	\$ 3,575,103	9.4%
Anamosa							
Anamosa Institution	\$ 31,548,089	\$ 28,272,505	\$ 343,179	\$ 28,615,684	\$ 30,356,461	\$ 1,740,777	6.1%
Oakdale							
Oakdale Institution	\$ 59,219,891	\$ 52,781,485	\$ 2,750,762	\$ 55,532,247	\$ 55,955,246	\$ 422,999	0.8%
Newton							
Newton Institution	\$ 28,372,772	\$ 25,230,054	\$ 526,181	\$ 25,756,235	\$ 26,452,257	\$ 696,022	2.7%
Mt Pleasant							
Mt. Pleasant Inst.	\$ 27,430,137	\$ 24,494,564	\$ 415,980	\$ 24,910,544	\$ 26,265,257	\$ 1,354,713	5.4%
Rockwell City							
Rockwell City Institution	\$ 9,466,021	\$ 8,452,967	\$ 108,833	\$ 8,561,800	\$ 9,324,565	\$ 762,765	8.9%
Clarinda							
Clarinda Institution	\$ 25,526,358	\$ 21,078,946	\$ 451,752	\$ 21,530,698	\$ 23,645,033	\$ 2,114,335	9.8%
Mitchellville							
Mitchellville Institution	\$ 16,126,292	\$ 14,253,115	\$ 169,416	\$ 14,422,531	\$ 15,486,586	\$ 1,064,055	7.4%
Fort Dodge							
Ft. Dodge Institution	\$ 30,313,681	\$ 26,999,132	\$ 200,000	\$ 27,199,132	\$ 29,020,235	\$ 1,821,103	6.7%
Total Corrections, Dept. of	\$ 365,152,025	\$ 320,839,469	\$ 7,558,560	\$ 328,398,029	\$ 345,839,469	\$ 17,441,440	5.3%

Justice System

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Inspections & Appeals, Dept. of</u>							
Public Defender							
Public Defender	\$ 21,465,998	\$ 19,568,864	\$ 0	\$ 19,568,864	\$ 21,743,182	\$ 2,174,318	11.1%
Indigent Defense Appropriation	33,013,300	21,608,247	10,900,000	32,508,247	19,433,929	-13,074,318	-40.2%
Total Inspections & Appeals, Dept. of	\$ 54,479,298	\$ 41,177,111	\$ 10,900,000	\$ 52,077,111	\$ 41,177,111	\$ -10,900,000	-20.9%
<u>Judicial Branch</u>							
Judicial Branch							
Jury & Witness (GF) to Revolving Fd. (0043)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,500,000	\$ 1,500,000	0.0%
Judicial Branch	149,366,784	160,184,957	-11,373,135	148,811,822	148,811,822	0	0.0%
Judicial Retirement	3,450,963	0	0	0	0	0	0.0%
Total Judicial Branch	\$ 152,817,747	\$ 160,184,957	\$ -11,373,135	\$ 148,811,822	\$ 150,311,822	\$ 1,500,000	1.0%
<u>Law Enforcement Academy</u>							
Law Enforcement Academy							
Law Enforcement Academy	\$ 1,275,199	\$ 1,049,430	\$ 0	\$ 1,049,430	\$ 1,049,430	\$ 0	0.0%
Total Law Enforcement Academy	\$ 1,275,199	\$ 1,049,430	\$ 0	\$ 1,049,430	\$ 1,049,430	\$ 0	0.0%
<u>Parole, Board of</u>							
Parole Board							
Parole Board	\$ 1,251,903	\$ 1,045,259	\$ 0	\$ 1,045,259	\$ 1,045,259	\$ 0	0.0%
Total Parole, Board of	\$ 1,251,903	\$ 1,045,259	\$ 0	\$ 1,045,259	\$ 1,045,259	\$ 0	0.0%
<u>Public Defense, Dept. of</u>							
Public Defense, Dept. of							
Public Defense, Department of	\$ 6,361,947	\$ 5,624,281	\$ 526,202	\$ 6,150,483	\$ 6,249,201	\$ 98,718	1.6%
Emergency Management Division							
Homeland Security & Emer. Mgmt.	\$ 2,212,722	\$ 1,834,307	\$ 61,614	\$ 1,895,921	\$ 2,038,119	\$ 142,198	7.5%
Total Public Defense, Dept. of	\$ 8,574,669	\$ 7,458,588	\$ 587,816	\$ 8,046,404	\$ 8,287,320	\$ 240,916	3.0%

Justice System

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Public Safety, Department of							
Public Safety, Dept. of							
Public Safety - Department Wide Duties	\$ 0	\$ 1,419,288	\$ 0	\$ 1,419,288	\$ 0	\$ -1,419,288	-100.0%
Public Safety Administration	4,470,414	3,952,071	0	3,952,071	4,134,461	182,390	4.6%
Public Safety DCI	21,506,406	19,012,743	0	19,012,743	12,861,710	-6,151,033	-32.4%
DCI - Crime Lab Equipment/Training	342,000	302,345	0	302,345	302,345	0	0.0%
Narcotics Enforcement	6,501,493	5,747,647	0	5,747,647	6,507,048	759,401	13.2%
Public Safety Undercover Funds	123,343	109,042	0	109,042	109,042	0	0.0%
DPS Fire Marshal	4,060,859	3,590,003	0	3,590,003	4,343,896	753,893	21.0%
Iowa State Patrol	50,971,409	45,061,285	0	45,061,285	48,984,147	3,922,862	8.7%
DPS/SPOC Sick Leave Payout	316,179	279,517	0	279,517	279,517	0	0.0%
Fire Fighter Training	662,697	612,255	0	612,255	612,255	0	0.0%
Total Public Safety, Department of	\$ 88,954,800	\$ 80,086,196	\$ 0	\$ 80,086,196	\$ 78,134,421	\$ -1,951,775	-2.4%
Total Justice System	\$ 689,441,099	\$ 625,772,972	\$ 7,673,241	\$ 633,446,213	\$ 639,776,794	\$ 6,330,581	1.0%

Transportation, Infrastructure, and Capitals General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Transportation, Dept. of</u>							
Transportation, Dept. of Commercial Service Airports	\$ 0	\$ 1,350,000	\$ 0	\$ 1,350,000	\$ 0	\$ -1,350,000	-100.0%
Total Transportation, Dept. of	\$ 0	\$ 1,350,000	\$ 0	\$ 1,350,000	\$ 0	\$ -1,350,000	-100.0%
Total Transportation, Infrastructure, and Capitals	\$ 0	\$ 1,350,000	\$ 0	\$ 1,350,000	\$ 0	\$ -1,350,000	-100.0%

Unassigned Standings

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
<u>Administrative Services, Dept. of</u>							
State Accounting Trust Accounts							
Federal Cash Management Standing	\$ 559,953	\$ 356,587	\$ 0	\$ 356,587	\$ 356,587	\$ 0	0.0%
Unemployment Compensation-State Standing	597,553	440,371	0	440,371	440,371	0	0.0%
Municipal Fire & Police Retirement	2,704,597	2,253,159	0	2,253,159	2,253,159	0	0.0%
Sac Fox Attorney Costs	1,953	0	0	0	0	0	0.0%
Total Administrative Services, Dept. of	\$ 3,864,056	\$ 3,050,117	\$ 0	\$ 3,050,117	\$ 3,050,117	\$ 0	0.0%
<u>Cultural Affairs, Dept. of</u>							
Cultural Affairs, Dept. of							
County Endowment DCA Grants-AGR	\$ 512,200	\$ 443,300	\$ 0	\$ 443,300	\$ 443,300	\$ 0	0.0%
Total Cultural Affairs, Dept. of	\$ 512,200	\$ 443,300	\$ 0	\$ 443,300	\$ 443,300	\$ 0	0.0%
<u>Education, Dept. of</u>							
Education, Dept. of							
State Foundation School Aid	\$ 2,155,814,794	\$ 2,146,457,965	\$ 0	\$ 2,146,457,965	\$ 2,346,110,078	\$ 199,652,113	9.3%
Child Development	12,417,103	10,344,502	1,149,389	11,493,891	11,493,891	0	0.0%
Early Intervention Block Grant	29,250,000	0	0	0	0	0	0.0%
Instructional Support	14,211,828	0	0	0	0	0	0.0%
Teacher Excellence Program	54,637,017	0	0	0	0	0	0.0%
Transportation of Nonpublic Pupils	8,475,643	7,060,931	0	7,060,931	7,060,931	0	0.0%
Total Education, Dept. of	\$ 2,274,806,385	\$ 2,163,863,398	\$ 1,149,389	\$ 2,165,012,787	\$ 2,364,664,900	\$ 199,652,113	9.2%
<u>Energy Independence</u>							
Office of Energy Independence							
Iowa Power Fund	\$ 24,625,000	\$ 21,600,000	\$ 0	\$ 21,600,000	\$ 25,000,000	\$ 3,400,000	15.7%
Total Energy Independence	\$ 24,625,000	\$ 21,600,000	\$ 0	\$ 21,600,000	\$ 25,000,000	\$ 3,400,000	15.7%

Unassigned Standings

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Executive Council</u>							
Executive Council							
Performance of Duty	\$ 21,578,911	\$ 1,800,000	\$ 0	\$ 1,800,000	\$ 1,800,000	\$ 0	0.0%
Court Costs	21,135	59,772	0	59,772	59,772	0	0.0%
Drainage Assessment	41,236	20,227	0	20,227	20,227	0	0.0%
Public Improvements	0	39,848	0	39,848	39,848	0	0.0%
Total Executive Council	\$ 21,641,282	\$ 1,919,847	\$ 0	\$ 1,919,847	\$ 1,919,847	\$ 0	0.0%
<u>Legislative Branch</u>							
Legislative Services Agency							
Legislative Branch	\$ 34,952,603	\$ 33,410,448	\$ -3,340,411	\$ 30,070,037	\$ 36,009,827	\$ 5,939,790	19.8%
Total Legislative Branch	\$ 34,952,603	\$ 33,410,448	\$ -3,340,411	\$ 30,070,037	\$ 36,009,827	\$ 5,939,790	19.8%
<u>Public Health, Dept. of</u>							
Public Health, Dept. of							
Reg. for Congenital & Inherited Disorders	\$ 219,192	\$ 161,360	\$ 20,684	\$ 182,044	\$ 182,044	\$ 0	0.0%
Total Public Health, Dept. of	\$ 219,192	\$ 161,360	\$ 20,684	\$ 182,044	\$ 182,044	\$ 0	0.0%
<u>Human Services, Dept. of</u>							
General Administration							
Commission of Inquiry	\$ 1,680	\$ 1,394	\$ 0	\$ 1,394	\$ 1,394	\$ 0	0.0%
Non Resident Transfers	81	67	0	67	67	0	0.0%
Non Resident Commitment Mental Illness	172,083	142,802	0	142,802	142,802	0	0.0%
Total General Administration	\$ 173,844	\$ 144,263	\$ 0	\$ 144,263	\$ 144,263	\$ 0	0.0%
Assistance							
MH Property Tax Relief	\$ 94,901,000	\$ 73,399,911	\$ 0	\$ 73,399,911	\$ 58,399,911	\$ -15,000,000	-20.4%
Child Abuse Prevention	219,192	174,076	0	174,076	217,772	43,696	25.1%
Total Assistance	\$ 95,120,192	\$ 73,573,987	\$ 0	\$ 73,573,987	\$ 58,617,683	\$ -14,956,304	-20.3%
Total Human Services, Dept. of	\$ 95,294,036	\$ 73,718,250	\$ 0	\$ 73,718,250	\$ 58,761,946	\$ -14,956,304	-20.3%

Unassigned Standings

General Fund

	Actual FY 2009	Estimated FY 2010	Gov Rec Supp FY 2010	Gov Rec Net FY 2010	Gov Rec FY 2011	Gov Rec FY 11 vs Gov Rec Net FY 10	Percent Change
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Management, Dept. of							
Management, Dept. of							
Special Olympics Fund	\$ 50,000	\$ 50,000	\$ 0	\$ 50,000	\$ 50,000	\$ 0	0.0%
Indian Settlement Officer	24,625	0	0	0	0	0	0.0%
Appeal Board Claims	5,630,880	3,586,307	0	3,586,307	3,586,307	0	0.0%
Economic Emergency Fund Appropriation	0	45,327,400	0	45,327,400	0	-45,327,400	-100.0%
Property Tax Credit Fund	43,734,000	91,256,037	0	91,256,037	91,256,037	0	0.0%
Total Management, Dept. of	\$ 49,439,505	\$ 140,219,744	\$ 0	\$ 140,219,744	\$ 94,892,344	\$ -45,327,400	-32.3%
Revenue, Dept. of							
Revenue, Dept. of							
Printing Cigarette Stamps	\$ 112,177	\$ 124,652	\$ 0	\$ 124,652	\$ 124,652	\$ 0	0.0%
Livestock Producers Credit	1,970,000	0	0	0	0	0	0.0%
Refund Cigarette Stamps	0	0	0	0	0	0	0.0%
Refund Income Corp & Franchise Sale	0	0	0	0	0	0	0.0%
Tobacco Products Tax Refund	0	0	0	0	0	0	0.0%
Inheritance Refund	0	0	0	0	0	0	0.0%
Tobacco Reporting Requirements	24,625	19,591	0	19,591	19,591	0	0.0%
Total Revenue, Dept. of	\$ 2,106,802	\$ 144,243	\$ 0	\$ 144,243	\$ 144,243	\$ 0	0.0%
Secretary of State							
Secretary of State							
Constitutional Amendments	\$ 1,226	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Total Secretary of State	\$ 1,226	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%
Treasurer of State							
Treasurer of State							
Health Care Trust Fund Transfer	\$ 125,686,000	\$ 106,016,400	\$ 0	\$ 106,016,400	\$ 106,016,400	\$ 0	0.0%
Total Treasurer of State	\$ 125,686,000	\$ 106,016,400	\$ 0	\$ 106,016,400	\$ 106,016,400	\$ 0	0.0%

Unassigned Standings

General Fund

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec Supp FY 2010 (3)	Gov Rec Net FY 2010 (4)	Gov Rec FY 2011 (5)	Gov Rec FY 11 vs Gov Rec Net FY 10 (6)	Percent Change (7)
<u>Corrections, Dept. of</u>							
Central Office							
State Cases Court Costs	\$ 0	\$ 59,733	\$ 0	\$ 59,733	\$ 59,733	\$ 0	0.0%
Total Corrections, Dept. of	\$ 0	\$ 59,733	\$ 0	\$ 59,733	\$ 59,733	\$ 0	0.0%
<u>Economic Development, Dept. of</u>							
Economic Development, Dept. of							
Tourism Marketing - AGR	\$ 1,107,524	\$ 862,028	\$ 0	\$ 862,028	\$ 862,028	\$ 0	0.0%
Grow Iowa Values Fund	-81	0	0	0	0	0	0.0%
Total Economic Development, Dept. of	\$ 1,107,443	\$ 862,028	\$ 0	\$ 862,028	\$ 862,028	\$ 0	0.0%
<u>Governor</u>							
Governor's Office							
Interstate Extradition	\$ 0	\$ 3,032	\$ 0	\$ 3,032	\$ 3,032	\$ 0	0.0%
Total Governor	\$ 0	\$ 3,032	\$ 0	\$ 3,032	\$ 3,032	\$ 0	0.0%
<u>Public Defense, Dept. of</u>							
Public Defense, Dept. of							
Compensation and Expense	\$ -5,797,022	\$ 344,644	\$ 0	\$ 344,644	\$ 344,644	\$ 0	0.0%
Total Public Defense, Dept. of	\$ -5,797,022	\$ 344,644	\$ 0	\$ 344,644	\$ 344,644	\$ 0	0.0%
Total Unassigned Standings	\$ 2,628,458,707	\$ 2,545,816,544	\$ -2,170,338	\$ 2,543,646,206	\$ 2,692,354,405	\$ 148,708,199	5.8%

Summary Data

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
Administration and Regulation	\$ 23,285,800	\$ 45,371,152	\$ 44,509,083	\$ -862,069	-1.9%
Agriculture and Natural Resources	88,089,502	85,154,502	78,154,502	-7,000,000	-8.2%
Economic Development	78,301,000	11,545,000	11,401,000	-144,000	-1.2%
Education	2,658,250	105,880,000	0	-105,880,000	-100.0%
Health and Human Services	564,301,804	470,385,807	467,383,109	-3,002,698	-0.6%
Justice System	30,652,137	18,068,888	3,336,344	-14,732,544	-81.5%
Transportation, Infrastructure, and Capitals	850,688,977	907,298,598	625,587,919	-281,710,679	-31.0%
Unassigned Standings	267,961,010	508,783,992	427,732,323	-81,051,669	-15.9%
Grand Total	\$ 1,905,938,480	\$ 2,152,487,939	\$ 1,658,104,280	\$ -494,383,659	-23.0%

Administration and Regulation

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Administrative Services, Dept. of</u>					
Administrative Services					
DAS ARRA operations	\$ 0	\$ 100,000	\$ 0	\$ -100,000	-100.0%
Total Administrative Services, Dept. of	\$ 0	\$ 100,000	\$ 0	\$ -100,000	-100.0%
<u>Commerce, Dept. of</u>					
Banking Division					
Banking Division	\$ 0	\$ 8,662,670	\$ 8,851,670	\$ 189,000	2.2%
Credit Union Division					
Credit Union Division	\$ 0	\$ 1,727,995	\$ 1,727,995	\$ 0	0.0%
Insurance Division					
Insurance Division	\$ 0	\$ 4,881,216	\$ 4,928,244	\$ 47,028	1.0%
Utilities Division					
Utilities Division	\$ 0	\$ 8,256,654	\$ 8,173,069	\$ -83,585	-1.0%
Professional Licensing and Reg.					
Housing Improvement Fund Field Auditor	\$ 62,317	\$ 62,317	\$ 62,317	\$ 0	0.0%
Total Commerce, Dept. of	\$ 62,317	\$ 23,590,852	\$ 23,743,295	\$ 152,443	0.6%
<u>Human Rights, Dept. of</u>					
Human Rights, Department of					
Division of Community Action Agencies	\$ 150,000	\$ 0	\$ 0	\$ 0	0.0%
Total Human Rights, Dept. of	\$ 150,000	\$ 0	\$ 0	\$ 0	0.0%
<u>Inspections & Appeals, Dept. of</u>					
Inspections and Appeals, Dept. of					
DIA Health Facility/Investigations	\$ 0	\$ 400,000	\$ 0	\$ -400,000	-100.0%
DIA-Use Tax	1,623,897	1,623,897	1,623,897	0	0.0%
Total Inspections & Appeals, Dept. of	\$ 1,623,897	\$ 2,023,897	\$ 1,623,897	\$ -400,000	-19.8%

Administration and Regulation

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Management, Dept. of</u>					
Management, Dept. of					
DOM Operations FRRF	\$ 0	\$ 200,000	\$ 0	\$ -200,000	-100.0%
RUTF DOM Operations	56,000	56,000	56,000	0	0.0%
Total Management, Dept. of	\$ 56,000	\$ 256,000	\$ 56,000	\$ -200,000	-78.1%
<u>IPERS Administration</u>					
IPERS Administration					
IPERS Administration	\$ 17,844,663	\$ 18,001,480	\$ 17,686,968	\$ -314,512	-1.7%
Total IPERS Administration	\$ 17,844,663	\$ 18,001,480	\$ 17,686,968	\$ -314,512	-1.7%
<u>Rebuild Iowa Office</u>					
Rebuild Iowa					
Rebuild Iowa OOA1	\$ 1,150,000	\$ 0	\$ 0	\$ 0	0.0%
Rebuild Iowa OOA2	1,000,000	0	0	0	0.0%
Total Rebuild Iowa Office	\$ 2,150,000	\$ 0	\$ 0	\$ 0	0.0%
<u>Revenue, Dept. of</u>					
Revenue, Dept. of					
Motor Fuel Tax Admin.-MVFT	\$ 1,305,775	\$ 1,305,775	\$ 1,305,775	\$ 0	0.0%
Total Revenue, Dept. of	\$ 1,305,775	\$ 1,305,775	\$ 1,305,775	\$ 0	0.0%
<u>Treasurer of State</u>					
Treasurer of State					
I-3 Expenses - RUTF	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0	0.0%
Total Treasurer of State	\$ 93,148	\$ 93,148	\$ 93,148	\$ 0	0.0%
Total Administration and Regulation	\$ 23,285,800	\$ 45,371,152	\$ 44,509,083	\$ -862,069	-1.9%

Agriculture and Natural Resources

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Agriculture and Land Stewardship</u>					
Agriculture and Land Stewardship					
Native Horse and Dog Program	\$ 305,516	\$ 305,516	\$ 305,516	\$ 0	0.0%
Motor Fuel Inspection-RFIF	300,000	300,000	300,000	0	0.0%
Conservation Reserve Enhance-EFF	1,500,000	1,500,000	1,500,000	0	0.0%
Watershed Protection Fund-EFF	2,550,000	2,550,000	1,500,000	-1,050,000	-41.2%
Farm Management Demo.-EFF	850,000	800,000	750,000	-50,000	-6.3%
Agricultural Drainage Wells-EFF	1,500,000	1,500,000	1,000,000	-500,000	-33.3%
Cost Share-EFF	7,000,000	7,000,000	7,000,000	0	0.0%
Conservation Reserve Prog.-EFF	1,500,000	1,500,000	1,221,600	-278,400	-18.6%
So. Iowa Conservation & Dev.-EFF	300,000	300,000	250,000	-50,000	-16.7%
Open Feedlots-Ag Remediation	50,000	0	0	0	0.0%
Soil & Water Conservation Needs Assessment	15,000	0	0	0	0.0%
Total Agriculture and Land Stewardship	\$ 15,870,516	\$ 15,755,516	\$ 13,827,116	\$ -1,928,400	-12.2%
Loess Hills Dev. and Conservation					
Loess Hills-EFF	\$ 600,000	\$ 600,000	\$ 500,000	\$ -100,000	-16.7%
Total Agriculture and Land Stewardship	\$ 16,470,516	\$ 16,355,516	\$ 14,327,116	\$ -2,028,400	-12.4%
<u>Natural Resources, Dept. of</u>					
Natural Resources					
ATV Fund Transfer	\$ 775,000	\$ 0	\$ 0	\$ 0	0.0%
Snowmobile Fund Transfer	950,000	0	0	0	0.0%
Fish & Game-DNR Admin Expenses	38,793,154	38,793,154	38,793,154	0	0.0%
Snowmobile Registration Fees	100,000	100,000	100,000	0	0.0%
UST Administration Match	200,000	200,000	200,000	0	0.0%
NPDES Permit Application Processing	700,000	0	0	0	0.0%
GWF-Storage Tanks Study-DNR	100,303	100,303	100,303	0	0.0%
GWF-Household Hazardous Waste-DNR	447,324	447,324	447,324	0	0.0%
GWF-Well Testing Admin 2%-DNR	62,461	62,461	62,461	0	0.0%
GWF-Groundwater Monitoring-DNR	1,686,751	1,686,751	1,686,751	0	0.0%
GWF-Landfill Alternatives-DNR	618,993	618,993	618,993	0	0.0%
GWF-Waste Reduction and Assistance	192,500	192,500	192,500	0	0.0%
GWF-Solid Waste Authorization	50,000	50,000	50,000	0	0.0%
GWF-Geographic Information System	297,500	297,500	297,500	0	0.0%
Total Natural Resources, Dept. of	\$ 44,973,986	\$ 42,548,986	\$ 42,548,986	\$ 0	0.0%

Agriculture and Natural Resources

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Natural Resources Capital</u>					
Natural Resources Capital					
REAP-EFF	\$ 18,000,000	\$ 18,000,000	\$ 12,000,000	\$ -6,000,000	-33.3%
Volunteers and Keepers of Land-EFF	100,000	100,000	100,000	0	0.0%
Park Operations & Maintenance-EFF	2,470,000	2,470,000	4,000,000	1,530,000	61.9%
GIS Information for Watershed-EFF	195,000	195,000	195,000	0	0.0%
Water Quality Monitoring-EFF	2,955,000	2,955,000	2,955,000	0	0.0%
Water Quality Protection-EFF	500,000	500,000	500,000	0	0.0%
Air Quality Monitoring-EFF	325,000	425,000	425,000	0	0.0%
Water Quantity-EFF	495,000	495,000	495,000	0	0.0%
Resource Conservation and Dev.-EFF	250,000	250,000	0	-250,000	-100.0%
Animal Feeding Operations-EFF	360,000	360,000	608,400	248,400	69.0%
Ambient Air Quality-FES	195,000	0	0	0	0.0%
Global Climate Change-EFF	50,000	0	0	0	0.0%
Water Trails & Low Head Dam	250,000	0	0	0	0.0%
Total Natural Resources Capital	\$ 26,145,000	\$ 25,750,000	\$ 21,278,400	\$ -4,471,600	-17.4%
<u>Economic Development, Dept. of</u>					
Economic Development, Dept. of					
Brownfields Redevelopment-EFF	\$ 500,000	\$ 500,000	\$ 0	\$ -500,000	-100.0%
Total Economic Development, Dept. of	\$ 500,000	\$ 500,000	\$ 0	\$ -500,000	-100.0%
Total Agriculture and Natural Resources	\$ 88,089,502	\$ 85,154,502	\$ 78,154,502	\$ -7,000,000	-8.2%

Economic Development Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Economic Development, Dept. of</u>					
Economic Development, Dept. of					
Council of Governments	\$ 0	\$ 144,000	\$ 0	\$ -144,000	-100.0%
Councils of Government (COGs - GIVF Int)	160,000	0	0	0	0.0%
DED - Workforce Development Fund	4,000,000	4,000,000	4,000,000	0	0.0%
Iowa Comm Volunteer Ser.-HITT	125,000	0	0	0	0.0%
Renewable Fuels Infrastructure-GIVF	1,600,000	0	0	0	0.0%
DED Programs-GIVF	24,000,000	0	0	0	0.0%
Regents Institutions-GIVF	4,000,000	0	0	0	0.0%
State Parks-GIVF	800,000	0	0	0	0.0%
Cultural Trust Fund-GIVF	800,000	0	0	0	0.0%
Workforce and Econ. Dev.-GIVF	5,600,000	0	0	0	0.0%
Regional Financial Assistance-GIVF	800,000	0	0	0	0.0%
Innovation & Commercialization-GIVF	2,400,000	0	0	0	0.0%
River Enhan. Comm. Attract. & Tourism-FES	2,000,000	0	0	0	0.0%
Comm. Microenterprise Dev. Grants-FES	475,000	0	0	0	0.0%
Sustainable Community Development-GIVF	500,000	0	0	0	0.0%
Endow Iowa Admin-County Endw. Fund	70,000	70,000	70,000	0	0.0%
Total Economic Development, Dept. of	\$ 47,330,000	\$ 4,214,000	\$ 4,070,000	\$ -144,000	-3.4%
<u>Iowa Finance Authority</u>					
Iowa Finance Authority					
Jumpstart Housing Assistance	\$ 24,000,000	\$ 0	\$ 0	\$ 0	0.0%
Total Iowa Finance Authority	\$ 24,000,000	\$ 0	\$ 0	\$ 0	0.0%
<u>Iowa Workforce Development</u>					
Iowa Workforce Development					
P & I Workforce Development Field Offices	\$ 0	\$ 360,000	\$ 360,000	\$ 0	0.0%
Workers' Comp. Div.-Sp. Cont. Fund	471,000	471,000	471,000	0	0.0%
IWD Field Offices (UI Reserve Interest)	6,500,000	6,500,000	6,500,000	0	0.0%
Total Iowa Workforce Development	\$ 6,971,000	\$ 7,331,000	\$ 7,331,000	\$ 0	0.0%
Total Economic Development	\$ 78,301,000	\$ 11,545,000	\$ 11,401,000	\$ -144,000	-1.2%

Education Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Education, Dept. of</u>					
Education, Dept. of					
Community Colleges - ARRA	\$ 0	\$ 25,600,000	\$ 0	\$ -25,600,000	-100.0%
Before/After School Grants-HITT	505,000	0	0	0	0.0%
Community Empowerment-HITT	2,153,250	0	0	0	0.0%
Total Education, Dept. of	<u>\$ 2,658,250</u>	<u>\$ 25,600,000</u>	<u>\$ 0</u>	<u>\$ -25,600,000</u>	<u>-100.0%</u>
<u>Regents, Board of</u>					
Regents, Board of					
BOR - ARRA	\$ 0	\$ 80,280,000	\$ 0	\$ -80,280,000	-100.0%
Total Regents, Board of	<u>\$ 0</u>	<u>\$ 80,280,000</u>	<u>\$ 0</u>	<u>\$ -80,280,000</u>	<u>-100.0%</u>
Total Education	<u>\$ 2,658,250</u>	<u>\$ 105,880,000</u>	<u>\$ 0</u>	<u>\$ -105,880,000</u>	<u>-100.0%</u>

Health and Human Services

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Aging, Dept. on</u>					
Aging, Dept. on					
Seamless computer system	\$ 0	\$ 200,000	\$ 0	\$ -200,000	-100.0%
Elder Affairs Operations-SLTF	8,486,698	8,486,698	8,486,698	0	0.0%
Total Aging, Dept. on	\$ 8,486,698	\$ 8,686,698	\$ 8,486,698	\$ -200,000	-2.3%
<u>Public Health, Dept. of</u>					
Public Health, Dept. of					
Community Capacity-FRRF	\$ 0	\$ 500,000	\$ 0	\$ -500,000	-100.0%
Healthy Aging-FRRF	0	700,000	0	-700,000	-100.0%
Resource Management-FRRF	0	1,800,000	0	-1,800,000	-100.0%
Ad. Dis.-Substance Abuse Treatment-GTF	2,215,000	0	0	0	0.0%
Ad. Dis.-Gambling Treatment Prog.-GTF	5,068,101	0	0	0	0.0%
Ad. Dis.-Tobacco Use Prev.-HITT	6,928,265	0	0	0	0.0%
Ad. Dis.-Sub. Abuse Treatment-HITT	13,800,000	0	0	0	0.0%
Ad. Dis.-Sub. Abuse Prev. for Kids-HITT	1,050,000	0	0	0	0.0%
Chr. Con-PKU Assistance-HITT	100,000	0	0	0	0.0%
Chr. Con.-Iowa Stillbirth Eval.-HITT	26,000	0	0	0	0.0%
Chr. Con.-AIDS Drug Assist. Prog.-HITT	275,000	0	0	0	0.0%
Healthy Iowans 2010-HITT	2,509,960	0	0	0	0.0%
Epilepsy Education-HITT	100,000	0	0	0	0.0%
Addictive Disorders-HCTF	3,178,713	2,473,823	2,473,823	0	0.0%
Healthy Children and Families-HCTF	664,262	444,217	444,217	0	0.0%
Chronic Conditions-HCTF	1,158,187	899,297	899,297	0	0.0%
Community Capacity-HCTF	2,775,635	2,448,456	2,448,456	0	0.0%
Total Public Health, Dept. of	\$ 39,849,123	\$ 9,265,793	\$ 6,265,793	\$ -3,000,000	-32.4%

Health and Human Services

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
Human Services, Dept. of					
General Administration					
FIP-TANF	\$ 26,101,513	\$ 28,584,403	\$ 36,797,711	\$ 8,213,308	28.7%
Promise Jobs-TANF	13,334,528	13,026,796	13,084,528	57,732	0.4%
FaDDS-TANF	2,998,675	2,448,980	2,448,980	0	0.0%
Field Operations-TANF	18,507,495	21,659,136	21,659,136	0	0.0%
General Administration-TANF	3,744,000	3,744,000	3,744,000	0	0.0%
Local Admin. Cost-TANF	2,189,830	1,094,915	1,094,915	0	0.0%
State Day Care-TANF	18,986,177	18,986,177	12,382,687	-6,603,490	-34.8%
MH/DD Comm. Services-TANF	4,894,052	4,894,052	4,894,052	0	0.0%
Child & Family Services-TANF	32,084,430	32,084,430	32,084,430	0	0.0%
Child Abuse Prevention-TANF	250,000	125,000	125,000	0	0.0%
Training & Technology-TANF	1,037,186	1,037,186	1,037,186	0	0.0%
HOPES - Transfer to DPH-TANF	200,000	0	0	0	0.0%
0-5 Children-TANF	7,350,000	6,850,000	6,850,000	0	0.0%
Child Support Recovery-TANF	200,000	0	0	0	0.0%
General Administration-DHSRF	0	1,500,000	0	-1,500,000	-100.0%
Child Care Direct Assistance-TANF	8,900,000	6,845,000	0	-6,845,000	-100.0%
FIP Emergency ARRA- TANF	0	10,226,991	23,119,822	12,892,831	126.1%
Total General Administration	\$ 140,777,886	\$ 153,107,066	\$ 159,322,447	\$ 6,215,381	4.1%
Field Operations					
Field Operations-FRRF	\$ 0	\$ 680,596	\$ 0	\$ -680,596	-100.0%
Field Operations-DHSRF	0	8,386,761	0	-8,386,761	-100.0%
Total Field Operations	\$ 0	\$ 9,067,357	\$ 0	\$ -9,067,357	-100.0%
Toledo Juvenile Home					
Toledo-DHSRF	\$ 0	\$ 836,515	\$ 0	\$ -836,515	-100.0%
Eldora Training School					
Eldora-DHSRF	\$ 0	\$ 1,327,300	\$ 0	\$ -1,327,300	-100.0%
Cherokee CCUSO					
CCUSO-DHSRF	\$ 0	\$ 503,554	\$ 0	\$ -503,554	-100.0%
Cherokee					
Cherokee MHI-DHSRF	\$ 0	\$ 673,209	\$ 0	\$ -673,209	-100.0%
Clarinda					
Clarinda MHI-DHSRF	\$ 0	\$ 804,256	\$ 0	\$ -804,256	-100.0%

Health and Human Services

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
Independence					
Independence MHI-DHSRF	\$ 0	\$ 1,177,799	\$ 0	\$ -1,177,799	-100.0%
Mt Pleasant					
Mt Pleasant MHI-DHSRF	\$ 0	\$ 222,694	\$ 0	\$ -222,694	-100.0%
Assistance					
Medical Contracts-HCTA	\$ 0	\$ 1,300,000	\$ 1,300,000	\$ 0	0.0%
MH Property Tax Relief - Cash Reserve	0	0	22,792,000	22,792,000	0.0%
Medical Assistance-FRRF	0	6,237,173	0	-6,237,173	-100.0%
Covering All Kids-FRRF	0	6,263,231	0	-6,263,231	-100.0%
MH Risk Pool-FRRF	0	10,000,000	0	-10,000,000	-100.0%
Child and Family Services-FRRF	0	2,500,000	0	-2,500,000	-100.0%
Volunteer Health Care-FRRF	0	20,000	0	-20,000	-100.0%
Health Insurance Pilot-FRRF	0	400,000	0	-400,000	-100.0%
MH Property Tax Replacement-FRRF	0	10,480,000	0	-10,480,000	-100.0%
MH/MR State Cases-DHSRF	0	325,430	0	-325,430	-100.0%
Iowa Unmet Needs Disaster Grant Program	7,850,000	0	0	0	0.0%
Pregnancy Prevention-TANF	1,930,067	1,327,878	1,327,878	0	0.0%
Medical Supplemental-SLTF	111,753,195	17,686,827	37,740,908	20,054,081	113.4%
Medical Contracts-Pharm. Settlement	1,323,833	1,323,833	3,298,191	1,974,358	149.1%
Broadlawns Hospital-ICA	46,000,000	46,000,000	46,000,000	0	0.0%
State Hospital-Cherokee-ICA	3,164,766	0	0	0	0.0%
State Hospital-Clarinda-ICA	687,779	0	0	0	0.0%
State Hospital-Independence-ICA	3,146,494	0	0	0	0.0%
State Hospital-Mt Pleasant-ICA	2,000,961	0	0	0	0.0%
Medical Examinations-HCTA	556,800	556,800	556,800	0	0.0%
Medical Information Hotline-HCTA	150,000	100,000	100,000	0	0.0%
Health Partnership Activities-HCTA	900,000	600,000	600,000	0	0.0%
Audits, Perf. Eval., Studies-HCTA	400,000	125,000	125,000	0	0.0%
IowaCare Admin. Costs-HCTA	1,132,412	1,132,412	1,132,412	0	0.0%
Dental Home for Children-HCTA	1,000,000	1,000,000	1,000,000	0	0.0%
Mental Health Trans. Pilot-HCTA	250,000	0	0	0	0.0%
MH/DD Workforce Development-HCTA	500,000	50,000	50,000	0	0.0%
Medical Assistance-HCTF	114,351,496	100,650,740	100,650,740	0	0.0%
MH/MR/DD Growth-HCTF	7,553,010	0	0	0	0.0%
General Administration-HITT	274,000	0	0	0	0.0%
POS Provider Increase-HITT	146,750	0	0	0	0.0%
Other Service Providers Inc.-HITT	182,381	0	0	0	0.0%
Child and Family Services-HITT	3,786,677	0	0	0	0.0%
Broadlawns Admin-HCTA	230,000	290,000	290,000	0	0.0%
MH PTRF Medical Asst.	624,000	0	0	0	0.0%
Total Assistance	\$ 309,894,621	\$ 208,369,324	\$ 216,963,929	\$ 8,594,605	4.1%
Total Human Services, Dept. of	\$ 450,672,507	\$ 376,089,074	\$ 376,286,376	\$ 197,302	0.1%

Health and Human Services

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Inspections & Appeals, Dept. of</u>					
Inspections and Appeals, Dept. of					
Assisted Living/Adult Day Care-SLTF	\$ 1,339,527	\$ 1,339,527	\$ 1,339,527	\$ 0	0.0%
Total Inspections & Appeals, Dept. of	\$ 1,339,527	\$ 1,339,527	\$ 1,339,527	\$ 0	0.0%
<u>Regents, Board of</u>					
Regents, Board of					
BOR UIHC - Expansion Population-ICA	\$ 35,969,365	\$ 47,020,131	\$ 47,020,131	\$ 0	0.0%
BOR UIHC - ICA	27,284,584	27,284,584	27,284,584	0	0.0%
Total Regents, Board of	\$ 63,253,949	\$ 74,304,715	\$ 74,304,715	\$ 0	0.0%
<u>Iowa Finance Authority</u>					
Iowa Finance Authority					
Rent Subsidy Program-SLTF	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0	0.0%
Total Iowa Finance Authority	\$ 700,000	\$ 700,000	\$ 700,000	\$ 0	0.0%
Total Health and Human Services	\$ 564,301,804	\$ 470,385,807	\$ 467,383,109	\$ -3,002,698	-0.6%

Justice System

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Justice, Department of</u>					
Consumer Advocate					
Consumer Advocate - Fd. 0019	\$ 0	\$ 3,138,888	\$ 3,336,344	\$ 197,456	6.3%
Total Justice, Department of	\$ 0	\$ 3,138,888	\$ 3,336,344	\$ 197,456	6.3%
<u>Corrections, Dept. of</u>					
Central Office					
DOC Central Office-ARRA - federal (fd. 0988)	\$ 0	\$ 210,000	\$ 0	\$ -210,000	-100.0%
Transitional Housing -HITT Fds.- Community Base	30,000	0	0	0	0.0%
Total Central Office	\$ 30,000	\$ 210,000	\$ 0	\$ -210,000	-100.0%
Fort Madison					
DOC Fort Madison-ARRA - federal (fd. 0988)	\$ 0	\$ 4,347,000	\$ 0	\$ -4,347,000	-100.0%
Anamosa					
DOC Anamosa-ARRA - federal (fd. 0988)	\$ 0	\$ 931,000	\$ 0	\$ -931,000	-100.0%
Oakdale					
DOC Oakdale ARRA -federal (fd.0988)	\$ 0	\$ 2,030,000	\$ 0	\$ -2,030,000	-100.0%
Newton					
DOC Newton ARRA - federal (fd. 0988)	\$ 0	\$ 1,029,000	\$ 0	\$ -1,029,000	-100.0%
Mt Pleasant					
DOC Mt. Pleasant ARRA - federal (fd. 0988)	\$ 0	\$ 903,000	\$ 0	\$ -903,000	-100.0%
Rockwell City					
DOC Rockwell City ARRA - federal (fd. 0988)	\$ 0	\$ 301,000	\$ 0	\$ -301,000	-100.0%
Clarinda					
DOC Clarinda ARRA - federal (fd. 0988)	\$ 0	\$ 2,506,000	\$ 0	\$ -2,506,000	-100.0%
Mitchellville					
DOC Mitchellville ARRA - federal (fd. 0988)	\$ 0	\$ 679,000	\$ 0	\$ -679,000	-100.0%
Fort Dodge					
DOC Fort Dodge ARRA - federal (fd. 0988)	\$ 0	\$ 1,064,000	\$ 0	\$ -1,064,000	-100.0%
CBC District 1					
CBC District I - HITT	\$ 410,332	\$ 0	\$ 0	\$ 0	0.0%

Justice System Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
CBC District 2					
CBC District II - HITT	\$ 441,215	\$ 0	\$ 0	\$ 0	0.0%
CBC District 3					
CBC District III - HITT	\$ 220,856	\$ 0	\$ 0	\$ 0	0.0%
CBC District 4					
CBC District IV - HITT	\$ 310,547	\$ 0	\$ 0	\$ 0	0.0%
CBC District 5					
CBC District V - HITT	\$ 419,582	\$ 0	\$ 0	\$ 0	0.0%
CBC District 6					
CBC District VI - HITT	\$ 566,750	\$ 0	\$ 0	\$ 0	0.0%
CBC District 7					
CBC District VII - HITT	\$ 256,608	\$ 0	\$ 0	\$ 0	0.0%
CBC District 8					
CBC District VIII - HITT	\$ 324,299	\$ 0	\$ 0	\$ 0	0.0%
Fort Madison					
Ft. Madison CCU - HITT	\$ 1,497,285	\$ 0	\$ 0	\$ 0	0.0%
Total Corrections, Dept. of	<u>\$ 4,477,474</u>	<u>\$ 14,000,000</u>	<u>\$ 0</u>	<u>\$ -14,000,000</u>	<u>-100.0%</u>
<u>Judicial Branch</u>					
Judicial Branch					
Court Tech. & Modernization Fd to Judicial Retirement	\$ 1,674,663	\$ 0	\$ 0	\$ 0	0.0%
Jury and Witness Fd to Judicial Retirement Fd	<u>2,500,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0%</u>
Total Judicial Branch	<u>\$ 4,174,663</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
<u>Public Defense, Dept. of</u>					
Public Defense, Dept. of					
DPD - Federal Recovery and Reinvestment Fund	\$ 0	\$ 180,000	\$ 0	\$ -180,000	-100.0%
Emergency Management Division					
HSEMD Community Disaster Grants	<u>\$ 22,000,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0.0%</u>
Total Public Defense, Dept. of	<u>\$ 22,000,000</u>	<u>\$ 180,000</u>	<u>\$ 0</u>	<u>\$ -180,000</u>	<u>-100.0%</u>
<u>Public Safety, Department of</u>					
Public Safety, Dept. of					
DPS Department Wide ARRA - federal (fd. 0988)	<u>\$ 0</u>	<u>\$ 750,000</u>	<u>\$ 0</u>	<u>\$ -750,000</u>	<u>-100.0%</u>
Total Public Safety, Department of	<u>\$ 0</u>	<u>\$ 750,000</u>	<u>\$ 0</u>	<u>\$ -750,000</u>	<u>-100.0%</u>
Total Justice System	<u><u>\$ 30,652,137</u></u>	<u><u>\$ 18,068,888</u></u>	<u><u>\$ 3,336,344</u></u>	<u><u>\$ -14,732,544</u></u>	<u><u>-81.5%</u></u>

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Administrative Services, Dept. of</u>					
Administrative Services					
DAS Distribution Account-RIIF	\$ 2,000,000	\$ 3,700,000	\$ 3,700,000	\$ 0	0.0%
D-Line Bus Service-RIIF	183,000	200,000	0	-200,000	-100.0%
I/3 Human Resources Module RFP-RIIF	200,000	0	0	0	0.0%
Mercy Capital Hospital Operations	0	500,000	1,083,175	583,175	116.6%
Total Administrative Services, Dept. of	\$ 2,383,000	\$ 4,400,000	\$ 4,783,175	\$ 383,175	8.7%
<u>Administrative Services - Capitals</u>					
Administrative Services - Capitals					
Routine Maintenance-RIIF	\$ 3,000,000	\$ 3,000,000	\$ 0	\$ -3,000,000	-100.0%
Wallace Building-RIIF	0	1,500,000	0	-1,500,000	-100.0%
Cap Comp Elect Dist Upgrade-RIIF	0	850,000	0	-850,000	-100.0%
Capitol Interior/Exterior-RIIF	1,900,000	5,000,000	0	-5,000,000	-100.0%
Hoover Bldg HVAC Improve.-RIIF	0	1,500,000	0	-1,500,000	-100.0%
Central Energy Plant & Facilities Mgmt Additions &	0	623,000	0	-623,000	-100.0%
ITE Pooled Technology-TRF	3,980,255	2,037,184	3,855,123	1,817,939	89.2%
Major Renovation-RCF	0	195,484	0	-195,484	-100.0%
DHS CCUSO Facility-RIIF	829,000	0	0	0	0.0%
Complex Utility Tunnel & Bridges	1,000,000	0	0	0	0.0%
Cap. Complex Master Plan-RIIF	250,000	0	0	0	0.0%
Property Acquisition-RIIF	1,000,000	0	0	0	0.0%
Install Pre-Heat Piping-RC2	300,000	0	0	0	0.0%
Cap. Complex Alternative Energy Sys.-RC2	200,000	0	0	0	0.0%
Terrace Hill Maintenance	0	769,543	0	-769,543	-100.0%
New State Office Bldg-RC2	-36,923,898	0	0	0	0.0%
Vehicle Dispatch Fleet Relocation-RIIF	-349,161	0	0	0	0.0%
Statewide Major Maintenance-RIIF	2,000,000	0	0	0	0.0%
Hoover Security/Fire Walls-RIIF	165,000	0	0	0	0.0%
Project Manager IVH-RIIF	200,000	0	0	0	0.0%
Terrace Hill Renovation-RCF	186,457	0	0	0	0.0%
Mercy Capitol	3,950,000	0	0	0	0.0%
Major Maintenance-0433	14,624,923	0	3,000,000	3,000,000	0.0%
Total Administrative Services - Capitals	\$ -3,687,424	\$ 15,475,211	\$ 6,855,123	\$ -8,620,088	-55.7%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Agriculture and Land Stewardship</u>					
Agriculture and Land Stewardship					
IA Jr. Gelbvieh Association-RIIF	\$ 10,000	\$ 0	\$ 0	\$ 0	0.0%
Soil Conservation-Cost Share	0	11,500,000	0	-11,500,000	-100.0%
Total Agriculture and Land Stewardship	\$ 10,000	\$ 11,500,000	\$ 0	\$ -11,500,000	-100.0%
<u>Blind Capitals, Dept. for the</u>					
Dept. for the Blind Capitals					
Blind Building Renovation FY 09 RBC	\$ 869,748	\$ 0	\$ 0	\$ 0	0.0%
Total Blind Capitals, Dept. for the	\$ 869,748	\$ 0	\$ 0	\$ 0	0.0%
<u>Corrections, Dept. of</u>					
Central Office					
Iowa Corrections Offender Network-TRF	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	0.0%
Total Corrections, Dept. of	\$ 500,000	\$ 500,000	\$ 500,000	\$ 0	0.0%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Corrections Capital</u>					
Corrections Capital					
DOC-Davenport CBC Facility-Fd 0942	\$ 3,458,217	\$ 0	\$ 0	\$ 0	0.0%
DOC Capitals Req. Fund 0942	2,797,376	0	0	0	0.0%
DOC-CBC 1 Waterloo Bed Expansion-0433	6,000,000	0	0	0	0.0%
DOC-CBC 3 Sioux City Bed Expansion-0433	5,300,000	0	0	0	0.0%
DOC-CBC 5 Des Moines Bed Expansion-0433	13,100,000	0	-10,740,928	-10,740,928	0.0%
DOC-CBC 7 Davenport Facility Expansion-0433	2,100,000	0	0	0	0.0%
DOC-CBC 8 Ottumwa Bed Expansion-0433	4,100,000	0	0	0	0.0%
DOC-Iowa Correctional Inst. for Women(ICIW) Exp	47,500,000	0	0	0	0.0%
DOC-Mt.Pleasant/Rockwell City Kitchen Remodelir	12,500,000	0	0	0	0.0%
DOC Project Management-0433	0	0	2,500,000	2,500,000	0.0%
DOC/CBC One Time Opening Costs (1,3,7,8)-0433	0	0	1,519,048	1,519,048	0.0%
DOC A & E Funding-RIIF	1,000,000	0	0	0	0.0%
Project Manager-RIIF	500,000	1,750,000	0	-1,750,000	-100.0%
Iowa State Penitentiary-Bond Fund	130,677,500	0	0	0	0.0%
Davenport CBC Facility-RIIF	-3,458,217	0	0	0	0.0%
DOC Capitals Request-RIIF	-2,797,376	0	0	0	0.0%
CBC Des Moines Expansion-RIIF	200,000	0	0	0	0.0%
Total Corrections Capital	\$ 222,977,500	\$ 1,750,000	\$ -6,721,880	\$ -8,471,880	-484.1%
<u>Cultural Affairs, Dept. of</u>					
Cultural Affairs, Dept. of					
Civil War Sesquicentennial	\$ 0	\$ 350,000	\$ 0	\$ -350,000	-100.0%
Community Cultural Grants	0	200,000	0	-200,000	-100.0%
Grout Museum Oral History Exhibit-TRF	500,000	486,250	0	-486,250	-100.0%
Historic Preservation-RIIF	1,000,000	1,000,000	0	-1,000,000	-100.0%
Kimball Organ Restoration-RIIF	80,000	0	0	0	0.0%
Great Places Capitals	2,000,000	1,900,000	0	-1,900,000	-100.0%
Battle Flags-RIIF	220,000	0	100,000	100,000	0.0%
Total Cultural Affairs, Dept. of	\$ 3,800,000	\$ 3,936,250	\$ 100,000	\$ -3,836,250	-97.5%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Economic Development, Dept. of</u>					
Economic Development, Dept. of					
RECAT-RIIF	\$ 10,000,000	\$ 0	\$ 0	\$ 0	0.0%
Innovation & Commercialization-RIIF	900,000	0	0	0	0.0%
Community & Tourism Grant-RIIF	12,000,000	0	0	0	0.0%
ACE Infrastructure FY08-RIIF	-4,225,000	0	0	0	0.0%
ACE Infrastructure-RC2	9,725,000	0	0	0	0.0%
Workforce Training and Economic Development Fu	2,000,000	2,000,000	2,000,000	0	0.0%
Regional Sports Authorities (RIIF)	500,000	500,000	0	-500,000	-100.0%
Grow Iowa Values Fund-RIIF	50,000,000	45,000,000	38,000,000	-7,000,000	-15.6%
Des Moines Multiuse Comm. Ctr-RIIF	100,000	0	0	0	0.0%
City of Seymour Asbestos Demolition Assistance	0	50,000	0	-50,000	-100.0%
AAU Jr. Olympics Summer 2009	0	200,000	0	-200,000	-100.0%
Warren Co Econ Dev Bldg Renovation	0	100,000	0	-100,000	-100.0%
City of Muscatine Fire Station Improvements	0	200,000	0	-200,000	-100.0%
City of Stratford Community Center Improvements	0	10,000	0	-10,000	-100.0%
Community Attraction and Tourism - (RBCF)	12,000,000	0	0	0	0.0%
River Enhancement CAT - (RBCF)	10,000,000	0	0	0	0.0%
ACE Vertical Infrastructure for Community Colleges	5,500,000	0	0	0	0.0%
Blank Park Zoo Expansion and Renovation (RIIF)	0	0	500,000	500,000	0.0%
DED Community Attraction and Tourism	0	0	12,000,000	12,000,000	0.0%
DED River Enhancement CAT	0	0	10,000,000	10,000,000	0.0%
DED ACE Vertical Infrastructure for Community Co	0	0	5,500,000	5,500,000	0.0%
Total Economic Development, Dept. of	\$ 108,500,000	\$ 48,060,000	\$ 68,000,000	\$ 19,940,000	41.5%
<u>Education, Dept. of</u>					
Education, Dept. of					
ICN Part III Leases & Maint.-TRF	\$ 2,727,000	\$ 2,727,000	\$ 2,727,000	\$ 0	0.0%
Community Colleges Infrastructure - IJOBS	0	0	2,000,000	2,000,000	0.0%
Iowa Learning Technologies-RIIF	250,000	0	0	0	0.0%
Education Data Warehouse-TRF	600,000	600,000	600,000	0	0.0%
Enrich Iowa-RIIF	1,000,000	1,000,000	500,000	-500,000	-50.0%
Skills Iowa Technology Grant-TRF	500,000	0	0	0	0.0%
Ag. Learning Center(EICC)-RIIF	80,000	0	0	0	0.0%
Community Colleges Infrastructure - RBC	2,000,000	0	0	0	0.0%
Total Education, Dept. of	\$ 7,157,000	\$ 4,327,000	\$ 5,827,000	\$ 1,500,000	34.7%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
Iowa Public Television					
Generators-TRF	\$ 1,602,437	\$ 0	\$ 0	\$ 0	0.0%
Digital Translator-TRF	701,500	0	0	0	0.0%
Total Iowa Public Television	\$ 2,303,937	\$ 0	\$ 0	\$ 0	0.0%
Total Education, Dept. of	\$ 9,460,937	\$ 4,327,000	\$ 5,827,000	\$ 1,500,000	34.7%
<u>Ethics and Campaign Disclosure</u>					
Campaign Finance Disclosure					
Electronic Filing-TRF	\$ 0	\$ 15,000	\$ 0	\$ -15,000	-100.0%
Total Ethics and Campaign Disclosure	\$ 0	\$ 15,000	\$ 0	\$ -15,000	-100.0%
<u>Human Rights, Dept. of</u>					
Human Rights, Department of					
Criminal Justice Info. System-TRF	\$ 1,839,852	\$ 361,072	\$ 0	\$ -361,072	-100.0%
Total Human Rights, Dept. of	\$ 1,839,852	\$ 361,072	\$ 0	\$ -361,072	-100.0%
<u>Human Services, Dept. of</u>					
Assistance					
Nursing Facility Renov. & Const.-RIIF	\$ 600,000	\$ 0	\$ 0	\$ 0	0.0%
Child Dev. Health Ins Study-RIIF	50,000	0	0	0	0.0%
Child Care Workgroup-RIIF	30,000	0	0	0	0.0%
Comm. & Family Resource Ctr-RIIF	15,000	0	0	0	0.0%
Total Human Services, Dept. of	\$ 695,000	\$ 0	\$ 0	\$ 0	0.0%
<u>Human Services Capital</u>					
Human Services - Capital					
Independence MH Systems Community Developm	\$ 0	\$ 200,000	\$ 0	\$ -200,000	-100.0%
Total Human Services Capital	\$ 0	\$ 200,000	\$ 0	\$ -200,000	-100.0%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Iowa Finance Authority</u>					
Iowa Finance Authority					
IJOBS Administration	\$ 0	\$ 200,000	\$ 200,000	\$ 0	0.0%
Public Shelter Grant Fund - (RBCF)	0	10,000,000	0	-10,000,000	-100.0%
Disaster Damage Housing Assist Grant Fund - (RB	0	5,000,000	0	-5,000,000	-100.0%
Affordable Housing Assist Grant Fund - (RBCF)	0	20,000,000	0	-20,000,000	-100.0%
Sewer Infrastructure - (RBCF)	0	55,000,000	0	-55,000,000	-100.0%
IJOBS IFA	0	0	100,000,000	100,000,000	0.0%
IFA Water Quality Grants-RIIF	3,000,000	0	0	0	0.0%
State Housing Trust Fund-RIIF	3,000,000	3,000,000	1,500,000	-1,500,000	-50.0%
Total Iowa Finance Authority	\$ 6,000,000	\$ 93,200,000	\$ 101,700,000	\$ 8,500,000	9.1%
<u>Iowa Tele. & Tech. Commission</u>					
Iowa Communications Network					
Broadband Deployment and Sustainability Grants	\$ 0	\$ 25,000,000	\$ 0	\$ -25,000,000	-100.0%
ICN Equipment Replacement-TRF	2,190,123	2,211,863	2,244,956	33,093	1.5%
Generator Replacement - TRF	0	2,755,246	0	-2,755,246	-100.0%
ICN Network Redundancy-TRF	0	2,320,000	0	-2,320,000	-100.0%
ICN Fiber Redundancy-TRF	1,800,000	0	0	0	0.0%
Total Iowa Tele. & Tech. Commission	\$ 3,990,123	\$ 32,287,109	\$ 2,244,956	\$ -30,042,153	-93.0%
<u>Law Enforcement Academy</u>					
Law Enforcement Academy					
ILEA Technology Projects-TRF	\$ 0	\$ 185,000	\$ 0	\$ -185,000	-100.0%
Total Law Enforcement Academy	\$ 0	\$ 185,000	\$ 0	\$ -185,000	-100.0%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Natural Resources, Dept. of</u>					
Natural Resources					
Floodplain Management & Dam Safety	\$ 0	\$ 2,000,000	\$ 2,000,000	\$ 0	0.0%
Lake Restoration and Dredging	0	2,800,000	0	-2,800,000	-100.0%
Water Trails and Low Head Dam Programs	0	800,000	0	-800,000	-100.0%
Hungry Canyons Alliance	0	100,000	0	-100,000	-100.0%
Watershed Rebuilding-Water Quality	0	13,500,000	0	-13,500,000	-100.0%
Lowhead Dam Program-RIIF	1,000,000	0	0	0	0.0%
Plasma Arc Technology-RIIF	150,000	0	0	0	0.0%
Total Natural Resources, Dept. of	\$ 1,150,000	\$ 19,200,000	\$ 2,000,000	\$ -17,200,000	-89.6%
<u>Natural Resources Capital</u>					
Natural Resources Capital					
Honey Creek Resort State Park	\$ 4,900,000	\$ 0	\$ 0	\$ 0	0.0%
Volga River Rec. Area Infrastructure Improvements	750,000	0	0	0	0.0%
Carter Lake Improvements	500,000	0	0	0	0.0%
Lake Restoration & Dredging	10,000,000	0	0	0	0.0%
Lake Restoration & Dredging	0	0	2,000,000	2,000,000	0.0%
Lake Delhi Improvements-RIIF	100,000	0	0	0	0.0%
DNR-Destination Park-RCF	3,100,000	0	0	0	0.0%
Total Natural Resources Capital	\$ 19,350,000	\$ 0	\$ 2,000,000	\$ 2,000,000	0.0%
<u>Public Defense, Dept. of</u>					
Emergency Management Division					
2-1-1 Call System	\$ 0	\$ 250,000	\$ 0	\$ -250,000	-100.0%
Total Public Defense, Dept. of	\$ 0	\$ 250,000	\$ 0	\$ -250,000	-100.0%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Public Defense Capital</u>					
Public Defense Capital					
Armory Construction Projects-RIIF	\$ 1,800,000	\$ 1,800,000	\$ 0	\$ -1,800,000	-100.0%
Davenport Readiness Center-RIIF	0	2,000,000	0	-2,000,000	-100.0%
DPD Construction Improvements Statewide	0	0	1,800,000	1,800,000	0.0%
DPD Facility/Armory Maintenance	0	0	1,500,000	1,500,000	0.0%
DPD Iowa Falls Readiness Center	0	0	500,000	500,000	0.0%
DPD Cedar Rapids Armed Forces Readiness Cent	0	0	200,000	200,000	0.0%
Camp Dodge Water Project Phase 3-RIIF	410,000	0	0	0	0.0%
Facility/Armory Maintenance-RIIF	1,500,000	1,500,000	0	-1,500,000	-100.0%
Ottumwa Armory-RIIF	500,000	0	0	0	0.0%
Camp Dodge Electrical Distribution System Upgrad	526,000	0	0	0	0.0%
STARCOMM-RIIF	1,600,000	0	0	0	0.0%
Gold Star Museum-RIIF	2,000,000	1,000,000	0	-1,000,000	-100.0%
Mount Pleasant Readiness Center-RIIF	0	1,000,000	0	-1,000,000	-100.0%
Total Public Defense Capital	\$ 8,336,000	\$ 7,300,000	\$ 4,000,000	\$ -3,300,000	-45.2%
<u>Public Health, Dept. of</u>					
Public Health, Dept. of					
Vision Screening-RIIF	\$ 130,000	\$ 130,000	\$ 0	\$ -130,000	-100.0%
Total Public Health, Dept. of	\$ 130,000	\$ 130,000	\$ 0	\$ -130,000	-100.0%
<u>Public Safety Capital</u>					
Public Safety Capital					
DPS- State Emergency Response Training Facility	\$ 2,000,000	\$ 0	\$ 0	\$ 0	0.0%
AFIS Lease Purchase-TRF	560,000	350,000	0	-350,000	-100.0%
Emergency Response Training Facility-RIIF	-2,000,000	0	0	0	0.0%
Total Public Safety Capital	\$ 560,000	\$ 350,000	\$ 0	\$ -350,000	-100.0%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Regents, Board of</u>					
Regents, Board of					
Regents Tuition Replacement	\$ 24,305,412	\$ 24,305,412	\$ 24,305,412	\$ 0	0.0%
ISU-Midwest Grape & Wine Institute-RIIF	50,000	0	0	0	0.0%
SUI - Iowa Flood Center	0	1,300,000	1,362,567	62,567	4.8%
ISU - Iowa Energy Center	0	5,000,000	0	-5,000,000	-100.0%
Total Regents, Board of	\$ 24,355,412	\$ 30,605,412	\$ 25,667,979	\$ -4,937,433	-16.1%
<u>Regents Capital</u>					
Regents Capital					
SUI - Iowa Institute for Biomedical Discovery FY09	\$ 10,550,000	\$ 0	\$ 0	\$ 0	0.0%
ISU - Renewable Fuels Bldg FY 2009 Supplement	11,277,000	0	0	0	0.0%
IPR - Iowa Public Radio Infrastructure RBC - FY 09	1,900,000	0	0	0	0.0%
ISU - Veterinary Medical Facility Renovation Phase	10,000,000	0	0	0	0.0%
ISU - Veterinary Medical Facility Renovation Phase	0	0	13,000,000	13,000,000	0.0%
ISU - Veterinary Laboratory	1,800,000	0	0	0	0.0%
SUI-Inst. for Biomedical Discovery-RIIF	-550,000	0	10,000,000	10,000,000	0.0%
SUI - Hygienic Laboratory - Capitals	12,000,000	0	0	0	0.0%
ISU - Renewable Fuels Building-RIIF	3,479,000	11,597,000	0	-11,597,000	-100.0%
Total Regents Capital	\$ 50,456,000	\$ 11,597,000	\$ 23,000,000	\$ 11,403,000	98.3%
<u>Revenue, Dept. of</u>					
Revenue, Dept. of					
SAVE Appropriation-RIIF	\$ 10,000,000	\$ 10,000,000	\$ 0	\$ -10,000,000	-100.0%
Total Revenue, Dept. of	\$ 10,000,000	\$ 10,000,000	\$ 0	\$ -10,000,000	-100.0%
<u>State Fair Authority Capital</u>					
State Fair Authority Capital					
Agricultural Exhibition Center	\$ 0	\$ 0	\$ 2,500,000	\$ 2,500,000	0.0%
Agri. Exhibition Center-RIIF	0	5,500,000	0	-5,500,000	-100.0%
Total State Fair Authority Capital	\$ 0	\$ 5,500,000	\$ 2,500,000	\$ -3,000,000	-54.5%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
Transportation, Dept. of					
Transportation, Dept. of					
Passenger Rail-RIIF	\$ 0	\$ 3,000,000	\$ 0	\$ -3,000,000	-100.0%
Dubuque Depot Platform-RIIF	300,000	0	0	0	0.0%
Reimbursement to City of Muscatine	0	1,072	0	-1,072	-100.0%
Payment to City of Cedar Falls Assessment	0	317,906	0	-317,906	-100.0%
Local Roads Counties/Cities - IJOBS	0	14,750,000	24,700,000	9,950,000	67.5%
Bridge Safety Fund	0	50,000,000	0	-50,000,000	-100.0%
Counties/Cities	0	5,550,000	0	-5,550,000	-100.0%
Commercial Aviation Infrastructure	1,500,000	0	0	0	0.0%
Public Transit Fund Deposit	2,200,000	0	0	0	0.0%
Purchase of Salt	2,271,600	0	0	0	0.0%
Commercial Aviation Infrastructure - IJOBS II	0	0	1,500,000	1,500,000	0.0%
Public Transit Fund - IJOBS II	0	0	2,200,000	2,200,000	0.0%
RUTF-Drivers' Licenses	3,047,000	3,714,000	3,876,000	162,000	4.4%
RUTF-Operations	6,524,336	6,654,962	6,654,962	0	0.0%
RUTF-Planning & Programming	501,515	506,127	506,127	0	0.0%
RUTF-Motor Vehicle	35,184,012	36,752,012	35,604,012	-1,148,000	-3.1%
RUTF-DAS	183,000	225,000	225,000	0	0.0%
RUTF-Unemployment Compensation	17,000	7,000	7,000	0	0.0%
RUTF-Workers' Compensation	117,000	142,000	137,000	-5,000	-3.5%
RUTF-Indirect Cost Recoveries	102,000	78,000	78,000	0	0.0%
RUTF-Auditor Reimbursement	64,082	67,319	67,319	0	0.0%
RUTF-County Treasurers Support	1,442,000	1,394,000	1,406,000	12,000	0.9%
RUTF-Road/Weather Conditions Info	100,000	100,000	100,000	0	0.0%
RUTF-Mississippi River Park. Comm.	61,000	40,000	40,000	0	0.0%
RUTF-N. America Super Corridor Coalition	50,000	50,000	50,000	0	0.0%
RUTF-Overdimension Permit System	1,000,000	0	0	0	0.0%
PRF-Operations	40,653,860	40,876,274	40,951,274	75,000	0.2%
PRF-Planning & Programming	9,616,696	9,610,960	9,610,960	0	0.0%
PRF-Highway	223,274,176	236,262,726	237,565,726	1,303,000	0.6%
PRF-Motor Vehicle	2,020,005	1,555,005	1,555,005	0	0.0%
PRF-DAS	1,121,000	1,382,000	1,382,000	0	0.0%
PRF-DOT Unemployment	328,000	138,000	138,000	0	0.0%
PRF-DOT Workers' Compensation	2,814,000	3,406,000	3,278,000	-128,000	-3.8%
PRF-Garage Fuel & Waste Mgmt.	800,000	800,000	800,000	0	0.0%
PRF-Indirect Cost Recoveries	748,000	572,000	572,000	0	0.0%
PRF-Auditor Reimbursement	395,218	415,181	415,181	0	0.0%
PRF-Transportation Maps	242,000	242,000	242,000	0	0.0%
PRF-Inventory & Equip.	2,250,000	2,250,000	2,250,000	0	0.0%
PRF-Field Facility Deferred Maint.	500,000	1,000,000	1,000,000	0	0.0%
Recreational Trails-RIIF	3,000,000	3,500,000	0	-3,500,000	-100.0%
Rail Revolving Loan & Grant Fund-RIIF	2,000,000	1,500,000	2,000,000	500,000	33.3%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
General Aviation Grants-RIIF	750,000	750,000	0	-750,000	-100.0%
Public Transit Infrastructure-RIIF	0	1,250,000	0	-1,250,000	-100.0%
Total Transportation, Dept. of	\$ 345,177,500	\$ 428,859,544	\$ 378,911,566	\$ -49,947,978	-11.6%
<u>Transportation Capitals</u>					
Transportation Capital					
PRF-Rockwell City Garage	\$ 0	\$ 3,000,000	\$ 0	\$ -3,000,000	-100.0%
Waste Water Treatment	0	0	1,000,000	1,000,000	0.0%
RUTF-Scale/MVD Facilities Maint.	200,000	200,000	200,000	0	0.0%
PRF-Utility Improvements	400,000	400,000	400,000	0	0.0%
PRF-Garage Roofing Projects	200,000	200,000	200,000	0	0.0%
PRF-HVAC Improvements	100,000	100,000	200,000	100,000	100.0%
PRF-ADA Improvements	120,000	120,000	120,000	0	0.0%
PRF-Ames Elevator Upgrade	100,000	100,000	100,000	0	0.0%
PRF-Waukon Garage	2,500,000	0	0	0	0.0%
Total Transportation Capitals	\$ 3,620,000	\$ 4,120,000	\$ 2,220,000	\$ -1,900,000	-46.1%
<u>Treasurer of State</u>					
Treasurer of State					
County Fair Improvements-RIIF	\$ 1,060,000	\$ 1,590,000	\$ 0	\$ -1,590,000	-100.0%
Watershed Improvement Fund-RIIF	5,000,000	5,000,000	1,000,000	-4,000,000	-80.0%
IJOBS Board-IJOBS Rest Cap Fund	0	165,000,000	0	-165,000,000	-100.0%
Total Treasurer of State	\$ 6,060,000	\$ 171,590,000	\$ 1,000,000	\$ -170,590,000	-99.4%

Transportation, Infrastructure, and Capitals

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Veterans Affairs, Dept. of</u>					
Veterans Affairs, Department of Vet. Home Ownership Assistance-RIIF	\$ 1,600,000	\$ 1,600,000	\$ 1,000,000	\$ -600,000	-37.5%
Total Veterans Affairs, Dept. of	\$ 1,600,000	\$ 1,600,000	\$ 1,000,000	\$ -600,000	-37.5%
<u>Veterans Affairs Capitals</u>					
Veterans Affairs Capital Veterans Home Resident Living Areas and Related	\$ 22,555,329	\$ 0	\$ 0	\$ 0	0.0%
Total Veterans Affairs Capitals	\$ 22,555,329	\$ 0	\$ 0	\$ 0	0.0%
Total Transportation, Infrastructure, and Capitals	\$ 850,688,977	\$ 907,298,598	\$ 625,587,919	\$ -281,710,679	-31.0%

Unassigned Standings

Other Funds

	Actual FY 2009 (1)	Estimated FY 2010 (2)	Gov Rec FY 2011 (3)	Gov Rec vs Est FY 2010 (4)	Percent Change (5)
<u>Executive Council</u>					
Executive Council					
Cash Reserve Fund Appropriation	\$ 0	\$ 25,600,000	\$ 30,000,000	\$ 4,400,000	17.2%
Total Executive Council	\$ 0	\$ 25,600,000	\$ 30,000,000	\$ 4,400,000	17.2%
<u>Legislative Branch</u>					
Legislative Services Agency					
LSA - Health Care Coverage Commission	\$ 0	\$ 315,000	\$ 0	\$ -315,000	-100.0%
LSA - Operations - FRRF	0	100,000	0	-100,000	-100.0%
Total Legislative Branch	\$ 0	\$ 415,000	\$ 0	\$ -415,000	-100.0%
<u>Human Services, Dept. of</u>					
Assistance					
MH Costs for Children-PTRF	\$ 6,501,000	\$ 3,271,911	\$ 3,271,911	\$ 0	0.0%
Total Human Services, Dept. of	\$ 6,501,000	\$ 3,271,911	\$ 3,271,911	\$ 0	0.0%
<u>Management, Dept. of</u>					
Management, Dept. of					
Environment First Fund-RIIF	\$ 42,000,000	\$ 42,000,000	\$ 35,000,000	\$ -7,000,000	-16.7%
Appeal Board Claims-HITT	28,742	0	0	0	0.0%
Primary Road Salary Adjustment	565,608	0	0	0	0.0%
Road Use Tax Salary Adjustment	621,696	0	0	0	0.0%
Technology Reinvestment Fund-RIIF	17,500,000	14,525,000	10,000,000	-4,525,000	-31.2%
Property Tax Credit Fund	0	54,684,481	54,684,481	0	0.0%
Total Management, Dept. of	\$ 60,716,046	\$ 111,209,481	\$ 99,684,481	\$ -11,525,000	-10.4%
<u>Revenue, Dept. of</u>					
Revenue, Dept. of					
Homestead Property Tax Credit - PTCF	\$ 99,254,781	\$ 94,216,619	\$ 90,407,718	\$ -3,808,901	-4.0%
Ag. Land/Family Farm Tax Credits-PTCF	34,610,183	32,395,131	32,395,131	0	0.0%
Military Service Tax Credit - PTCF	2,800,000	2,370,995	2,370,995	0	0.0%
Elderly & Disabled Tax Credit-PTCF	23,204,000	20,779,200	20,779,200	0	0.0%
Total Revenue, Dept. of	\$ 159,868,964	\$ 149,761,945	\$ 145,953,044	\$ -3,808,901	-2.5%

Unassigned Standings

Other Funds

	Actual FY 2009	Estimated FY 2010	Gov Rec FY 2011	Gov Rec vs Est FY 2010	Percent Change
	(1)	(2)	(3)	(4)	(5)
<u>Transportation, Dept. of</u>					
Transportation, Dept. of					
Personal Delivery of Services-RUTF	\$ 225,000	\$ 225,000	\$ 225,000	\$ 0	0.0%
County Treasurer Equipment-RUTF	650,000	650,000	650,000	0	0.0%
Total Transportation, Dept. of	\$ 875,000	\$ 875,000	\$ 875,000	\$ 0	0.0%
<u>Education, Dept. of</u>					
Education, Dept. of					
State Foundation Aid - ARRA	\$ 40,000,000	\$ 202,546,705	\$ 47,947,887	\$ -154,598,818	-76.3%
Teacher Professional Development - FRRF	0	2,000,000	0	-2,000,000	-100.0%
Instructional Support - FRRF	0	13,103,950	0	-13,103,950	-100.0%
State Foundation Aid - Cash Reserve Fund	0	0	100,000,000	100,000,000	0.0%
Total Education, Dept. of	\$ 40,000,000	\$ 217,650,655	\$ 147,947,887	\$ -69,702,768	-32.0%
Total Unassigned Standings	\$ 267,961,010	\$ 508,783,992	\$ 427,732,323	\$ -81,051,669	-15.9%

PROJECTED FY 2011 BUILT-IN AND ANTICIPATED GENERAL FUND EXPENDITURE INCREASES AND DECREASES

The built-in and anticipated expenditure estimates are used to help determine the projected condition of the General Fund budget for the next fiscal year. This is intended to assist the General Assembly in making budget decisions during the next legislative session. The estimates reflect the incremental increases over the previous fiscal year's enacted appropriations less the 10.0% across-the-board reduction. The estimates are divided into two categories: built-in expenditures and anticipated expenditure increases.

Built-in Expenditures

A built-in expenditure is a projected change compared to the previous year's enacted appropriation that is associated with a standing appropriation established by statute, an entitlement program, or a multi-year appropriation. Legislative action is required to change or notwithstanding the standing appropriation provisions of the Iowa Code. For example, Iowa Code Section 453A.35 appropriates \$117.8 million annually from the General Fund to the Health Care Trust Fund (HCTF). Because this is a General Fund appropriation, it was subject to the Governor's 10.0% across-the-board reduction in FY 2010, which lowered the appropriation by \$11.8 million. As a result, the FY 2010 base appropriation is now \$106.0 million. Unless legislative action is taken during the 2010 Legislative Session to limit the appropriation in FY 2011, Iowa Code Section 453A.35 will automatically appropriate \$117.8 million to the HCTF in FY 2011. The built-in expenditure increase becomes the \$11.8 million needed to restore the appropriation to the statutory level of \$117.8 million.

Anticipated Expenditures

An anticipated expenditure is a projected increase associated with a cost that a State agency or program will incur in the next budget year, but has not been appropriated the funds to cover the increased cost. An anticipated expenditure can also include funds that are needed to replace one-time appropriations used in the prior fiscal year to fund a recurring program cost in order to maintain funding at the prior year level. The federal stimulus funds received during FY 2010 are considered one-time funds and will have a sizable impact on the anticipated expenditure estimate. The federal stimulus funds are explained in greater detail below.

Legislative action is required for State agencies to receive additional funds for the anticipated costs. If a State agency is not appropriated the additional funds, the agency must find reductions in their budget to fund the anticipated expenditure obligations. An example would include the State's collective bargaining agreement. State agencies are contractually obligated to fund the pay increases in accordance with the agreement. However, the General Assembly is not obligated to appropriate the additional funds to cover the costs of the contract. If funds are not appropriated for the agreement, agencies will be required to fund the increased costs with existing resources, likely resulting in budget reductions for programs and services.

For estimating purposes, it is assumed that the 10.0% budget reduction in FY 2010 will be maintained in State agencies' FY 2011 budgets. However, for certain built-in expenditures (i.e., school aid, Medicaid, Health Care Trust Fund, etc.), the 10.0% reduction is automatically restored through statutory funding provisions in the Iowa Code.

Impact of Federal Stimulus Funds

The current estimate of federal stimulus funds being received in FY 2010 totals \$592.0 million. Approximately \$21.0 million of this amount is considered funding for nonrecurring costs. The remaining \$571.0 million is being used for recurring costs of State programs and operations. Of the \$571.0 million, \$446.2 million is being used to offset standing appropriations. For estimating built-in expenditures, this \$446.2 million is restored through statute. The remaining \$124.8 million was appropriated in place of General Fund dollars for ongoing operational costs for several State agencies. This amount was included in the anticipated expenditure estimate for FY 2011 because these funds are needed for these agencies to maintain funding at the FY 2010 level less the 10.0% reduction. The following table shows the stimulus dollars that were used in place of standing appropriations and those used in place of operating appropriations.

FY 2010 Federal Stimulus Funds		
(Dollars in Millions)		
Recurring Costs		
Standing Appropriations		
K-12 School Aid	\$	202.5
Medical Assistance		216.2
Instructional Support		13.1
Mental Health Prop. Tax		10.5
Children's Health Ins.		3.9
Total		<u>446.2</u>
Operating Appropriations		
Board of Regents		80.3
Community Colleges		25.6
Corrections		14.0
Other		4.9
Total		<u>124.8</u>
Total Recurring Costs		<u>571.0</u>
Nonrecurring Costs		
Risk Pool Property Tax		10.0
Highway Improvements		5.6
Other		5.4
Total Nonrecurring Costs		<u>21.0</u>
Total Federal Stimulus	\$	<u>592.0</u>

The State is also estimated to receive \$142.3 million in federal stimulus funds in FY 2011. Of this, \$94.3 million is specifically earmarked for Medicaid and is factored into the Medicaid built-in estimate. The remaining \$48.0 million is available to the General Assembly for appropriation in the following areas: \$25.4 million for education programs and \$22.6 million for general governmental stabilization funding. Included in the FY 2011 expenditure estimate is an assumption that the \$48.0 million will be appropriated to offset General Fund expenditures in FY 2011.

Appendix B – Projected FY 2011 Built-in and Anticipated General Fund Expenditures

For FY 2011, the Legislative Services Agency (LSA) is projecting \$1.186 billion in total built-in and anticipated expenditure increases. The FY 2011 projection includes: \$964.1 million in General Fund built-in increases, \$269.8 million in anticipated expenditure increases, and an offset of \$48.0 million associated with the receipt of federal American Recovery and Reinvestment Act (ARRA) funds in FY 2011. The following tables provide an itemized list of the FY 2011 estimates. Additional detail for each of the estimates is also provided.

FY 2011 Built-in and Anticipated Expenditure Estimates

(Dollars in Millions)

	General Fund	Replace ARRA Funds	Total
Built-in Expenditures			
1. Education - K-12 School Foundation Aid	\$ 312.2	\$ 202.5	\$ 514.7
2. Education - Instructional Support	1.7	13.1	14.8
3. Education - Voluntary Preschool	5.8		5.8
4. Education - Nonpublic School Transportation	2.2		2.2
5. Education - Child Development - At-Risk	2.3		2.3
6. Human Services - Medical Assistance	44.4	122.0	166.4
7. Human Services - State Children's Health Insurance - hawk-i	8.0	4.0	12.0
8. Human Services - Covering All Children	14.4		14.4
9. Human Services - Mental Health Funding	13.5		13.5
10. Human Services - Mental Health Property Tax Replacement	11.1	10.5	21.6
11. Human Services - Dental Home	5.5		5.5
12. Health Care Trust Fund	11.8		11.8
13. Revenue - Homestead Tax Credit	78.7		78.7
14. Revenue - Agricultural Land Tax Credit	19.3		19.3
15. Revenue - Elderly and Disabled Credit	10.7		10.7
16. Revenue - Military Service Tax Credit	1.0		1.0
17. Executive Council - Performance of Duty	30.0		30.0
18. Management - State Appeal Board Claims	1.6		1.6
19. Public Health - Substance Abuse	2.0		2.0
20. Economic Development - Grow Iowa Values Fund	50.0		50.0
21. Technology Reinvestment Fund	17.5		17.5
22. Office of Energy Independence - Iowa Power Fund	3.4		3.4
23. Economic Development - Community Attraction and Tourism	7.0		7.0
24. Cultural Affairs - County Endowment Grants	0.1		0.1
25. Economic Development - Tourism and Marketing	0.3		0.3
26. College Student Aid - Work Study	2.8		2.8
27. Economic Emergency Fund Transfer	-45.3		-45.3
Subtotal	\$ 612.0	\$ 352.1	\$ 964.1

FY 2011 Built-in and Anticipated Expenditure Estimates - continued

(Dollars in Millions)

Anticipated Expenditure	General Fund	Replace ARRA Funds	Total
28. Collective Bargaining	\$ 85.7		\$ 85.7
29. Board of Regents - Tuition Replacement	24.3		24.3
30. Human Services Reinvestment Fund Programs	15.8		15.8
31. Corrections - Opening New Community-Based Corrections Beds	2.7		2.7
32. State Public Defender	14.2		14.2
33. Judicial Branch - Jury Witness Fee Revolving Fund	1.5		1.5
34. Human Services - Civil Commitment Unit for Sex Offenders	1.5		1.5
35. Teacher Quality National Board Certification	-0.2		-0.2
36. Iowa Veterans Home	-0.5		-0.5
37. Regents Institutions - Replace ARRA Funds		80.3	80.3
38. Community Colleges - Replace ARRA Funds		25.6	25.6
39. Corrections Institutions - Replace ARRA Funds		14.0	14.0
40. Human Services - Field Oper./Child & Family - Replace ARRA Funds		3.6	3.6
41. Public Safety - Replace ARRA Funds		0.7	0.7
42. Inspections & Appeals - Replace ARRA Funds		0.4	0.4
43. Public Defense - Military Division - Replace ARRA Funds		0.2	0.2
Subtotal	\$ 145.0	\$ 124.8	\$ 269.8
44. FY 2011 Federal Stimulus Funds		-48.0	-48.0
TOTAL PROJECTED EXPENDITURE CHANGES	\$ 757.0	\$ 428.9	\$ 1,185.9

FY 2011 ESTIMATED GENERAL FUND EXPENDITURES

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
Education – K-12 School Foundation Aid <i>Standing Unlimited Appropriation</i>	<p>The School Foundation Program establishes limits and controls on local school district spending authority. By formula, the Program determines the amount of State aid and local property tax used in funding the majority of school district budgets.</p> <p>Funding school aid includes the following:</p> <ul style="list-style-type: none"> Regular school aid is estimated to total \$2,320.1 million in FY 2011. State categorical supplements are estimated to total \$315.5 million in FY 2011. These include the teacher salary supplement, professional development supplement, and the early intervention supplement. Preschool formula funding is estimated at \$53.5 million in FY 2011. <p>NOTE: Enrollment data for FY 2011 is not currently available. The State aid estimate will be revised as updated information is received.</p>	<p>Assumes the following:</p> <ul style="list-style-type: none"> 2.0% allowable growth rate for regular school aid and the State categorical supplements. Restoration of the statutory reduction of \$7.5 million to the Area Education Agencies. An additional Preschool Program weighting for new programs totaling \$20.2 million in FY 2011. This Program is funded entirely through State aid. Statewide taxable valuation growth of 3.9% in FY 2011. Department of Education enrollment projections for FY 2011. Backfill of the following school aid adjustments made in FY 2010: <ul style="list-style-type: none"> \$202.5 million for ARRA Education Stabilization. \$31.7 million for the FY 2010 State aid appropriation cap. \$238.5 million for the FY 2010 10.0% ATB reduction. 	\$514.7	<ul style="list-style-type: none"> Cap State school aid appropriation amount to \$2,587.5 million. Decrease the regular school aid and State categorical allowable growth rates to 0.0% for FY 2011. Decrease the regular school aid allowable growth rate to -10.0% and the State categorical supplement allowable growth rate to 0.0%. Decreasing the allowable growth rates will increase the budget guarantee provision funded through local property taxes. 	<p>\$101.6</p> <p>\$63.5</p> <p>\$359.6</p>

(Dollars in Millions)

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
6. Human Services – Medical Assistance <i>Appropriation</i>	Medical Assistance is a state/federal entitlement program that provides medical services to eligible low-income recipients. To qualify for federal funding, the State must reimburse providers for certain mandatory services. The State has the option to provide coverage of additional services and can elect to expand coverage to optional eligibility groups. Iowa is currently covering most of the optional services and optional eligibility groups that qualify for federal matching funds. The State also has the ability to set the rates it uses to reimburse service providers, within federal guidelines.	The increase includes the following: <ul style="list-style-type: none"> • \$122.0 million to replace ARRA funding. • \$37.6 million due to increases in fee-for-service utilization and enrollment growth. • \$8.6 million due to increased payments to Medicare. • \$4.7 million due to increased enrollment in the Elderly Waiver. • \$7.3 million for general enrollment and utilization growth. • -\$13.8 million to annualize the Governor's targeted cuts. 	\$166.4	<ul style="list-style-type: none"> • Eliminate various optional services. The cost savings will vary depending on the optional services that are eliminated. • Reduce provider rates. An estimated \$5.5 million would be saved for every 1.0% reduction in the provider rates. 	
7. Human Services – State Children's Health Insurance (hawk-i) <i>Appropriation</i>	Hawk-i is a state/federal program that provides medical services to children with family incomes less than 200.0% of the federal poverty level but have resources that exceed requirements necessary to be eligible for the Medicaid Program.	<ul style="list-style-type: none"> • \$6.5 million in one-time carry-forward funds were used for FY 2010. • \$4.0 million to replace federal ARRA funding. • \$1.5 million to maintain FY 2010 caseload and FY 2011 growth. 	\$12.0	<ul style="list-style-type: none"> • Eliminate the Dental-Only option. • Cap enrollment of the Program. The cost savings associated with capping enrollment would vary depending on where the cap is set. 	
8. Human Services – Covering All Children <i>Multiyear Appropriation</i>	House File 2539 (FY 2008 Health Care Reform Act) created a hawk-i Expansion Program to cover children with family incomes up to 300.0% of the federal poverty level regardless of federal participation.	<ul style="list-style-type: none"> • Current law increases the appropriation to implement the third year of a three-year phase-in plan to increase the total appropriation to \$24.4 million in FY 2011. 	\$14.4	<ul style="list-style-type: none"> • Eliminate the statutory requirement. • Fund the Program at the FY 2010 level. 	\$24.4 \$14.4

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
9. Human Services – Mental Health Funding <i>Appropriation</i>	The Mental Health Growth Factor provides an increase for inflation applied to the sum of the county base expenditures for Mental Health/Mental Retardation/Developmental Disabilities Services and the previously allowed growth appropriation.	<ul style="list-style-type: none"> The FY 2011 Growth Factor was established in SF 478 (FY 2010 Standing Appropriations Act). This is an increase of \$13.5 million compared to the estimated FY 2010 appropriation. 	\$13.5	<ul style="list-style-type: none"> Provide funding at the FY 2010 level. 	\$13.5
10. Human Services – Mental Health Property Tax Replacement <i>Standing Limited Appropriation</i>	Iowa Code Section 426B.1 provides a standing appropriation of \$95.0 million annually for Mental Health Property Tax Relief.	<ul style="list-style-type: none"> An increase of \$10.5 million to replace the portion of the funds that were covered by federal ARRA in FY 2010. An increase of \$11.1 million to restore the appropriation to the statutory level. 	\$21.6	<ul style="list-style-type: none"> Cap the appropriation at the FY 2010 level of \$73.4 million. The reduction will impact local property taxes. 	\$21.6
11. Human Services – Dental Home <i>Standing Limited Appropriation</i>	Iowa Code Section 249J.14(7) implements a Dental Home for Children Program beginning December 31, 2010. The dental home provides dental screenings, preventive services, diagnostic services, treatment services, and emergency services.	<ul style="list-style-type: none"> \$5.5 million represents the cost for half a year to fully implement the Program. 	\$5.5	<ul style="list-style-type: none"> Eliminate the Program. 	\$5.5
12. Health Care Trust Fund <i>Standing Limited Appropriation</i>	Iowa Code Section 453A.35 provides a standing appropriation of \$117.8 million annually to be used for health care related expenses	<ul style="list-style-type: none"> The FY 2010 appropriation was reduced by \$11.8 million due to the 10.0% across-the-board reduction. \$11.8 million is needed to restore funding to the statutory level of \$117.8 million. 	\$11.8	<ul style="list-style-type: none"> Limit the statutory appropriation to the current FY 2010 appropriation level. Approximately 94.0% of the HCTF is appropriated to Medicaid. An \$11.8 million reduction to the General Fund appropriation would also result in an \$11.2 million reduction to the Medicaid Program in FY 2011. 	\$11.8

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
13. Revenue – Homestead Tax Credit	Provides a property tax credit for residential homeowners.	<ul style="list-style-type: none"> The Homestead Tax Credit was funded from the PTCF at \$94.3 million in FY 2010 after the 10.0% across-the-board reduction. Of this, \$57.5 million was associated with the General Fund. The estimated cost to fully fund the Homestead Tax Credit in FY 2011 based on current law is \$136.2 million. This will require an increase of \$78.7 million in the General Fund appropriation. Assumes the PTCF will be funded entirely from the General Fund in FY 2011. 	\$78.7	<ul style="list-style-type: none"> Reduce or eliminate the appropriation. Fund the Homestead Tax Credit at the same level that was funded in FY 2010 (\$94.3 million). 	Up to \$136.2
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$149.7 million after the 10.0% across-the-board reduction to fund four tax credits. This includes \$91.3 million from the General Fund, \$54.7 million from the Cash Reserve Fund, and \$3.7 million from the balance in the PTCF.				\$41.9
14. Revenue – Agricultural Land Tax Credit	Provides a property tax credit to individuals for qualified lands used for agricultural purposes. Includes the Family Farm Tax Credit.	<ul style="list-style-type: none"> The standing limited appropriation for the Agricultural Land Tax Credit is \$39.1 million. This tax credit was funded from the PTCF at \$32.4 million in FY 2010 after the 10.0% across-the-board reduction. Of this, \$19.8 million was associated with the General Fund appropriation. To fully fund the Agricultural Land Tax Credit in FY 2011 will require an increase of \$19.3 million in the General Fund appropriation. Assumes the PTCF will be funded entirely from the General Fund in FY 2011. 	\$19.3	<ul style="list-style-type: none"> Reduce or eliminate the appropriation. Fund the Agricultural Land Tax Credit at the same level that was funded in FY 2010 (\$32.4 million). 	Up to \$39.1
<i>Standing Limited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$149.7 million after the 10.0% across-the-board reduction to fund four tax credits. This includes \$91.3 million from the General Fund, \$54.7 million from the Cash Reserve Fund, and \$3.7 million from the balance in the PTCF.				\$6.7

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
15. Revenue – Elderly and Disabled Tax Credit	Provides a property tax credit for low-income elderly or disabled taxpayers.	<ul style="list-style-type: none"> The Elderly and Disabled Tax Credit was funded from the PTCF at \$20.8 million in FY 2010 after the 10.0% across-the-board reduction. Of this, \$12.7 million was associated with the General Fund appropriation. The estimated cost to fully fund the Elderly and Disabled Tax Credit in FY 2011 based on current law is \$23.4 million. This will require an increase of \$10.7 million in the General Fund appropriation. Assumes the PTCF will be funded entirely from the General Fund in FY 2011. 	\$10.7	<ul style="list-style-type: none"> Reduce or eliminate the appropriation. Fund the Elderly and Disabled Tax Credit at the same level that was funded in FY 2010 (\$20.8 million). 	Up to \$10.7
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$149.7 million after the 10.0% across-the-board reduction to fund four tax credits. This includes \$91.3 million from the General Fund, \$54.7 million from the Cash Reserve Fund, and \$3.7 million from the balance in the PTCF.				\$2.6
16. Revenue – Military Service Tax Credit	Provides a property tax credit to replace all or a portion of the tax on property eligible for a Military Service Tax Exemption. Iowa Code Section 426A.1A appropriates an amount necessary to fund the credits.	<ul style="list-style-type: none"> The Military Service Tax Credit was funded from the PTCF at \$2.2 million in FY 2010 after the 10.0% across-the-board reduction. Of this, \$1.4 million was associated with the General Fund appropriation. The estimated cost to fully fund the Military Service Tax Credit in FY 2011 is \$2.4 million. This will require an increase of \$1.0 million in the General Fund appropriation. Assumes the PTCF will be funded entirely from the General Fund in FY 2011. 	\$1.0	<ul style="list-style-type: none"> Reduce or eliminate the appropriation. 	Up to \$2.4
<i>Standing Unlimited Appropriation</i>	NOTE: The Property Tax Credit Fund (PTCF) received appropriations totaling \$149.7 million after the 10.0% across-the-board reduction to fund four tax credits. This includes \$91.3 million from the General Fund, \$54.7 million from the Cash Reserve Fund, and \$3.7 million from the balance in the PTCF.				

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
17. Executive Council – Performance of Duty <i>Standing Unlimited Appropriation</i>	<p>The Executive Council approves expenditures from the Performance of Duty appropriation to provide funding for emergency repairs to State property if sufficient funds are not available in a State agency's budget. The majority of the approved funds are for State expenditures associated with natural disasters, including State matching funds for Federal Emergency Management Administration (FEMA) grants.</p>	<ul style="list-style-type: none"> • There is currently \$1.8 million included in the FY 2010 General Fund budget to cover nondisaster expenses through the Performance of Duty appropriation. • The Homeland Security and Emergency Management Division will expend approximately \$30.0 million for disaster-related expenses in FY 2011. • There are several outstanding projects that have not received approval from FEMA that have been delayed until FY 2012. 	\$30.0	• No options identified.	
18. Management – State Appeal Board Claims <i>Standing Unlimited Appropriation</i>	<p>The State Appeal Board is comprised of the State Auditor, State Treasurer, and the Director of the Department of Management. (Iowa Code Section 73A.1). The Board authorizes claims under:</p> <ul style="list-style-type: none"> • Iowa Code Chapter 25 for the payment of bills, fees, refunds, and credits. • Iowa Code Chapter 669 for State tort claims. <p>Payments for the above claims are made from the appropriation or fund of original certification of the claim. If money is not available in the appropriation or fund, then the payment is made from the State Appeal Board standing appropriation.</p>	<ul style="list-style-type: none"> • Assumes the total need for FY 2011 will be similar to the amount expended in FY 2009. (\$5.6 million). This amount is \$1.6 million higher than the amount budgeted for FY 2010. 	\$1.6	• No options identified.	

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
19. Public Health – Substance Abuse <i>Standing Limited Appropriation</i>	Iowa Code Section 123.53(3) appropriates \$2.0 million from liquor sales revenue to the Department of Public Health for the Substance Abuse Prevention and Treatment Program.	<ul style="list-style-type: none"> House File 811 (FY 2010 Health and Human Services Appropriations Act) specified that the appropriations for Addictive Disorders contained in the Act from the General Fund and the Health Care Trust Fund satisfied the statutory requirement of a \$2.0 million appropriation for substance abuse treatment from the General Fund. Under current law, the \$2.0 million will be appropriated from the General Fund in FY 2011. 	\$2.0	<ul style="list-style-type: none"> Eliminate or notwithstand the FY 2011 appropriation. 	\$2.0
20. Economic Development – Grow Iowa Values Fund <i>Standing Limited Appropriation</i>	Iowa Code Section 15G.110 provides an annual appropriation of \$50.0 million to the Grow Iowa Values Fund. Iowa Code Section 15G.111 allocates the funding and establishes the purpose of the funding.	<ul style="list-style-type: none"> For FY 2010, the General Fund appropriation to the Grow Iowa Values Fund was notwithstanding and the Fund was appropriated \$45.0 million from the Rebuild Iowa Infrastructure Fund (RIIF). Under current law, a General Fund appropriation of \$50.0 million is provided for FY 2011. 	\$50.0	<ul style="list-style-type: none"> Eliminate the appropriation or fund at a lower amount. 	Up to \$50.0
21. Technology Reinvestment Fund <i>Standing Limited Appropriation</i>	The Technology Reinvestment Fund is a standing limited appropriation from the General Fund to provide for computers, software, and other technology and equipment.	<ul style="list-style-type: none"> For FY 2010, the Technology Reinvestment Fund was appropriated \$14.5 million from the RIIF. Current estimates for the RIIF indicate there will be insufficient to funds to continue this appropriation for FY 2011. Under current law, a General Fund appropriation of \$17.5 million is provided for FY 2011. 	\$17.5	<ul style="list-style-type: none"> Reduce the appropriation to \$14.5 million, the same amount provided in FY 2010 from the RIIF. Appropriate funds that are sufficient to fund projects currently in progress. 	<p>\$3.0</p> <p>\$6.0</p>

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
22. Office of Energy Independence – Iowa Power Fund <i>Standing Limited Appropriation</i>	<p>Iowa Code Section 469.10 provides an annual appropriation of \$25.0 million from the General Fund to the Iowa Power Fund. The Fund is used to further the goals of increasing the research, development, production, and use of biofuels and other sources of renewable energy, improving energy efficiency, and reducing greenhouse gas emissions.</p>	<ul style="list-style-type: none"> The FY 2010 General Fund appropriation was reduced to \$21.6 million. The estimated increase of \$3.4 million restores funding for the Program to the statutory level. 	\$3.4	<ul style="list-style-type: none"> Eliminate the appropriation or fund at a lower amount. 	Up to \$25.0
23. Economic Development – Community Attraction and Tourism <i>Standing Limited Appropriation</i>	<p>The Community Attraction and Tourism Program is established in Iowa Code Section 15F.202 and appropriates \$7.0 million annually from the General Fund and \$5.0 million from the RIIF through FY 2013. The RIIF appropriation was increased to \$12.0 million for FY 2009 and FY 2010 and the \$7.0 million General Fund appropriation was notwithstanding.</p> <p>The Program is designed to assist communities in the development, creation, and regional marketing of multiple-purpose attraction or tourism facilities.</p>	<ul style="list-style-type: none"> For FY 2010, the Program was funded entirely from the Revenue Bonds Capitals Fund (RBCF). Under current law, the \$7.0 million will be appropriated from the General Fund in FY 2011. 	\$7.0	<ul style="list-style-type: none"> Eliminate the appropriation or fund at a lower amount. 	Up to \$7.0
24. Cultural Affairs - County Endowment Grants <i>Standing Limited Appropriation</i>	<p>Iowa Code Section 99F.11(3)(e) appropriates \$520,000 from a portion of the State Wagering Tax. This is a grant program for cities and nonprofit, tax-exempt community organizations for the development of community programs that provide local jobs for Iowa residents and also promote Iowa's historic, ethnic, and cultural heritages.</p>	<ul style="list-style-type: none"> The FY 2010 appropriation of \$0.5 million was reduced to \$0.4 million. Under current law, the \$0.1 million will be restored for FY 2011. 	\$0.1	<ul style="list-style-type: none"> Maintain funding at the FY 2010 level. 	\$0.1

Built-in Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
25. Economic Development – Tourism and Marketing <i>Standing Unlimited Appropriation</i>	Iowa Code Section 99F.11(3)(e) appropriates a portion of the State Wagering Tax to the Department of Economic Development for regional tourism marketing.	<ul style="list-style-type: none"> The estimated annual appropriation for regional tourism marketing is \$1.1 million. The FY 2010 appropriation was reduced to \$0.8 million. Under current law, the \$0.3 million will be restored for FY 2011. 	\$0.3	<ul style="list-style-type: none"> Maintain funding at the FY 2010 level. 	\$0.3
26. College Student Aid – Work Study Program <i>Standing Limited Appropriation</i>	Iowa Code Section 261.85 provides a standing appropriation of \$2.8 million for the College Work Study Program. The Program provides funding to colleges and universities to supplement federal work-study funds. The State funding does not serve as a match for the federal funds.	<ul style="list-style-type: none"> This Program was not funded in FY 2010. The estimate returns the appropriation to the statutory level of \$2.8 million 	\$2.8	<ul style="list-style-type: none"> Eliminate the Program or notwithstand the FY 2011 appropriation. 	\$2.8
27. Economic Emergency Fund Transfer <i>Standing Limited Appropriation</i>	Iowa Code Section 8.55 requires that in the event an appropriation is made to eliminate a year-end deficit, a standing appropriation from the General Fund is made to the Economic Emergency Fund (EEF) in the succeeding fiscal year to reimburse the EEF.	<ul style="list-style-type: none"> A transfer of \$45.3 million was made in FY 2009 from the EEF to the General Fund to eliminate a deficit in the General Fund. It is not anticipated that these funds will be needed in FY 2011. 	\$ -45.3	<ul style="list-style-type: none"> No options identified. 	

FY 2011 ESTIMATED GENERAL FUND EXPENDITURES

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
28. Collective Bargaining <i>Appropriation</i>	Estimated State employee salary increases resulting from a negotiated collective bargaining agreement.	<ul style="list-style-type: none"> The estimate is based on payroll data and includes: \$36.4 million for Regents institutions and \$49.3 million for all other State agencies. 	\$85.7	<ul style="list-style-type: none"> Do not fund or partially fund the collective bargaining costs. If funds are not appropriated, State agencies and institutions will be required to fund salary increases with existing funds. 	Up to \$102.9
29. Board of Regents Institutions – Tuition Replacement <i>Appropriation</i>	Tuition replacement is an appropriation to assist the Board of Regents with payment of debt service on academic revenue bonds. Student tuition fees guarantee the bonds, but the General Assembly annually appropriates funds to the Board to help reduce tuition increases.	<ul style="list-style-type: none"> Tuition replacement was funded entirely from the RIIF in FY 2010. Current estimates for the RIIF indicate there will be insufficient funds to continue this appropriation for FY 2011. 	\$24.3	<ul style="list-style-type: none"> Do not fund or partially fund tuition replacement. According to the Board of Regents, not funding tuition replacement would require a 5.0% tuition increase. 	Up to \$24.3
30. Human Services Reinvestment Fund Programs <i>Appropriation</i>	<p>The Human Services Reinvestment Fund was created to distribute additional General Fund dollars that became available due to offsetting one-time federal ARRA funds that were received by various Department of Human Services (DHS) appropriations.</p> <p>The increases are necessary to maintain funding for programs at the FY 2010 level after the 10.0% reduction.</p>	<p>The increase includes the following:</p> <ul style="list-style-type: none"> \$2.2 million to Toledo and Eldora. \$2.9 million to the four Mental Health Institutes. \$500,000 to the CCUSO Unit at Cherokee. \$8.4 million to DHS Field Operations. \$1.5 million to DHS General Administration. \$300,000 for Mental Health State Cases. 	\$15.8	<ul style="list-style-type: none"> Do not provide appropriations to replace the one-time funds received in FY 2010. 	Up to \$15.8

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
31. Corrections - Opening New CBC Beds <i>Appropriation</i>	<p>Expansion and funding of Community-Based Correctional (CBC) facilities was previously authorized for the following judicial districts: First (Waterloo), Third (Sioux City), Seventh (Davenport), and Eighth (Ottumwa).</p> <p>The facilities in Waterloo, Sioux City, Davenport, and Ottumwa were under construction as of October 2009. The facilities may experience construction delays. The Cedar Rapids facility may leverage existing revenue streams for mental health treatment.</p>	<ul style="list-style-type: none"> The estimate includes one-time start-up costs and three months of operating costs for the additional CBC beds. The estimate also includes funds to enhance mental health outpatient services for the ANCHOR Facility in Cedar Rapids. 	\$2.7	<ul style="list-style-type: none"> Do not provide funding for the new facilities. 	\$2.7
32. State Public Defender <i>Appropriation</i>	<p>The State Public Defender and Indigent Defense Fund provide legal counsel to indigent adult and juvenile clients to ensure their constitutional right to effective legal counsel.</p>	<ul style="list-style-type: none"> The FY 2011 estimate is based on FY 2009 actual expenditures. Assumes current authorized FTE positions in the State Public Defender's Office will be filled, thereby lowering the overall increase in funding. 	\$14.2	<ul style="list-style-type: none"> Transfer funds from other State agencies. 	\$14.2
33. Judicial Branch – Jury Witness Fee Revolving Fund <i>Appropriation</i>	<p>Two-year-old court debt is no longer deposited in the Jury Witness Fee Revolving Fund.</p>	<ul style="list-style-type: none"> Expenditures from the Fund are approximately \$3.0 million to \$3.5 million annually. Current revenue projections for the Fund are not sufficient to fully fund the projected costs. 	\$1.5	<ul style="list-style-type: none"> No options identified. 	
34. Human Services – Civil Commitment Unit for Sex Offenders <i>Appropriation</i>	<p>Provides the security and mental health treatment components of former inmates that are civilly committed to the Program prior to release from prison.</p>	<ul style="list-style-type: none"> The growth in the number of clients within the Program require the utilization of additional space and staff within the facility. 	\$1.5	<ul style="list-style-type: none"> No options identified. 	

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
35. Teacher Quality National Board Certification <i>Appropriation</i>	Discontinued awards to teachers that have achieved National Board Certification.	<ul style="list-style-type: none"> New awards are no longer funded. The State's obligation to past awardees continues to decline annually. 	\$ -0.2	<ul style="list-style-type: none"> No options identified. 	
36. Iowa Veterans Home <i>Appropriation</i>	Funds a portion of the Iowa Veterans Home budget (approximately 15.0% is State General Fund).	<ul style="list-style-type: none"> The reduction is based on increases in other funds received due to salary increases paid by the Iowa Veterans Home. 	\$ -0.5	<ul style="list-style-type: none"> No options identified. 	
37. Regents Institutions – Replace ARRA Funds <i>Appropriation</i>	<p>The Regents institutions were appropriated \$80.3 million in federal ARRA funds to offset reductions to the FY 2010 budget. These are considered one-time funds that were used to offset recurring costs.</p> <p>In order for the institutions to maintain funding at the FY 2010 level after the 10.0% reduction, the federal ARRA funds will need to be replaced in FY 2011 with General Fund dollars.</p>	<ul style="list-style-type: none"> Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$80.3	<ul style="list-style-type: none"> Do not replace or replace only a portion of the one-time federal funds. 	Up to \$80.3
38. Community Colleges – Replace ARRA Funds <i>Appropriation</i>	Community colleges were appropriated \$25.6 million in federal ARRA funding to partially backfill a reduction in State General Aid in FY 2010 of \$38.2 million.	<ul style="list-style-type: none"> Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$25.6	<ul style="list-style-type: none"> Do not replace or replace only a portion of the one-time federal funds. 	Up to \$25.6
39. Corrections – Replace ARRA Funds <i>Appropriation</i>	Corrections institutions were appropriated \$14.0 million in federal ARRA funds to offset reductions to the FY 2010 budget. Funds support approximately 200 employees in the prison system and Central Office.	<ul style="list-style-type: none"> Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$14.0	<ul style="list-style-type: none"> Do not replace or replace only a portion of the one-time federal funds. 	Up to \$14.0

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
40. Human Services – Field Operations/Child & Family – Replace ARRA Funds <i>Appropriation</i>	<p>The Department of Human Services was appropriated a total of \$3.6 million in federal ARRA funds to offset FY 2010 reductions to the following budgets.</p> <ul style="list-style-type: none"> • \$0.4 million for a Direct Care Health Insurance Pilot Program. • \$0.7 million for Field Operations and 17.0 FTE positions for implementation costs associated with Senate File 389 (2009 Health Care Omnibus II). • \$2.5 million for Child and Family Services including \$0.5 million for Shelter Care. 	<ul style="list-style-type: none"> • Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$3.6	<ul style="list-style-type: none"> • Eliminate funding to the Direct Care Health Insurance Pilot Program (\$0.4 million). • Decrease funding for shelter care (\$0.5 million). 	\$0.9
41. Public Safety – Replace ARRA Funds <i>Appropriation</i>	<p>The Department of Public Safety was appropriated \$0.7 million in federal ARRA funds to offset reductions to the FY 2010 budget. Funds were used to retain 13 employees (nine peace officers and four civilians).</p>	<ul style="list-style-type: none"> • Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$0.7	<ul style="list-style-type: none"> • Do not replace or replace only a portion of the one-time federal funds. 	\$0.7
42. Inspections & Appeals – Replace ARRA Funds <i>Appropriation</i>	<p>The Department of Inspections and Appeals was appropriated \$0.4 million in federal ARRA funds to offset reductions to the FY 2010 Health Facilities Division.</p>	<ul style="list-style-type: none"> • Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$0.4	<ul style="list-style-type: none"> • Do not replace or replace only a portion of the one-time federal funds. 	\$0.4
43. Public Defense – Replace ARRA Funds <i>Appropriation</i>	<p>The Department of Public Defense was appropriated \$0.2 million in federal ARRA funds to offset reductions to the FY 2010 budget. The funds are being used to renovate the Building and Grounds crew complex.</p>	<ul style="list-style-type: none"> • Federal ARRA funds are considered one-time revenues and it is not anticipated that additional federal stimulus funds will be made available to states in FY 2011. 	\$ 0.2	<ul style="list-style-type: none"> • Do not replace or replace only a portion of the one-time federal funds. 	\$0.2

Anticipated Increases and Decreases

(Dollars in Millions)

Programs/Appropriation (1)	Description of Programs (2)	Factors (3)	FY 11 vs. FY 10 (4)	Options for Reductions (5)	Savings (6)
44. FY 2011 Federal ARRA Stimulus Funds	The State anticipates receiving an estimated \$48.0 million in federal stimulus funds in FY 2011 through the ARRA. This includes: \$25.4 million for Education Stabilization Funds and \$22.6 million for Governmental Stabilization Funds.	<ul style="list-style-type: none"> It is assumed that the General Assembly will appropriate the \$48.0 million to offset General Fund costs in FY 2011. 	\$ -48.0	• No options identified.	

Appendix B – Projected FY 2011 Built-in and Anticipated General Fund Expenditures

STATE OF IOWA FY 2011 General Fund Built-in and Anticipated Expenditures (Dollars in Millions)

Built-in Changes	General Fund	ARRA Funds	Total	Governor's Recommendations					Total	Difference
				GF	ARRA	CRF	RB2	RIIF		
1. Education - K-12 School Foundation Aid	\$ 312.2	\$ 202.5	\$ 514.7	\$ 199.7	\$ 48.0	\$ 100.0			\$ 347.7	\$ - 167.0 *
2. Education - Instructional Support	1.7	13.1	14.8						0.0	-14.8
3. Education - Voluntary Preschool	5.8		5.8	2.4					2.4	-3.4
4. Education - Non-Public School Transportation	2.2		2.2						0.0	-2.2
5. Education - Child Development - At-Risk	2.3		2.3	1.1					1.1	-1.2
6. Human Services - Medical Assistance	44.4	122.0	166.4	180.9					180.9	14.5
7. Human Services - State Children's Health Ins. - hawk-i	8.0	4.0	12.0	10.5					10.5	-1.5
8. Human Services - Covering All Children	14.4		14.4						0.0	-14.4
9. Human Services - Mental Health Growth Factor	13.5		13.5						0.0	-13.5
10. Human Services - MH Property Tax Replacement	11.1	10.5	21.6			7.8			7.8	-13.8
11. Human Services - Dental Home	5.5		5.5						0.0	-5.5
12. Health Care Trust Fund	11.8		11.8						0.0	-11.8
13. Revenue - Homestead Tax Credit	78.7		78.7			33.9			33.9	-44.8
14. Revenue - Agricultural Land Tax Credit	19.3		19.3			12.1			12.1	-7.2
15. Revenue - Elderly and Disabled Credit	10.7		10.7			7.8			7.8	-2.9
16. Revenue - Military Service Tax Credit	1.0		1.0			0.9			0.9	-0.1
17. Executive Council - Performance of Duty	30.0		30.0			30.0			30.0	0.0
18. Management - State Appeal Board Claims	1.6		1.6						0.0	-1.6
19. Public Health - Substance Abuse	2.0		2.0	2.0					2.0	0.0
20. Grow Iowa Values Fund	50.0		50.0					38.0	38.0	-12.0
21. Technology Reinvestment Fund	17.5		17.5					10.0	10.0	-7.5
22. Iowa Power Fund	3.4		3.4	3.4					3.4	0.0
23. Community Attraction and Tourism	7.0		7.0				7.0		7.0	0.0
24. Cultural Affairs - County Endowment Grants	0.1		0.1						0.0	-0.1
25. DED - Tourism and Marketing	0.3		0.3						0.0	-0.3
26. College Student Aid - Work Study	2.8		2.8						0.0	-2.8
27. Economic Emergency Fund Transfer	-45.3		-45.3	-45.3					-45.3	0.0
Total Built-in Changes	\$ 612.0	\$ 352.1	\$ 964.1	\$ 354.7	\$ 48.0	\$ 192.5	\$ 7.0	\$ 48.0	\$ 650.2	\$ - 313.9
Anticipated Expenditure Changes										
28. Collective Bargaining Salary Costs - State Agencies	\$ 85.7		\$ 85.7						\$ 0.0	\$ - 85.7
29. Regents Tuition Replacement	24.3		24.3					24.3	24.3	0.0
30. DHS - Human Resources Revolving Fund Programs	15.8		15.8						0.0	-15.8
31. Corrections - Opening New CBC Beds	2.7		2.7				1.5		1.5	-1.2
32. State Public Defender	14.2		14.2						0.0	-14.2
33. Judicial Branch - Jury Witness Fee Revolving Fund	1.5		1.5	1.5					1.5	0.0
34. DHS - Civil Commitment Unit for Sex Offenders	1.5		1.5						0.0	-1.5
35. Teacher Quality National Board Certification	-0.2		-0.2	-0.2					-0.2	0.0
36. Iowa Veterans Home	-0.5		-0.5	-0.5					-0.5	0.0
37. Regents Institutions - Replace ARRA Funds		80.3	80.3	30.4					30.4	-49.9
38. Community Colleges - Replace ARRA Funds		25.6	25.6	6.0					6.0	-19.6
39. Corrections Institutions - Replace ARRA Funds		14.0	14.0	14.0					14.0	0.0
40. DHS - Field Ops/Child & Family - Replace ARRA Funds		3.6	3.6						0.0	-3.6
41. Public Safety - Replace ARRA Funds		0.7	0.7	0.7					0.7	0.0
42. Inspections & Appeals - Replace ARRA Funds		0.4	0.4	0.4					0.4	0.0
43. Public Defense - Military Div. - Replace ARRA Funds		0.2	0.2	0.2					0.2	0.0
Subtotal	\$ 145.0	\$ 124.8	\$ 269.8	\$ 52.5	\$ 0.0	\$ 0.0	\$ 1.5	\$ 24.3	\$ 78.3	\$ - 191.5
Total Expenditure Increases	\$ 757.0	\$ 476.9	\$ 1,233.9	\$ 407.2	\$ 48.0	\$ 192.5	\$ 8.5	\$ 72.3	\$ 728.5	\$ - 505.4
FY 2011 Available ARRA Stimulus Funds ¹										
Education Stabilization			\$ 25.4							
Government Stabilization			22.6							
FY 2011 Federal ARRA Stimulus Funds			\$ 48.0							
Expenditure Increases less FY 2011 ARRA Funds			\$ 1,185.9							

¹ \$94.2 million for FY 2011 Medicaid stimulus funds have been included built-in Medicaid estimate. This estimate assumes that Iowa will meet the Tier 2 FMAP unemployment criteria.

* The K-12 school foundation aid estimates of the Department of Management and the LSA are slightly different due to enrollment weighting differences.

INTERIM COMMITTEE SUMMARY

For a summary of the activities for each of the committees listed below, see the analysis of the FY 2011 budget for the indicated subcommittee.

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Adult Mental Health and Developmental Disabilities (MH/DD) Stakeholder Task Force	<p>CHARGE: The legislation (2009 Iowa Acts, H.F. 811, §56) requires the Chairpersons and Ranking Members of the Health and Human Services Appropriations Subcommittee to consult in appointing a task force of stakeholders for the 2009 Legislative Interim to address both funding and service issues associated with the service system administered by counties for adult mental health and developmental disabilities services. Due to the current budget situation and funding limitations, the Chairpersons and Ranking Members have asked the members of the Subcommittee, particularly those that served on the two related subcommittees during the 2009 Legislative Session, to serve as the task force and hold a meeting during the late fall. In preparation for the late fall task force meeting, legislative staff were asked to form a workgroup to develop materials and options and receive input from those interested in MH/DD services for discussion and review at the meeting. The workgroup was asked to develop short-term and long-term options for reforming the adult MH/DD services system and funding, including the following:</p> <ol style="list-style-type: none"> 1. The current funding environment and temporary availability of federal stimulus package moneys may affect the county MH/DD service fund ending balances used for the distribution of allowed growth and risk pool funding. Provide options to address funding eligibility requirements, including ending balances, distribution requirements, and other elements. 2. The prospects for significant new State funding in the next few years are limited, federal funding availability is unknown, and local funding options are capped. Provide options for pilot projects that will use existing funding more efficiently and allow testing of new funding options. 	<p>Legal: John Pollak and Patty Funaro Fiscal: Jess Benson and Sue Lerdal</p>	Health and Human Services

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Care of Animals in Commercial Enterprises Study Committee	CHARGE: Consider regulation and other issues connected with the care of dogs, cats, and other pets in nonagricultural commercial establishments and enterprises. The Study Committee shall consult with representatives of the Iowa Voters for Companion Animals, the Animal Rescue League of Iowa, the Humane Society of the United States, the Iowa Veterinary Medical Association, the Iowa Department of Agriculture and Land Stewardship, the U.S. Department of Agriculture Animal and Plant Health Inspection Service, and the Iowa Pet Breeders Association.	Legal: Doug Adkisson, Joe McEniry, and Patty Funaro Fiscal: Deb Kozel	Agriculture and Natural Resources
Criminal Code Reorganization Study Committee (Carryover from 2007-2008 Interims)	CHARGE: Continue meeting to consider proposals for criminal code revisions, reorganization, and updates. Subcommittees include: Foundational Provision Subcommittee CHARGE: Review definitions, culpability issues, defenses, and inchoate crimes. Reorganization Subcommittee CHARGE: Review proposals to reorganize the criminal code and enhance the overall readability of the criminal code. Sentencing Subcommittee CHARGE: Review the sentencing structures of other states including the establishment of a sentencing commission. Specific Crimes Subcommittee CHARGE: Review proposals relating to specific criminal offenses including identifying potential gaps in the criminal code, adding criminal offenses, removing duplicative offenses and penalties, and proportionality.	Legal: Joe McEniry, Rachele Hjelmaas, and Ed Cook Fiscal: Beth Lenstra and Jennifer Acton	Justice
Job Training Needs Study Committee	CHARGE: Examine various job training issues and needs, with a particular focus on underserved populations in Iowa. Underserved populations include people earning less than \$20,000 per year, minorities, women, persons with disabilities, the elderly, and persons convicted of felonies that are trying to reenter society after release from prison.	Legal: Kathy Harlon, Amanda Knief, and Tim Whipple Fiscal: Ron Robinson and Joe Brandstatter	Economic Development

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Legislative Health Care Coverage Commission	<p>CHARGE: The Commission is required, by 2009 Iowa Acts, SF 389, §1, to develop an Iowa health care reform strategic plan, addressing various aspects listed in the legislation. The Commission is created under the authority of the Legislative Council, with administrative support to be provided by the Legislative Services Agency (LSA). The Legislative Council is required to appoint a Chairperson and Vice Chairperson from the voting membership. An appropriation of \$200,000 for costs associated with the Commission, including any per diem or other expenses associated with meetings, is made to LSA in 2009 Iowa Acts, HF 820, §65, as amended by SF 478, §160. The Commission is required to complete its deliberations by July 1, 2011, provide quarterly reports, and provide progress reports on January 1, 2010, and 2011. Workgroups include:</p> <ul style="list-style-type: none"> • Administration of Health Care Reform in Iowa Workgroup • Coverage of Adults Workgroup • Use/Creation of State Pool Workgroup 	<p>Legal: Ann Ver Heul, Patty Funaro, and John Pollak</p> <p>Fiscal: Deborah Helsen, Jess Benson, and Joe Brandstatter</p>	Health and Human Services
Prescription Medication Usage Study Committee	<p>CHARGE: Identify strategies and solutions to address problems arising from inappropriate medication use in the health care system. The Study Committee shall invite testimony from relevant experts, including the Department of Public Health, the Iowa Pharmacy Association, the Iowa Medical Society, Wellmark Blue Cross-Blue Shield, the Principal Financial Group, the University of Iowa College of Public Health, the Iowa Retail Federation, the Prevention and Chronic Care Management Advisory Council (Iowa Code §135.161), the Medical Home System Advisory Council (Iowa Code §135.159), the Iowa Healthcare Collaborative (Iowa Code §135.40), the Health Policy Corporation of Iowa, the Iowa Foundation for Medial Care, Outcomes Pharmaceutical Health Care, and the National Association of Chain Drug Stores.</p>	<p>Legal: Patty Funaro, Kathy Hanlon, and John Pollak</p> <p>Fiscal: Deborah Helsen, Jess Benson, and Joe Brandstatter</p>	Health and Human Services

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
School Finance Formula Review Committee	CHARGE: Prepare a school finance formula status report and provide recommendations in accordance with the requirements of Iowa Code §257.1(4), including receiving assistance from the Departments of Education, Management, and Revenue; providing recommendations for school finance formula changes or revisions based on demographic changes, enrollment trends, and property tax valuation fluctuations observed during the preceding five-year interval; providing an analysis of the operation of the school finance formula during the preceding five-year interval; and incorporating a summary of issues that have arisen since the previous review and potential approaches for their resolution.	Legal: Amanda Knief, Rick Nelson, and Kathy Hanlon Fiscal: Shawn Snyder and Robin Madison	Education
State Government Reorganization Commission	CHARGE: Consider options for reorganizing State government to improve efficiency, modernize processes, eliminate duplication and outdated processes, reduce costs, and increase accountability. The review shall address the expanded use of the Internet and other technology, and the incorporation of productivity improvement measures. The study shall include a process to receive State government efficiency suggestions offered by the public and public employees.	Legal: Tim McDermott, Tim Whipple, and Ed Cook Fiscal: Sue Lerdal and Marcia Tannian	Various

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Identity Theft Prevention Study Committee	CHARGE: Assess and review the extent to which personal, identifying information of a resident of this state is in the possession of government or government-affiliated organizations, and which, if disclosed, could render the resident vulnerable to identity theft. Also assess the extent to which public officials, government organizations, and affiliated organizations make available, are in possession of, have access to, or are disclosing or selling such information for compensation. Based upon this assessment and review, the Committee shall develop recommendations relating to these practices.	Legal: Ed Cook, Michael Duster, and Amanda Knief Fiscal: Marcia Tannian and Mary Beth Mellick	Transportation, Infrastructure, and Capitals
Iowa Law Enforcement Academy Facility Analysis	CHARGE: Issue a request for proposals to contract for an independent entity to analyze and make recommendations for an optimal site and facilities for the Iowa Law Enforcement Academy. The analysis shall address the considerations necessary for relocating the academy. The cost of the analysis shall not exceed \$150,000.	Legal: Rachele Hjelmaas, Nicole Hoffman, and Ed Cook Fiscal: Jennifer Acton and Beth Lenstra	Justice
Legislative Property Tax Study Committee (Carryover from 2007)	CHARGE: The Legislative Property Tax Study Committee is established for the 2007 and 2008 Legislative Interims to perform a comprehensive review of the property tax system. The Study Committee may contract for analysis or other services. The cost for such contracting shall not exceed \$150,000.	Legal: Susan Crowley, Michael Duster, and Amanda Knief Fiscal: Shawn Snyder and Jeff Robinson	Unassigned Standing Appropriations

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Mass Transit Study Committee	CHARGE: Study the ways in which mass transit might be employed to provide public transportation services among Iowa communities. Consider the ways mass transit availability affects various populations in rural and urban communities, particularly those who are unable to drive or cannot afford to own a motor vehicle; determine any impact mass transit within communities can have on population levels, quality of life, and economic development in urban job centers, small and satellite communities, and rural towns; identify the effect of mass transit on greenhouse gases and on overall air quality; determine the level of public need for mass transit, including any specific areas in immediate need; investigate the feasibility of expanding mass transit services and the types and combination of services that might comprise a state mass transit system; identify potential costs and funding mechanisms for developing and maintaining specific mass transit services; and assess the attitudes and habits of Iowans concerning personal transportation and ways to educate the public about the economic, social, and environmental advantages of mass transit. Consult with the interests listed in 2008 Iowa Acts, S.F. 2425, § 146, in conducting the study.	Legal: Tim McDermott, Amanda Knief, and Diane Ackerman Fiscal: Mary Beth Mellick and Marcia Tannian	Transportation, Infrastructure, and Capitals
Medicaid Elderly Waiver Program Study Committee	CHARGE: Review the services, costs, and requirements under the Medicaid Home and Community-based Services Elderly Waiver Program. Consult with the Department of Human Services and persons interested in the program. Make recommendations for appropriate changes to the program.	Legal: Patty Funaro, Amanda Knief, and John Pollak Fiscal: Jess Benson and Sue Lerdal	Health and Human Services
Medicaid Program Drug Product Selection Study Committee	CHARGE: Convene public and private stakeholders to review current law for drug product selection under the Medicaid Program.	Legal: Patty Funaro, Ann Ver Heul, and John Pollak Fiscal: Jess Benson and Sue Lerdal	Health and Human Services

COMMITTEE NAME	CHARGE	LSA STAFF	SUBCOMMITTEE
Postsecondary Education Rigor Analysis	CHARGE: Issue a request for proposals to contract for an independent entity to analyze and compare the rigor of the first two years of study at community colleges and institutions of higher education governed by the State Board of Regents. Make the report of the analysis publicly available by July 1, 2009. (required by 2008 Iowa Acts, H.F. 2679, § 7)	Legal: Kathy Hanlon, Amanda Knief, and Susan Crowley Fiscal: Dwayne Ferguson and Robin Madison	Education

SALARIES AND COLLECTIVE BARGAINING

The State completed negotiations with unions representing State employees for salaries and benefits for FY 2010 and FY 2011 in March 2009. Iowa Code Chapter 20 establishes the framework and timeline for the bargaining process.

FY 2010 Salary Expenditures

The General Assembly did not appropriate additional funds for salary expenditures. State agencies used existing funds to pay the cost to fund negotiated contracts with various bargaining units and similar increases for noncontract employees.

FY 2011 Estimated Increased Salary Expenditures

The total estimated need to fund salary increases for FY 2011 is \$143.5 million, including \$85.7 million from the General Fund. The estimate includes \$60.3 million for the Board of Regents, including \$36.4 million from the General Fund. The American Federation of State, County, and Municipal Employees (AFSCME) and the State Police Officers Council (SPOC) agreed on memorandums of understanding that had an impact on FY 2010 expenditures. *The Governor did not recommend additional funding for salary increases. Under the Governor's recommendations any salary related cost increases would be funded from funds appropriated to each agency. In addition, agencies realized savings from days off without pay and the suspension of the State match on retirement contributions which will have to be accounted for unless the cost savings measures are extended into FY 2011.*

The following is a brief summary of the bargaining unit agreements for FY 2010 and FY 2011.

FY 2010 AND FY 2011 COLLECTIVE BARGAINING UNIT AGREEMENTS

Bargaining Unit	FY 2010		FY 2011	
	Wages	Benefits	Wages	Benefits
American Federation of State, County, and Municipal Employees (AFSCME) – General Government/Regents and Community-Based Corrections (CBC)	0.00% across-the-board pay increase. Step increases of 4.50% for eligible employees during FY 2010. A memorandum of understanding was approved to require five days of leave without pay and the State would not implement lay-offs.	The State matches 100.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2009. The memorandum of understanding suspended the State's contribution beginning in December 2009 for the remainder of FY 2010. Increases in health insurance premiums for 1/1/10 delayed until 7/1/10.	2.0% across-the-board increase on July 1, 2010. 1.0% across-the-board increase on January 1, 2011. 4.50% step increases for eligible employees.	Same as FY 2010.

Appendix D – Salaries and Collective Bargaining

Bargaining Unit	FY 2010		FY 2011	
	Wages	Benefits	Wages	Benefits
Iowa United Professionals (IUP) and United Electrical Workers (UE)	0.00% across-the-board pay increase. Step increases of 4.50% for eligible employees during FY 2008.	The State matches 100.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2009. Increases in health insurance premiums for 1/1/10 delayed until 7/1/10.	2.0% across-the-board increase on July 1, 2010. 1.0% across-the-board increase on January 1, 2011. 4.50% step increases for eligible employees.	Same as FY 2010.
State Police Officers Council (SPOC)	0.00% across-the-board pay increase. Continuation of 3.50% merit step increases for employees that are not at the top step of the pay range. A memorandum of understanding was approved to require five days of leave without pay and the State would not implement lay-offs.	Increases in health insurance premiums for 1/1/10 delayed until 7/1/10. The memorandum of understanding suspended the State's deferred compensation contribution beginning in December 2009 for the remainder of FY 2010.	1.0% across-the-board increase on July 1, 2010. 1.0% across-the-board increase on January 1, 2011. 3.5% step increases for eligible employees. Increases the pay grades for selected position classes.	Same as FY 2010.
Judicial Public Professional and Maintenance Employees (PPME), and Judicial AFSCME	0.00% across-the-board pay increase. Step increases of 4.50% for eligible employees during FY 2010.	The State matches 100.00% of an employee's contribution to the Deferred Compensation Program up to a maximum State share of \$75 per month (\$900 per year) effective July 1, 2009.	0.00% across-the-board increase. 4.50% step increases for eligible employees. Pay plan will be matched with the Executive Branch AFSCME pay plan.	Same as FY 2010.

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ARRA FEDERAL FUNDS

Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Governor's Office of Drug Control Policy	JAG ARRA Grants to State & Local Agencies	\$11,777,401	\$11,777,401	\$1,493,246
Iowa Commission on Volunteer Services	Iowa AmeriCorps Recovery Competitive	1,161,222	559,975	559,975
Iowa Commission on Volunteer Services	Iowa AmeriCorps Recovery Formula	321,609	137,418	137,418
Iowa Department for the Blind	Vocational rehab. For the blind	1,085,985	326,120	327,433
Iowa Department for the Blind	Independent living services for the blind	48,582	1,669	1,945
Iowa Department for the Blind	Services to older individuals who are blind	378,516	35,669	42,497
Iowa Department of Cultural Affairs	Arts and ARRA	303,000	303,000	301,557
Iowa Department of Economic Devel.	Public facility construction and program administration.	7,014,352	114,264	115,150
Iowa Department of Education	School Lunch Equipment Grants	823,633	758,121	758,121
Iowa Department of Education	Title I - Grants for struggling schools	791,492	-	-
Iowa Department of Education	Title II, Part D: Enhancing Education Tech.	3,344,836	-	-
Iowa Department of Education	Support for homeless students	443,632	420,282	420,282
Iowa Department of Education	Title I - Basic LEA Grants	51,497,022	8,107,771	8,107,771
Iowa Department of Education	IDEA Part B	122,095,134	24,419,035	24,419,035
Iowa Department of Education	IDEA Part B - Preschool.	4,141,398	1,656,562	1,656,562
Iowa Department of Education	IDEA Part C	4,568,504	619,368	619,368
Iowa Department of Education	Fiscal Stabilization Fund - Education	258,870,409	181,875,395	174,310,425
Iowa Department of Education	Stabilization Fund - Government Services	85,965,797	34,280,272	24,080,602
Iowa Department of Human Rights	Weatherization Serv. Low-income Homes	80,834,411	6,628,449	6,631,979
Iowa Department of Human Rights	Community Action Agency activities.	10,821,398	3,115,227	3,115,227
Iowa Department of Human Services	Commodity Assistance (TEFAP-Admin)	388,581	198,957	198,957
Iowa Department of Human Services	ARRA Funding for Child Care Devl. Fund (CCDF)	18,120,842	1,343,549	1,293,964
Iowa Department of Justice	STOP Violence Against Women	1,645,347	148,829	217,353
Iowa Department of Justice	Victim Assistance Grants	699,000	699,000	699,000
Iowa Department of Justice	Victim Compensation	498,329	498,329	498,329
Iowa Department of Natural Resources	State Forest Nursery Enhancement	449,000	-	-
Iowa Department of Natural Resources	Reduce Iowa's Diesel Exhaust (RIDE)	1,730,000	54,346	54,346
Iowa Department of Natural Resources	Water Quality Planning - 604(b)	535,800	-	53,161
Iowa Department of Natural Resources	Green Project Reserve Loans Wastewater	53,040,000	297,505	297,505
Iowa Department of Natural Resources	Green Project Reserve, Loans & Assist.	24,293,000	4,713,258	4,713,258
Iowa Department of Natural Resources	Clean up of UST sites	2,643,000	1,520	17,251
Iowa Department of Public Health	ARRA – State Loan Repayment Program	100,000	-	-
Iowa Department of Public Health	ARRA – State Primary Care Offices	35,670	2,000	4,846
Iowa Department of Public Health	Immunization/317 Programs - Reimbur.	300,000	-	-
Iowa Department of Public Health	Immunization & VFC - Children & Adults	1,027,617	-	-
Iowa Department of Public Health	ELC ARRA 317-MCV	178,696	-	4,500
Iowa Department of Public Health	Healthcare Associated Infections	880,622	60,000	37,597
Iowa Department of Public Safety	Internet Crimes Against Children	574,077	56,846	56,846

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	764,200	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	235,800	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	848,817	848,817	848,817
Iowa Department of Transportation	Road, Bridge and Facility Improvements	3,391,574	3,391,074	3,391,074
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,842,961	1,842,961	1,842,961
Iowa Department of Transportation	Road, Bridge and Facility Improvements	782,441	8,245	8,245
Iowa Department of Transportation	Road, Bridge and Facility Improvements	600,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	5,364,499	5,364,499	5,364,499
Iowa Department of Transportation	Road, Bridge and Facility Improvements	4,865,289	4,865,289	4,865,289
Iowa Department of Transportation	Road, Bridge and Facility Improvements	850,000	542,761	542,761
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	849,562	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	250,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	480,945	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,837,373	1,837,373	1,837,373
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,454,798	1,454,798	1,454,798
Iowa Department of Transportation	Road, Bridge and Facility Improvements	3,200,829	3,200,829	3,200,829
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,566,288	2,504,826	2,504,826
Iowa Department of Transportation	Road, Bridge and Facility Improvements	125,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	175,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,173,992	2,052,735	2,052,735
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,797,514	2,596,560	2,596,560
Iowa Department of Transportation	Road, Bridge and Facility Improvements	11,189,757	10,453,348	10,453,348
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,726,111	1,722,901	1,722,901
Iowa Department of Transportation	Road, Bridge and Facility Improvements	11,742,272	11,742,272	11,742,272
Iowa Department of Transportation	Road, Bridge and Facility Improvements	42,253,362	19,538,397	19,538,397
Iowa Department of Transportation	Road, Bridge and Facility Improvements	22,401,042	5,419,226	5,419,226
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,169,819	1,042,084	1,042,084
Iowa Department of Transportation	Road, Bridge and Facility Improvements	4,065,922	4,061,008	4,061,008
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,736,085	921,989	921,989
Iowa Department of Transportation	Road, Bridge and Facility Improvements	15,304,219	15,304,219	15,304,219
Iowa Department of Transportation	Road, Bridge and Facility Improvements	8,471,001	35,778	35,778
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,626,415	366,919	366,919
Iowa Department of Transportation	Road, Bridge and Facility Improvements	18,607,987	15,967,652	15,967,652
Iowa Department of Transportation	Road, Bridge and Facility Improvements	5,204,631	57,452	57,452
Iowa Department of Transportation	Road, Bridge and Facility Improvements	4,752,494	123,807	123,807

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	739,272	577,069	577,069
Iowa Department of Transportation	Road, Bridge and Facility Improvements	126,319	126,319	126,319
Iowa Department of Transportation	Road, Bridge and Facility Improvements	8,245,240	3,619,616	3,619,616
Iowa Department of Transportation	Road, Bridge and Facility Improvements	549,102	513,863	513,863
Iowa Department of Transportation	Road, Bridge and Facility Improvements	5,238,049	3,397,162	3,397,162
Iowa Department of Transportation	Road, Bridge and Facility Improvements	251,777	250,073	250,073
Iowa Department of Transportation	Road, Bridge and Facility Improvements	299,530	295,768	295,768
Iowa Department of Transportation	Road, Bridge and Facility Improvements	3,300,000	1,513,813	1,513,813
Iowa Department of Transportation	Road, Bridge and Facility Improvements	5,037,811	4,885,945	4,885,945
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	6,289	6,289
Iowa Department of Transportation	Road, Bridge and Facility Improvements	6,189,082	6,181,832	6,181,832
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,423,249	1,395,123	1,395,123
Iowa Department of Transportation	Road, Bridge and Facility Improvements	405,000	72,789	72,789
Iowa Department of Transportation	Road, Bridge and Facility Improvements	473,410	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	200,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,800,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,142,159	1,099,917	1,099,917
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,279,850	1,193,208	1,193,208
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,431,000	1,242,530	1,242,530
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,832,566	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	168,623	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	450,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	808,257	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	64,456	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	700,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	207,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	180,000	180,000	180,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,271,717	2,268,157	2,268,157
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,110,465	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	983,635	983,635	983,635
Iowa Department of Transportation	Road, Bridge and Facility Improvements	420,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	750,000	736,281	736,281
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,300,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	478,467	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	200,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	534,866	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,400,000	12,668	12,668
Iowa Department of Transportation	Road, Bridge and Facility Improvements	5,000,000	10,364	10,364

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	62,778	62,778	62,778
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,183,107	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	800,000	494,736	494,736
Iowa Department of Transportation	Road, Bridge and Facility Improvements	267,843	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	235,290	191,791	191,791
Iowa Department of Transportation	Road, Bridge and Facility Improvements	543,031	341,641	341,641
Iowa Department of Transportation	Road, Bridge and Facility Improvements	493,621	408,440	408,440
Iowa Department of Transportation	Road, Bridge and Facility Improvements	400,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	580,000	346,566	346,566
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,400,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,526,235	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,909,534	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	156,901	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,048,906	879,560	879,560
Iowa Department of Transportation	Road, Bridge and Facility Improvements	140,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	283,500	229,055	229,055
Iowa Department of Transportation	Road, Bridge and Facility Improvements	72,800	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	950,000	950,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	196,400	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	200,000	190,000	190,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	494,331	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	600,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	296,950	296,950	296,950
Iowa Department of Transportation	Road, Bridge and Facility Improvements	214,190	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	210,309	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	257,305	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,325,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,228,599	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	280,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	450,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	400,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	560,400	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	733,544	601,957	601,957
Iowa Department of Transportation	Road, Bridge and Facility Improvements	245,333	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	620,472	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	285,000	-	-

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	300,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	633,090	552,300	552,300
Iowa Department of Transportation	Road, Bridge and Facility Improvements	410,978	150,495	150,495
Iowa Department of Transportation	Road, Bridge and Facility Improvements	43,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	295,499	250,272	250,272
Iowa Department of Transportation	Road, Bridge and Facility Improvements	302,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	719,970	605,165	605,165
Iowa Department of Transportation	Road, Bridge and Facility Improvements	564,300	402,806	402,806
Iowa Department of Transportation	Road, Bridge and Facility Improvements	370,399	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	792,853	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	495,533	470,756	470,756
Iowa Department of Transportation	Road, Bridge and Facility Improvements	217,026	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	50,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,200,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,517,000	1,012,997	1,012,997
Iowa Department of Transportation	Road, Bridge and Facility Improvements	845,726	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	580,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	538,000	511,100	511,100
Iowa Department of Transportation	Road, Bridge and Facility Improvements	312,195	312,195	312,195
Iowa Department of Transportation	Road, Bridge and Facility Improvements	217,179	217,179	217,179
Iowa Department of Transportation	Road, Bridge and Facility Improvements	581,000	581,000	581,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	133,463	61,038	61,038
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,055,704	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	888,727	888,727	888,727
Iowa Department of Transportation	Road, Bridge and Facility Improvements	812,212	755,567	755,567
Iowa Department of Transportation	Road, Bridge and Facility Improvements	558,263	558,263	558,263
Iowa Department of Transportation	Road, Bridge and Facility Improvements	650,000	650,000	650,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,730,000	1,730,000	1,730,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	717,251	698,411	698,411
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,000,000	2,000,000	2,000,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	1,000,000	1,000,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,000,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,500,000	1,500,000	1,500,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	773,396	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,035,684	1,009,771	1,009,771
Iowa Department of Transportation	Road, Bridge and Facility Improvements	500,000	500,000	500,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	748,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	524,593	524,593	524,593

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,200,000	1,200,000	1,200,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	726,674	726,674	726,674
Iowa Department of Transportation	Road, Bridge and Facility Improvements	368,000	368,000	368,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	525,953	525,953	525,953
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,417,702	1,351,698	1,351,698
Iowa Department of Transportation	Road, Bridge and Facility Improvements	186,365	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	876,944	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	487,033	454,157	454,157
Iowa Department of Transportation	Road, Bridge and Facility Improvements	597,840	596,440	596,440
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,920,000	1,920,000	1,920,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,164,012	1,268,424	1,268,424
Iowa Department of Transportation	Road, Bridge and Facility Improvements	229,454	201,728	201,728
Iowa Department of Transportation	Road, Bridge and Facility Improvements	530,000	465,367	465,367
Iowa Department of Transportation	Road, Bridge and Facility Improvements	381,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	945,400	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	600,000	600,000	600,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	388,598	356,466	356,466
Iowa Department of Transportation	Road, Bridge and Facility Improvements	699,400	699,400	699,400
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,020,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,138,000	1,138,000	1,138,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	960,000	960,000	960,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	500,000	500,000	500,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	773,396	773,396	773,396
Iowa Department of Transportation	Road, Bridge and Facility Improvements	167,439	167,439	167,439
Iowa Department of Transportation	Road, Bridge and Facility Improvements	400,000	400,000	400,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	850,142	850,142	850,142
Iowa Department of Transportation	Road, Bridge and Facility Improvements	347,681	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	556,302	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	556,302	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	252,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	705,554	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	401,401	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,500,000	1,419,976	1,419,976
Iowa Department of Transportation	Road, Bridge and Facility Improvements	896,785	872,403	872,403
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,300,000	1,300,000	1,300,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	399,000	137,140	137,140
Iowa Department of Transportation	Road, Bridge and Facility Improvements	569,170	67,640	67,640
Iowa Department of Transportation	Road, Bridge and Facility Improvements	894,893	-	-

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	314,043	314,043	314,043
Iowa Department of Transportation	Road, Bridge and Facility Improvements	311,651	311,651	311,651
Iowa Department of Transportation	Road, Bridge and Facility Improvements	805,600	781,816	781,816
Iowa Department of Transportation	Road, Bridge and Facility Improvements	456,134	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	468,656	400,000	400,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	485,537	446,677	446,677
Iowa Department of Transportation	Road, Bridge and Facility Improvements	624,000	624,000	624,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	405,610	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	733,544	733,544	733,544
Iowa Department of Transportation	Road, Bridge and Facility Improvements	659,874	659,874	659,874
Iowa Department of Transportation	Road, Bridge and Facility Improvements	375,000	375,000	375,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	125,000	125,000	125,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,189,278	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,950,000	1,950,000	1,950,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	418,779	418,779	418,779
Iowa Department of Transportation	Road, Bridge and Facility Improvements	619,700	619,700	619,700
Iowa Department of Transportation	Road, Bridge and Facility Improvements	312,555	267,295	267,295
Iowa Department of Transportation	Road, Bridge and Facility Improvements	2,100,000	2,100,000	2,100,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	250,000	287,270	287,270
Iowa Department of Transportation	Road, Bridge and Facility Improvements	150,000	129,849	129,849
Iowa Department of Transportation	Road, Bridge and Facility Improvements	250,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,400,000	1,400,000	1,400,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,052,216	965,812	965,812
Iowa Department of Transportation	Road, Bridge and Facility Improvements	330,396	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	858,307	858,307	858,307
Iowa Department of Transportation	Road, Bridge and Facility Improvements	930,900	966,635	966,635
Iowa Department of Transportation	Road, Bridge and Facility Improvements	172,670	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	104,252	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	437,751	437,751	437,751
Iowa Department of Transportation	Road, Bridge and Facility Improvements	320,993	320,993	320,993
Iowa Department of Transportation	Road, Bridge and Facility Improvements	444,875	423,752	423,752
Iowa Department of Transportation	Road, Bridge and Facility Improvements	576,146	576,146	576,146
Iowa Department of Transportation	Road, Bridge and Facility Improvements	732,691	732,691	732,691
Iowa Department of Transportation	Road, Bridge and Facility Improvements	350,000	350,000	350,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	1,228,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	538,915	532,665	532,665
Iowa Department of Transportation	Road, Bridge and Facility Improvements	664,000	664,000	664,000
Iowa Department of Transportation	Road, Bridge and Facility Improvements	639,833	582,451	582,451

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa Department of Transportation	Road, Bridge and Facility Improvements	500,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	125,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	125,000	-	-
Iowa Department of Transportation	Road, Bridge and Facility Improvements	10,689,659	386,359	386,359
Iowa Department of Transportation	Road, Bridge and Facility Improvements	455,173	297,743	297,743
Iowa Department of Transportation	Road, Bridge and Facility Improvements	15,156,406	6,072,768	6,072,768
Iowa Department on Aging	Senior Internship Program	304,003	182,273	182,273
Iowa Department on Aging	Home Delivered Nutrition Services	341,101	158,428	158,428
Iowa Department on Aging	Congregate Nutrition Services	692,861	323,965	327,888
Iowa Finance Authority	Homelessness Prevention Program	11,866,889	52,897	99,653
Iowa Finance Authority	Tax Credit Assistance Program (TCAP)	18,978,542	-	-
Iowa National Guard	Building improve.National Guard facilities	3,328,000	3,328,000	1,296,233
Iowa State University	Acquisition of Accurate Mass Quadrupole	384,200	384,200	2,106
Iowa State University	Cell Membrane Protein Clustering in vivo	600,000	600,000	3,466
Iowa State University	Research - Dynamics and Thermodynamics	475,000	475,000	27,360
Iowa State University	Research Analysis of Predictability	455,862	455,862	48,142
Iowa State University	Summer Undergrad.Research Experiences	351,513	351,513	-
Iowa State University	Rsearch Chemical Mechanical Planarization	476,449	476,449	56,828
Iowa State University	Reserch Hereditary Prop. and Partitions	174,993	174,993	16,667
Iowa State University	Complex Behavior in Networked Systems	395,992	-	35,269
Iowa State University	Lifetime Electrothermal Stress Manage.	366,399	366,399	27,685
Iowa State University	Nonparametric Likelihood Dependent Data	169,982	169,982	10,537
Iowa State University	Collaborative Research: Glacier Seismicity	299,419	299,419	20,625
Iowa State University	Discontinuous Galerkin Methods	99,235	99,235	23,879
Iowa State University	Reliability Assess. of Software Prod. Lines	248,901	248,901	7,858
Iowa State University	Genome Evolution in Natural Populations	200,558	200,558	-
Iowa State University	MRI: Acquisition of Nanolithography Equipment	700,000	700,000	-
Iowa State University	Rheology of Nanosize Powder Suspensions	300,000	300,000	2,130
Iowa State University	Thermophysical Prop. of Titania Nanowires	266,048	266,048	-
Iowa State University	Charact. of Dynamic Soil-Pile Interaction	99,913	99,913	10,243
Iowa State University	Production of Biological Hydrocarbons	2,059,528	2,059,528	22,366
Iowa State University	High-Accuracy Protein Models	52,007	-	321
Iowa State University	National Research Service Awards	51,710	51,710	11,830
Iowa State University	Microcompartment in Salmonella	563,501	49,370	53,073
Iowa State University	Factors for Treatment of Glaucoma	342,817	338,590	83,301
Iowa State University	Solid-State NMR of influenza	338,754	-	13,191
Iowa State University	Toward a PROSPER State Partnership	1,329,736	-	-
Iowa State University	Control of Translation by a Viral 3' UTR	193,008	-	35,711

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
Iowa State University	Histone Modifi. and Chromatin Structure	450,433	-	15,944
Iowa Utilities Board	Electricity Regulators Assistance Funding	826,530	-	-
Iowa Veterans Home	Dack Dayrooms Expansion	2,377,260	-	-
Iowa Vocational Rehabilitation Services	Vocational Rehabilitation Services to States	4,629,724	539,255	539,471
Iowa Vocational Rehabilitation Services	Independent Living Services grants	194,331	16,740	16,740
Iowa Workforce Development	RES - State Employment Services	3,726,404	459,804	416,729
Iowa Workforce Development	WIA Dislocated Worker	11,952,707	6,684,538	6,684,538
Iowa Workforce Development	WIA Dislocated Worker Emergency Grant	469,694	137,194	136,966
Iowa Workforce Development	WIA Dislocated Worker Emergency Grant	521,910	93,010	92,746
Iowa Workforce Development	WIA Dislocated Worker Emergency Grant	664,074	78,174	77,810
Iowa Workforce Development	WIA Dislocated Worker Emergency Grant	335,853	67,353	67,118
Iowa Workforce Development	WIA Dislocated Worker Emergency Grant	1,096,423	52,923	53,092
Iowa Workforce Development	Bridging the Green Economy Skills Gap	1,172,614	-	-
Office of Energy Independence	State Energy Program	40,546,000	196,691	177,562
Office of Energy Independence	Energy Assurance	475,493	-	3,565
Office of Energy Independence	Appliance Rebates	2,881,000	-	19,835
Office of Energy Independence	Energy Efficiency & Conserv. Block Grant	9,593,500	-	46,786
University of Iowa	Site-Isolation of Catalysts within	390,000	38,454	50,828
University of Iowa	Experiments and Modeling of Surface Jets	159,977	13,974	13,974
University of Iowa	The Impact of Massive Stars and Clusters	330,846	20,822	20,822
University of Iowa	Selected Problems in Applied Mathematics	150,000	-	-
University of Iowa	High Sensitivity Array Studies	409,122	32,869	36,248
University of Iowa	Checking for Satisfiability Modulo Theories	299,986	54,631	60,682
University of Iowa	MRI: Acquisition of Instrumentation	272,504	96,970	122,170
University of Iowa	MRI: Dev. of a Single Particle Mass Spectro.	440,595	-	-
University of Iowa	Reaction Directed Polymer Nanostructures	277,527	22,883	30,347
University of Iowa	Federal Work-Study Program	272,017	272,017	272,017
University of Iowa	Scholarships for Disadvantaged Students	42,250	-	21,125
University of Iowa	Defining Optimal Adaptive Immunity	51,710	13,103	21,839
University of Iowa	Chronic alcohol and pulmonary immunity	305,502	45,668	105,772
University of Iowa	Chronic ethanol, B cell competence	651,120	175,887	255,267
University of Iowa	Fimbrial Expression in Salmonella:	388,400	131,146	180,874
University of Iowa	Role of SOCS-1 in Regulation of IgE	375,000	257,061	312,565
University of Iowa	Chemoradiotherapy for Multiple Myeloma	300,874	95,746	120,248
University of Iowa	Regulation of SMAD4 and BMPRI1A	306,684	82,230	141,918
University of Iowa	NK Cell Activation and Complement	249,000	59,272	90,419
University of Iowa	Biomarker for Childhood Fluoride Intake	148,605	45,883	60,977
University of Iowa	Characterization of Pancreatic Disease	375,000	23,241	55,063

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
University of Iowa	Organization of the Recycling Endosome	284,023	53,809	76,369
University of Iowa	Folding & Association in Physio. Environ.	260,000	35,526	166,236
University of Iowa	Impaired Microvascular Respon.in Humans	372,317	79,229	110,987
University of Iowa	Brain Struc. and Disease Risk in Schizo.	789,791	328,965	458,710
University of Iowa	Behavioral Treatment for Autism	374,649	16,863	57,508
University of Iowa	Potential Treatments for Stimulant Abuse	198,087	24,789	33,982
University of Iowa	Development of a Univalent Vaccine	75,000	28,631	45,742
University of Iowa	A Role for MicroRNAs	224,966	16,235	32,421
University of Iowa	Contact Network Epidemiology	217,936	30,122	43,485
University of Iowa	The Role of Sigma Factor B	184,000	91,468	115,666
University of Iowa	Selection of RNA Aptamers	186,600	72,620	82,303
University of Iowa	Role of TLR4 in Coronavirus Infection	224,100	79,431	104,993
University of Iowa	Octreotide + Retinoic Acid in Kids	270,950	42,749	64,479
University of Iowa	RNA Editing in a Transgenic Mouse Model	225,000	54,871	70,957
University of Iowa	Perinatal Effects of a Natural Disaster	149,378	57,825	78,565
University of Iowa	Apoptotic Cells Induce Tolerance	371,938	69,450	114,984
University of Iowa	Strategy for Devel. a SARS-CoV Vaccine	403,341	60,452	112,623
University of Iowa	RCT of Two Speed of Processing Modes	499,578	24,644	56,339
University of Iowa	Biomarkers post-traumatic osteoarthritis	182,311	-	-
University of Iowa	FIT vs. Colonoscopy for Colon Cancer Screen	404,139	23,889	77,764
University of Iowa	Optimizing the Electric & Acoustic Hearing	406,841	17,242	40,359
University of Iowa	Research First Preventive Dental Visit	457,878	10,730	46,399
University of Iowa	Effects of Pesticides on Prostate Cancer	318,916	19,789	69,339
University of Iowa	Man. Incidental Findings in the Genomic Era	427,275	8,691	33,831
University of Iowa	Pathological Evaluation of a Cystic Fibrosis	499,472	19,479	51,361
University of Iowa	Unruptured Intracranial Aneurysms	485,313	9,016	43,944
University of Iowa	Translating CNS Therapies for the NCLs	496,817	-	4,209
University of Iowa	RNA Interference Therapy for Huntington's	439,645	7,690	27,713
University of Iowa	Fine-Scale Recombination Rate Variation	898,496	5,912	9,910
University of Iowa	Genetic Screen. for Therapeutic Modifiers	1,625,965	8,028	41,390
University of Iowa	Purchase a Laser Scanning Confocal Micro.	500,000	499,955	499,955
University of Iowa	Pathogenesis of Klebsiella Pneumonia	375,000	138,531	195,924
University of Iowa	GBV-C Effects on CD4 Activation and Exp.	531,982	47,673	97,816
University of Iowa	Mechanism of Dnmt1 Up-regulation	274,247	105,072	151,501
University of Iowa	Regulation of Tissue-Specific Gene Expression	363,582	45,288	78,912
University of Iowa	Uterine Smooth Muscle Excitability	477,877	45,377	92,908
University of Iowa	H. influenzae: Role of Sialic Acid in Virulence	648,648	121,587	208,822
University of Iowa	Environmental and Occupational Health	41,872	1,179	3,088

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
University of Iowa	Social Networks the Spread of Influenza	50,000	1,998	5,870
University of Iowa	Sun Exposure and Melanoma	107,950	-	2,233
University of Iowa	Glycosylation and Lactonase Activity	50,000	3,022	5,307
University of Iowa	PAX2 gene targets, binding sites function	54,000	-	-
University of Iowa	Suppor. Listening with Low-Income Mothers	107,853	34	34
University of Iowa	Cancer Center Support Grant Bioinformatics	298,623	1,718	9,000
University of Iowa	Cancer Center Support Grant - ADOPT	49,272	1,294	3,771
University of Iowa	Cancer Center Support Grant (CCSG)	1,450,000	31,827	159,202
University of Iowa	Center for Gene Therapy of Cystic Fibrosis	300,000	5,851	15,732
University of Iowa	Immunopathology mediated by RSV	38,962	33,839	33,839
University of Iowa	Epsilon-Sarcoglycan in LGMD Type 2D	488,985	11,593	129,545
University of Iowa	Wear of Intervertebral Disc Replacements	216,051	-	42,289
University of Iowa	ASIC3 in the Etiology of Fibromyalgia	893,569	8,603	26,305
University of Iowa	Long-term Outcomes of Head and Neck Cancer Patients	143,570	24,851	41,717
University of Iowa	Drug Abuse and Social Decision-Making	35,664	18,235	18,942
University of Iowa	Dissecting the Ear Neurosensory Development	357,725	16,252	34,219
University of Iowa	The Genetics of Spec. Language Impairment	245,840	7,272	11,153
University of Iowa	Lexical Integration of Acoustic Detail	128,861	11,053	22,105
University of Iowa	Bypassing the Blood-Brain Barrie	130,731	6,961	8,121
University of Iowa	Deafness-causing actin mutations	249,490	21,076	127,799
University of Iowa	Children With Hearing Impairment	470,431	52,630	91,589
University of Iowa	Neuronal Cont. of CGRP Gene Expression	99,348	-	24,630
University of Iowa	Gallstone Pancreatitis: Pathogenesis	100,001	113	5,171
University of Iowa	Neurological Outcomes Pesticide Apps.	207,481	27,878	54,186
University of Iowa	Regulation of Retinal cGMP	54,082	-	38,500
University of Iowa	Retinal Disease Gene Identification	667,195	4,997	23,562
University of Iowa	Genetic Anal. of Pleiotropic Drug Resis.	31,268	-	23,859
University of Iowa	Cell Adhesion in Membrane Growth	182,190	16,931	43,409
University of Iowa	Role of RGS6 as Novel Growth Suppressor	207,560	11,759	23,518
University of Iowa	Mechanisms of Damaged DNA Replication	200,683	8,067	19,517
University of Iowa	New Bacterial Cell Division Genes	60,000	3,510	10,531
University of Iowa	Acid-Sensing Ion Channels (ASICs)	182,679	8,186	20,920
University of Iowa	Glutathione Peroxidase & Redox State	242,928	35,142	53,402
University of Iowa	Dysfunction in Ankyrin-based Pathways	227,535	31,324	48,286
University of Iowa	Assessment of intracranial aneurysm	232,992	27,600	27,600
University of Iowa	Cardiac care in spec.and gen.hospitals	317,087	-	-
University of Iowa	Research Role of Syntaxin 8	229,644	-	5,582
University of Iowa	Research on cardiomyopathies	232,622	15,250	29,486

Appendix E – ARRA Top Level Award Recipients in Iowa for the First Half of FY 2010

Recipient Name	Project Name	Award Amount	Total Received	Total Expenditure
University of Iowa	Predictors of Huntington's Disease	298,575	-	28,800
University of Iowa	Predictors of Huntington's Disease	582,540	473	473
University of Iowa	Mitochondrial Calcium Cycling	102,079	7,021	18,621
University of Iowa	Research Mitochondrial Fission/Fusion	143,776	-	14,898
University of Iowa	Pathogenesis of Neurodegenerative	172,594	5,526	16,579
University of Iowa	Tau in Cancer Cells	179,580	51,157	66,696
University of Iowa	Training in the Pharmacological Sciences	63,964	-	7,831
University of Iowa	Research Statistics in Microbiology	205,020	5,873	15,815
University of Iowa	Study of Chronic Pelvic Pain (MAPP)	198,000	924	924
University of Iowa	Clinical and Translational Science Program	295,886	10,000	18,491
University of Iowa	Clinical and Translational Science Program	997,575	19,026	42,263
University of Iowa	Clinical and Translational Science Program	599,757	-	9,083
University of Iowa	Clinical and Translational Science Program	400,000	11,472	17,887
University of Iowa	Perceptual Bases of Visual Concepts	328,156	26,490	49,330
University of Iowa	State, Local & Tribal Govt Cap.Bldg Proj.	250,000	-	2,638
University of Northern Iowa	Research Regional Devel. in the Arctic	66,441	-	-
University of Northern Iowa	Research Disordered Magnetic Materials	364,569	-	-
University of Northern Iowa	Mathematics and Science Teachers for Iowa	899,298	-	15,000
		<u>\$ 1,299,988,021</u>	<u>\$ 523,319,910</u>	<u>\$ 488,511,744</u>

OTHER FUND BALANCE SHEETS

This Appendix contains balance sheets for the following funds:

- Rebuild Iowa Infrastructure Fund (RIIF)
- Environment First Fund (EFF)
- Technology Reinvestment Fund
- Prison Bonding Fund
- Revenue Bonds Capitals Fund (RBC Fund)
- IJOBS Revenue Bonds II Fund
- Senior Living Trust Fund
- Health Care Trust Fund (HCTF)
- Property Tax Credit Fund (PTCF)

Rebuild Iowa Infrastructure Fund (RIIF)

	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2010	Gov. Rec. FY 2011
Resources					
Balance Forward	\$ 49,696,180	\$ 32,167,362	\$ -5,394,942	\$ -5,394,942	\$ 43,579
Wagering Taxes and Related Fees*	203,277,374	198,783,211	186,700,000	186,700,000	126,300,000
Riverboat License Fees	8,000,000	8,000,000	0	0	0
Transfer from Vertical Infrastructure Fund	0	0	8,400,023 *	8,400,023 *	0
Interest	32,860,571	18,311,788	5,000,000	5,000,000	5,000,000
Transfer to General Fund	0	-37,000,000	0	0	0
Transfer from TOS - unencumbered bal from bond pymt*	0	0	0	0	11,869,000
MSA Tobacco Payment (transfer from Endowment)	0	0	16,617,343	16,617,343	15,917,573
Total Resources	\$ 293,834,125	\$ 220,262,361	\$ 211,322,424	\$ 211,322,424	\$ 159,130,152
Appropriations					
Administrative Services					
Major Maintenance	\$ 0	\$ 2,000,000	\$ 0	\$ 0	\$ 0
Routine Maintenance	5,000,000	3,000,000	3,000,000	3,000,000	0
Employee Relocation Expenses/Leases	1,824,500	0	0	0	0
DAS Distribution Account	2,000,000	2,000,000	3,700,000	3,700,000	3,700,000
New State Office Building	0	0	0	0	0
Wallace Bldg Improvements	0	0	1,500,000	1,500,000	0
DHS Toledo-New Education & Infirmary Bldg.	3,100,000	0	0	0	0
DHS - Civil Comm. Unit for Sex Offenders Renov.	750,000	829,000	0	0	0
Capitol Complex Electrical Distribution	3,460,960	0	850,000	850,000	0
Capitol Interior/Exterior Restoration and ADA Compliance	6,300,000	1,900,000	5,000,000	5,000,000	0
Capitol Complex Utility Tunnel	260,000	1,000,000	0	0	0
Sidewalks & Parking Lot Repairs	1,650,000	0	0	0	0
Enterprise Resource Planning (I/3)	1,500,000	0	0	0	0
West Capitol Terrace	1,600,000	0	0	0	0
Hoover Building HVAC Improvements	1,320,000	165,000	1,500,000	1,500,000	0
Hoover Building Security/Fire Walls	0	0	0	0	0
Property Acquisition	1,000,000	1,000,000	0	0	0
Energy Plant and Additions	998,000	0	623,000	623,000	0
Vehicle Dispatch Fleet Relocation	350,000	-349,161	0	0	0
Veterans Disabled for Life Memorial	50,000	0	0	0	0
Workers' Monument	200,000	0	0	0	0
Mercy Capitol Hospital Purchase	0	3,950,000	0	0	0
Mercy Capitol Hospital Building Operations	0	0	500,000	500,000	1,083,175
Capitol Master Plan Update	0	250,000	0	0	0
Terrace Hill Preservation and Restoration	0	0	769,543	769,543	0
Human Resource I/3 Payroll Module	0	200,000	0	0	0
Contract Project Manager - Veterans Home	0	200,000	0	0	0
D-Line Bus Service and Employee Ride Program	0	183,000	200,000	200,000	0
Agriculture and Land Stewardship					
National Junior Gelbvieh Heifer Show	0	10,000	0	0	0
Corrections					
Ft. Madison Electrical System Lease Purchase	333,168	0	0	0	0
ISP Electrical Lease	0	0	0	-27,764	0
Correctional Institutions Capitals Request	5,495,000	-2,797,376	0	0	0
Fort Dodge CBC Residential Facility	2,450,000	0	0	0	0
Anamosa Dietary Renovation	25,000	0	0	0	0
Davenport CBC Facility	0	-3,458,217	0	0	0
6th District Mental Health Bldg	1,300,000	0	0	0	0
Prison Infrastructure Planning	500,000	0	0	0	0
A & E Funding for Ft. Madison and Mitchellville	0	1,000,000	0	0	0
Construction Project Management and Correctional Spec.	0	500,000	1,750,000	1,750,000	0
Fifth CBC Des Moines Residential Expansion	0	0	0	0	0
Des Moines CBC Planning Study	0	200,000	0	-103,346	0
Cultural Affairs					
Historical Preservation Grant Program	1,000,000	1,000,000	1,000,000	1,000,000	0
Great Places Initiative	3,000,000	2,000,000	1,900,000	1,700,000	0
Iowa Battle Flags	220,000	220,000	0	0	100,000
Civil War Sesquicentennial	0	0	350,000	350,000	0
Community Cultural Grants	0	0	200,000	200,000	0
Kimball Organ Restoration	0	80,000	0	-25,000	0
Economic Development					
Community Attraction & Tourism Grants	5,000,000	12,000,000	0	0	0
River Enhancement Comm Attract & Tourism (RECAT)	0	10,000,000	0	0	0
Accelerated Career Education (ACE) Program	5,500,000	-4,225,000	0	0	0
Targeted Industries Infrastructure	900,000	900,000	0	0	0
Regional Sport Authorities	500,000	500,000	500,000	500,000	0
Community Colleges - Workforce Training	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Grow Iowa Values Fund	0	50,000,000	45,000,000	27,500,000	38,000,000
Central Expo FY 2008 Supplemental	250,000	0	0	0	0
Asbestos Demolition Assistance City of Seymour	0	0	50,000	50,000	0
Blank Park Zoo Capitals	0	0	0	0	500,000
AAU Jr. Olympics Summer 2009	0	0	200,000	200,000	0
Warren County Juvenile Courthouse Renovation	0	0	100,000	100,000	0
Fire Station Improvements - Muscatine Fire Dept.	0	0	200,000	200,000	0
Stratford Community Center ADA Compliance	0	0	10,000	10,000	0
Multi use Community Center - Des Moines	0	100,000	0	0	0

Rebuild Iowa Infrastructure Fund (RIIF)

	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2010	Gov. Rec. FY 2011
Education					
Enrich Iowa Libraries	1,000,000	1,000,000	1,000,000	1,000,000	500,000
NEICC Agriculture Emergencies Facility	35,000	0	0	0	0
Community Colleges Infrastructure	2,000,000	0	0	0	0
IPTV - Mechanical Equipment	1,275,000	0	0	0	0
Iowa Learning Technologies	0	250,000	0	0	0
Agricultural Learning Center - Muscatine	0	80,000	0	0	0
Human Services					
Nursing Home Facility Financial Assistance	1,000,000	600,000	0	-1,400,000	0
Child Care Workgroup	0	30,000	0	0	0
Community Family Resource Center - North Cen. Iowa	0	15,000	0	0	0
Child Care Workers' Insurance Study	0	50,000	0	-50,000	0
Independence Mental Health Institute	0	0	200,000	200,000	0
Iowa Finance Authority					
Wastewater Treatment Assist - Water Quality Grants	4,000,000	3,000,000	0	0	0
Administration of IJOBS Program		0	200,000	200,000	200,000
State Housing Trust Fund	2,500,000	3,000,000	3,000,000	3,000,000	1,500,000
Management					
Vertical Infrastructure Fund	50,000,000	0	0	0	0
Technology Reinvestment Fund	0	17,500,000	14,525,000	14,525,000	10,000,000
Environment First Fund	40,000,000	42,000,000	42,000,000	42,000,000	35,000,000
Natural Resources					
Volga River Rec. Area Infrastructure Impr.	750,000	0	0	0	0
Lake Delhi Improvements	100,000	100,000	0	0	0
Carter Lake Improvements	500,000	0	0	0	0
Mines of Spain Interpretive Center	100,000	0	0	0	0
State Park Renovations	2,500,000	0	0	0	0
Lake Restoration & Water Quality	8,600,000	0	2,800,000	2,800,000	0
Floodplain Management/Dam Safety	0	0	2,000,000	2,000,000	2,000,000
Water Trails and Low Head Dam Programs	0	1,000,000	800,000	800,000	0
Hungry Canyons Alliance	0	0	100,000	100,000	0
Plasma Arc Technology - Marion	0	150,000	0	-15,000	0
Public Defense					
Camp Dodge Armed Forces Readiness Center	50,000	0	0	0	0
Gold Star Museum - Camp Dodge	1,000,000	2,000,000	1,000,000	1,000,000	0
STARCOMM	2,000,000	1,600,000	0	0	0
Iowa City Readiness Center	1,200,000	0	0	0	0
Waterloo Aviation Readiness Center	500,000	0	0	0	0
Camp Dodge Water Distribution System	400,000	410,000	0	0	0
Facility/Armory Maintenance	1,500,000	1,500,000	1,500,000	1,500,000	0
Ottumwa Armory Addition	1,000,000	500,000	0	0	0
Newton Readiness Center	400,000	0	0	0	0
Eagle Grove Readiness Center	400,000	0	0	0	0
Davenport Aviation Readiness Center		0	2,000,000	2,000,000	0
Mount Pleasant Readiness Center		0	1,000,000	1,000,000	0
Camp Dodge Electrical Distribution System Upgrade	0	526,000	0	0	0
ILEA/National Guard Shoot House	500,000	0	0	0	0
Statewide Modernization Agenda - Readiness Centers	0	1,800,000	1,800,000	1,800,000	0
Public Health					
Vision Screening	0	130,000	130,000	130,000	0
Public Safety					
State Fire Training Facilities	2,000,000	-2,000,000	0	0	0
Regional Emer Response Facilities	1,400,000	0	0	0	0
Mason City Patrol Post	2,400,000	0	0	0	0
Regents					
Tuition Replacement	10,329,981	24,305,412	24,305,412	24,305,412	24,305,412
SUI - Institute for Biomedical Discovery	10,000,000	-550,000	0	0	10,000,000
ISU - Biorenewables Building	5,647,000	3,479,000	11,597,000	11,597,000	0
SUI - Hygienic Laboratory	15,650,000	12,000,000	0	0	0
ISU - Veterinary Lab, Phase II Small Animals Hospital	0	1,800,000	0	0	0
SUI - Iowa Flood Center	0	0	1,300,000	1,300,000	1,362,567
Midwest Grape and Wine Industry Institute	0	50,000	0	0	0
Revenue					
Secure an Advanced Vision for Education (SAVE)	10,000,000	10,000,000	10,000,000	10,000,000	0
Secretary of State					
Voting Machine Reimbursement Fund	2,000,000	0	0	0	0
Optical Scan Voting System FY 2008 Supplemental	4,900,880	0	0	0	0
State Fair					
Agriculture Exhibition Center	3,000,000	0	5,500,000	5,500,000	0

Rebuild Iowa Infrastructure Fund (RIIF)

	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2010	Gov. Rec. FY 2011
Transportation					
Local Roads Counties and Cities 50/50	0	0	14,750,000	14,750,000	24,700,000
Commercial Aviation Infrastructure	1,500,000	0	0	0	0
Passenger Rail Service	0	0	3,000,000	3,000,000	0
Rail Assistance/Revolving Loan Fund	2,000,000	2,000,000	1,500,000	1,500,000	2,000,000
Recreational Trails	2,000,000	3,000,000	3,500,000	3,500,000	0
Public Transit Infrastructure	2,200,000	0	1,250,000	1,250,000	0
General Aviation Airport Grants	750,000	750,000	750,000	750,000	0
Dubuque Depot and Platform	0	300,000	0	0	0
Treasurer					
County Fairs Infrastructure	1,590,000	1,060,000	1,590,000	1,590,000	0
Watershed Improvement Review Board	0	5,000,000	5,000,000	5,000,000	1,000,000
Veterans Affairs					
Veterans Home Infrastructure	532,000	0	0	0	0
Home Ownership Program	1,000,000	1,600,000	1,600,000	1,600,000	1,000,000
Net Appropriations	<u>\$ 262,046,489</u>	<u>\$ 226,392,658</u>	<u>\$ 230,599,955</u>	<u>\$ 211,278,845</u>	<u>\$ 158,951,154</u>
Reversions	-379,727	-735,355	0	0	0
Ending Balance	<u>\$ 32,167,362</u>	<u>\$ -5,394,942</u>	<u>\$ -19,277,531</u>	<u>\$ 43,579</u>	<u>\$ 178,998</u>

* Wagering tax estimates include tax credits for land-based and riverboat casinos, beginning in FY 2009 and FY 2011, respectively.

* Transfer of remaining balance from the Vertical Infrastructure Fund to the RIIF was intended to occur in FY 2009, per SF 2432 (FY 2009 Infrastructure Appropriations Act), but did not happen until FY 2010.

* The unencumbered balance from the revenue bond debt service is transferred from the Treasurer of State in accordance with new Section 12.89, Code of Iowa, created in SF 376 of the 2009 Legislative Session.

Environment First Fund

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Revenue			
Balance Forward	\$ 22,454	\$ 22,454	\$ 22,454
RIF Appropriation	42,000,000	42,000,000	35,000,000
Total	<u>\$ 42,022,454</u>	<u>\$ 42,022,454</u>	<u>\$ 35,022,454</u>
Appropriations			
Department of Agriculture			
Soil Conservation Cost Share	\$ 7,000,000	\$ 7,000,000	\$ 7,000,000
Watershed Protection Program	2,550,000	2,550,000	1,500,000
Wetland Incentive Program (CREP)	1,500,000	1,500,000	1,500,000
Conservation Reserve Program (CRP)	1,500,000	1,500,000	1,221,600
Farm Demonstration Program	850,000	800,000	750,000
Loess Hills Conservation Authority	600,000	600,000	500,000
Agricultural Drainage Wells	1,500,000	1,500,000	1,000,000
So. Iowa Conservation & Dev. Authority	300,000	300,000	250,000
Total Department of Agriculture	<u>\$ 15,800,000</u>	<u>\$ 15,750,000</u>	<u>\$ 13,721,600</u>
Department of Natural Resources			
REAP Program	\$ 18,000,000	\$ 18,000,000	\$ 12,000,000
Park Operations and Maintenance	2,470,000	2,470,000	4,000,000
Volunteer Water Quality Initiative	100,000	100,000	100,000
Animal Feeding Operations	360,000	360,000	608,400
Water Quantity Program	495,000	495,000	495,000
Resource Conservation and Development	250,000	250,000	0
Air Quality Monitoring Program	325,000	425,000	425,000
Water Quality Protection	500,000	500,000	500,000
Geographic Information System Development	195,000	195,000	195,000
Water Quality Monitoring Stations	2,955,000	2,955,000	2,955,000
Global Climate Change Council	50,000	0	0
Total Department of Natural Resources	<u>\$ 25,700,000</u>	<u>\$ 25,750,000</u>	<u>\$ 21,278,400</u>
Department of Economic Development			
Brownfield Redevelopment Program	\$ 500,000	\$ 500,000	\$ 0
Total Appropriations	<u>\$ 42,000,000</u>	<u>\$ 42,000,000</u>	<u>\$ 35,000,000</u>
Reversions	0	0	0
Ending Balance	<u><u>\$ 22,454</u></u>	<u><u>\$ 22,454</u></u>	<u><u>\$ 22,454</u></u>

Technology Reinvestment Fund

	Actual FY 2008	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Resources				
Beginning Balance	\$ 0	\$ 290,193	\$ 389,225	\$ 115,610
General Fund Limited Standing Appropriation	17,500,000	0	0	0
Rebuild Iowa Infrastructure Fund	0	17,500,000	14,525,000	10,000,000
Other revenues	0	7,374		
Total Available Resources	\$ 17,500,000	\$ 17,797,567	\$ 14,914,225	\$ 10,115,610
Appropriations				
Dept. of Administrative Services				
Pooled Technology Projects	\$ 3,810,375	\$ 3,980,255	\$ 2,037,184	\$ 3,855,123
Service Oriented Architecture	254,992	0	0	0
Dept. of Corrections				
Iowa Corrections Offender Network Data System	500,000	500,000	500,000	500,000
Department of Cultural Affairs				
Iowa Veterans Oral Histories Interactive Exhibit	0	500,000	486,250	0
Dept. of Education				
IPTV - HDTV Conversion	0	0	0	0
ICN Part III & Maintenance & Leases	2,727,000	2,727,000	2,727,000	2,727,000
Sr. Plus Transcript Depository - Data Warehouse	0	0	0	0
Iowa Learning Technologies	500,000	0	0	0
Statewide Education Data Warehouse	600,000	600,000	600,000	600,000
IPTV - Generators and Transmitters	0	1,602,437	0	0
IPTV - Replace Keosauqua Tower Antenna, Bldg.	0	701,500	0	0
Skills Iowa Technology Grant Fund	0	500,000	0	0
Ethics and Campaign Finance				
Technology Upgrades Online Database	0	0	15,000	0
Department of Human Rights				
Criminal Justice Information System Integration	2,881,466	1,839,852	0	0
Justice Enterprise Data Warehouse	0	0	361,072	0
Department of Human Services				
Child Support Recovery Unit Payment Process. Equip.	272,000	0	0	0
Iowa Telecom. and Technology Commission				
ICN Equipment Replacement	2,067,000	2,190,123	2,211,863	2,244,956
Generator Replacement	0	0	2,755,246	0
Network Redundancy	0	0	2,320,000	0
Redundancy for Continuity of Operations (Fiber)	0	1,800,000	0	0
Iowa Workforce Development				
Automated Worker's Comp. Appeal System.	500,000	0	0	0
Outcome Tracking System	580,000	0	0	0
Law Enforcement Academy				
Training Software and Mobile Simulator	0	0	185,000	0
Department of Public Defense				
2-1-1 Call System	0	0	250,000	0
Technology Enhancements	111,000	0	0	0
Department of Public Safety				
Technology Enhancements	1,900,000	0	0	0
Auto. Fingerprint Info. System (AFIS) Lease Purchase	560,000	560,000	350,000	0
Board of Regents				
MyEntreNet Project	235,000	0	0	0
Total Appropriations	\$ 17,498,833	\$ 17,501,167	\$ 14,798,615	\$ 9,927,079
Reversions	-289,026	-92,825	0	0
Ending Balance	\$ 290,193	\$ 389,225	\$ 115,610	\$ 188,531

FY 2009 Prison Bonding Fund

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Resources			
Beginning Balance	\$ 0	\$ 322,500	\$ 322,500
Revenues			
Bond Proceeds	131,000,000	0	0
Total Available Resources	<u>131,000,000</u>	<u>322,500</u>	<u>322,500</u>
Expenditures			
Department of Corrections			
Iowa State Penitentiary	<u>130,677,500</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>130,677,500</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$ 322,500</u>	<u>\$ 322,500</u>	<u>\$ 322,500</u>

Revenue Bonds Capitals Fund (RBC Fund)

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Resources			
Beginning Balance	\$ 0	\$ -185,000,000	\$ 400,000
Bond Proceeds	0	545,000,000	0
Interest	0	400,000	1,000,000
Total Available Resources	\$ 0	\$ 360,400,000	\$ 1,400,000
Department of Administrative Services			
Major Maintenance	14,624,923	0	3,000,000
Department of Agriculture and Land Stewardship			
Soil Conservation	0	11,500,000	0
Department for the Blind			
Dormitory Remodel Adult Orientation Center Des Moines	869,748	0	0
Department of Corrections			
First CBC - Waterloo Residential Expansion	6,000,000	0	0
Third CBC - Sioux City Residential Expansion	5,300,000	0	0
Seventh CBC - Davenport Residential Expansion	2,100,000	0	0
Eighth CBC - Ottumwa Residential Expansion	4,100,000	0	0
Correctional Inst. for Women at Mitchellville Expansion	47,500,000	0	0
Fifth CBC - Des Moines Residential Expansion	13,100,000	0	-10,740,928
Project Management - Prison Construction Projects	0	0	2,500,000
Mt. Pleasant and Rockwell City Improvements	12,500,000	0	0
One Time-Opening Costs for CBCs - Equipment Purchases	0	0	1,519,048
Department of Economic Development			
Community Attraction and Tourism Grants (CAT)	12,000,000	0	0
River Enhancement Community Attraction and Tourism (RECAT)	10,000,000	0	0
ACE Vertical Infrastructure Community Colleges	5,500,000	0	0
Department of Education			
Community College Major Maintenance Infrastructure	2,000,000	0	0
Iowa Finance Authority			
Public Service Shelter Grant Fund	0	10,000,000	0
Disaster Damage Housing Assistance Grant Fund	0	5,000,000	0
Affordable Housing Assistance Grant Fund	0	20,000,000	0
Sewer Infrastructure	0	55,000,000	0
Iowa Telecommunications and Technology Commission			
Broadband Deployment and Sustainability Grants	0	25,000,000	0
Department of Natural Resources			
Volga River Rec. Area Infrastructure Improvements	750,000	0	0
Carter Lake Improvements	500,000	0	0
Lake Restoration and Water Quality	10,000,000	0	0
Watershed Rebuilding - Water Quality	0	13,500,000	0
Department of Public Defense			
Facility/Armory Maintenance	0	0	1,500,000
Iowa Falls Readiness Center	0	0	500,000
Cedar Rapids Armed Forces Readiness Center	0	0	200,000
Regents			
Iowa Public Radio Infrastructure	1,900,000	0	0
ISU - Veterinary Lab Phase II Small Animals Hospital	10,000,000	0	0
Iowa Energy Center - Alternative Energy Revolving Loan Program	0	5,000,000	0
State Fair Authority			
Agriculture Exhibition Center	0	0	2,500,000
Department of Transportation			
Public Transit Infrastructure	2,200,000	0	0
Commercial Airport Vertical Infrastructure	1,500,000	0	0
Bridge Safety Fund	0	50,000,000	0
Treasurer of State			
I-JOBS Board - \$165.0 million allocated as follows:			
Local Infrastructure Competitive Grant Program	0	118,500,000	0
Targeted Disaster Rebuilding Linn County	0	46,500,000	0
Department of Veterans Affairs			
Iowa Veterans Home Master Plan	22,555,329	0	0
Total Expenditures	\$ 185,000,000	\$ 360,000,000	\$ 978,120
Ending Balance	\$ -185,000,000	\$ 400,000	\$ 421,880

IJOBS Revenue Bonds II Fund

	Gov Rec FY 2011
Resources	
Beginning Balance	\$ 0
Bond Proceeds	150,000,000
Total Available Resources	<u>\$ 150,000,000</u>
Appropriations	
Department of Economic Development	
Community Attraction and Tourism Grants (CAT)	\$ 12,000,000
River Enhancement Community Attraction and Tourism (RECAT)	10,000,000
ACE Vertical Infrastructure Community Colleges	5,500,000
Department of Education	
Community College Infrastructure	2,000,000
Iowa Finance Authority	
Revenue Bonds Appropriation - IJOBS	100,000,000
Department of Natural Resources	
Lake Restoration and Dredging Projects	2,000,000
Department of Public Defense	
Statewide Modernization - Readiness Centers	1,800,000
Regents	
ISU - Veterinary Lab Phase II Animal Teaching Hosp	13,000,000
Department of Transportation	
Public Transit Infrastructure	2,200,000
Commercial Airport Vertical Infrastructure	1,500,000
Total Expenditures	<u>\$ 150,000,000</u>
Ending Balance	<u>\$ 0</u>

Senior Living Trust Fund

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Resources			
Beginning Balance	\$ 78,319,751	\$ 27,710,401	\$ 0
Revenues			
Transfer from General Fund Surplus	48,282,728	0	48,267,133
Economic Emergency Fund Transfer	20,333,728	0	0
Balance Adjustment	1,827,546	502,652	0
Total Available Resources	<u>\$ 148,763,753</u>	<u>\$ 28,213,053</u>	<u>\$ 48,267,133</u>
Expenditures			
Appropriations			
Finance Authority - Rent Subsidy Program	700,000	700,000	700,000
Human Services - Medicaid Supplement	111,753,195	17,686,828	37,740,908
Department on Aging	8,486,698	8,486,698	8,486,698
DIA-Assisted Living/Adult Day Care	1,339,527	1,339,527	1,339,527
Total Appropriations	<u>122,279,420</u>	<u>28,213,053</u>	<u>48,267,133</u>
Reversions	<u>-1,226,068</u>	<u>0</u>	<u>0</u>
Ending Balance	<u><u>\$ 27,710,401</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

Health Care Trust Fund

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Revenues			
Balance Forward	\$ 2,995,303	\$ 698,811	\$ 0
General Fund Appropriation	127,600,000	117,796,000	106,016,400
ATB Reduction	-1,914,000	-11,779,600	0
Interest	1,202,837	201,322	900,133
Total Revenues	<u>\$ 129,884,140</u>	<u>\$ 106,916,533</u>	<u>\$ 106,916,533</u>
Appropriations			
Department of Public Health			
Addictive Disorders	\$ 3,178,713	\$ 2,473,823	\$ 2,473,823
Healthy Children and Families	664,262	444,217	444,217
Chronic Conditions	1,158,187	899,297	899,297
Community Capacity	2,775,635	2,448,456	2,448,456
Total Department of Public Health	<u>\$ 7,776,797</u>	<u>\$ 6,265,793</u>	<u>\$ 6,265,793</u>
Department of Human Services			
Medical Assistance	\$ 114,351,496	\$ 100,650,740	\$ 100,650,740
MH/DD Growth Factor	7,553,010	0	0
Total Department of Human Services	<u>\$ 121,904,506</u>	<u>\$ 100,650,740</u>	<u>\$ 100,650,740</u>
Total Appropriations	<u>\$ 129,681,303</u>	<u>\$ 106,916,533</u>	<u>\$ 106,916,533</u>
Deappropriation Health Insurance Study	\$ -495,974	\$ 0	\$ 0
Ending Balance	<u>\$ 698,811</u>	<u>\$ 0</u>	<u>\$ 0</u>

MH/DD = Mental Health / Developmental Disabilities

Property Tax Credit Fund

	Actual FY 2009	Estimated FY 2010	Gov. Rec. FY 2011
Resources			
Beginning Balance	\$ 6,137,043	\$ 3,833,953	\$ 12,526
Revenues			
Transfer from General Fund Surplus	99,849,544	0	0
General Fund Appropriation	44,400,000	101,395,597	91,256,037
Across-the-Board Reduction	-666,000	-10,139,560	0
Transferred to GF due to Reversion	-4,231,903	0	0
Salary Adj. Fund Transfer (Gen. Fund)	13,937,263	0	0
Cash Reserve Fund	0	54,684,481	54,684,481
Balance Adjustment	25,224	-32,541	0
Total Available Resources	<u>\$ 159,451,171</u>	<u>\$ 149,741,930</u>	<u>\$ 145,953,044</u>
Expenditures			
Appropriations			
Department of Revenue			
Homestead Property Tax Credit	99,254,781	100,658,781	90,407,718
Ag, Land & Family Farm Tax Credits	34,610,183	34,610,183	32,395,131
Military Service Tax Credit	2,800,000	2,400,000	2,370,995
Elderly and Disabled Tax Credit	23,204,000	22,200,000	20,779,200
	<u>0</u>	<u>-10,139,560</u>	<u>0</u>
Total Appropriations	<u>159,868,964</u>	<u>149,729,404</u>	<u>145,953,044</u>
Reversions	<u>-4,251,746</u>	<u>0</u>	<u>0</u>
Ending Balance	<u><u>\$ 3,833,953</u></u>	<u><u>\$ 12,526</u></u>	<u><u>\$ 0</u></u>

FY 2010 – 10.0% ACROSS-THE-BOARD (ATB) REDUCTION IMPLEMENTATION PLANS

OVERVIEW

Executive Order

Governor Culver issued Executive Order #19 on October 8, 2009, in response to the Revenue Estimating Conference (REC) estimate of declining General Fund revenues for FY 2010 and FY 2011. The Order implemented a 10.0% reduction to all FY 2010 General Fund appropriations, resulting in a reduction of \$564.4 million for Executive Branch departments and agencies. Later in October, the Legislative and Judicial Branches also announced reductions to their budgets of 10.0% (\$3.3 million) and 7.1% (\$11.4 million), respectively

Implementation Plans

Once the ATB reduction order was issued, the Governor asked all State departments and agencies to submit implementation plans outlining how the budget reductions would be absorbed. After the implementation plans were submitted, the Governor announced most of the department plans (28) had been approved as submitted. However, six plans were approved pending changes (College Student Aid Commission, Department of Education, Department of Human Services, Department of Inspections and Appeals, Department of Public Health, and Workforce Development Department) and two plans were not approved pending negotiation of union contracts (Departments of Public Safety and Corrections). The original implementation plans are summarized by subcommittee on the following pages. Revised information, where available, has been included.

Memorandum of Understanding

The Governor negotiated a memorandum of understanding (MOU) with two unions, the American Federation of State, County, and Municipal Employees (AFSCME) and the State Police Officers Council (SPOC). The MOU specifies that union members will take five furlough days (mandatory unpaid leave) in the remaining months of FY 2010. The MOU also specifies that the State (employer) match for retirement contributions will be suspended for the remainder of FY 2010. In return for this agreement, both AFSCME and SPOC received a guarantee that no union employees will face layoffs.

Layoffs

The following chart provides a comparison of the number of employee reductions (layoffs and elimination of vacant positions) as originally proposed and the revised estimated number of layoffs as a result of the MOUs. Several departments indicated that the actual number of layoffs is unknown at this time. The original plans submitted projected layoffs of approximately 883 positions. The actual number of layoffs will be considerably less because of the MOUs. Additional information about layoffs and vacant positions eliminated is included in each of the following subcommittee sections.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

Department Name	Original Plan			Revised Plan		
	Layoffs	Vacant Positions	Total	Layoffs	Vacant Positions	Total
Administrative Services	4.00	3.00	7.00	4.00	3.00	7.00
Aging	0.00	1.00	1.00	0.00	1.00	1.00
Agriculture	5.00	0.00	5.00	5.00	0.00	5.00
Attorney General	0.00	0.00	0.00	0.00	0.00	0.00
Auditor of State	0.00	0.00	0.00	0.00	0.00	0.00
Blind	0.00	0.00	0.00	0.00	0.00	0.00
Board of Parole	0.00	2.50	2.50	0.00	2.50	2.50
Civil Rights	0.00	0.00	0.00	0.00	0.00	0.00
College Student Aid Commission	0.40	0.00	0.40	0.40	0.00	0.40
Commerce - Alcoholic Beverages Division	2.00	0.00	2.00	2.00	0.00	2.00
Commerce - Professional Licensing Division	0.00	1.00	1.00	0.00	1.00	1.00
Corrections	515.00	262.00	777.00	69.00	220.00	289.00
Cultural Affairs	7.00	2.00	9.00	7.00	2.00	9.00
Economic Development	7.00	0.60	7.60	7.00	0.60	7.60
Education	13.00	18.00	31.00	3.90	19.00	22.90
Ethics and Campaign Finance Disclosure Board	1.00	0.00	1.00	1.00	0.00	1.00
Governor/Lt. Governor	0.00	2.50	2.50	0.00	2.50	2.50
Homeland Security and Emergency Mgmt. Division	0.00	0.00	0.00	0.00	0.00	0.00
Human Rights	0.00	2.00	2.00	0.00	2.00	2.00
Human Services	79.00	149.50	228.50	35.00	149.50	184.50
Inspections and Appeals	10.75	7.75	18.50	0.00	7.75	7.75
Iowa Finance Authority	0.00	0.00	0.00	0.00	0.00	0.00
Iowa Public Television (Education)	8.00	0.00	8.00	8.00	0.00	8.00
Judicial Branch	107.00	99.00	206.00	105.00	100.00	205.00
Law Enforcement Academy	0.00	2.00	2.00	0.00	2.00	2.00
Management	4.00	0.00	4.00	3.00	0.00	3.00
Natural Resources	0.00	4.00	4.00	0.00	4.00	4.00
Office of Drug Control Policy	0.00	0.00	0.00	0.00	0.00	0.00
Public Defense	0.00	0.00	0.00	0.00	0.00	0.00
Public Employment Relations Board	1.00	0.00	1.00	1.00	0.00	1.00
Public Health	7.30	8.40	15.70	4.30	8.40	12.70
Public Safety	75.00	25.00	100.00	0.00	25.00	25.00
Rebuild Iowa Office	0.00	0.00	0.00	0.00	0.00	0.00
Regents	NA	NA	NA	NA	NA	NA
Revenue	35.00	7.00	42.00	0.00	7.00	7.00
Secretary of State	0.00	0.00	0.00	0.00	0.00	0.00
Transportation	0.00	0.00	0.00	0.00	0.00	0.00
Treasurer	0.00	0.00	0.00	0.00	0.00	0.00
Veterans Affairs	2.00	0.00	2.00	1.00	0.00	1.00
Veterans Home	0.00	11.80	11.80	0.00	11.80	11.80
Vocational Rehabilitation Division (Education)	0.00	14.00	14.00	0.00	14.00	14.00
Workforce Development	0.00	1.00	1.00	0.00	1.00	1.00
TOTAL	883.45	624.05	1,507.50	256.60	584.05	840.65

NA = Not available

NOTE: This information is estimated and subject to change. Data represents headcount - some positions are part-time. The 35.0 positions shown as layoffs for Human Services in the revised column are a result of reorganization.

ADMINISTRATION AND REGULATION SUBCOMMITTEE

Department of Administrative Services

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Administrative Services, Dept. of</u>			
Administrative Services, Dept. of	\$ 5,349,232	\$ -534,923	\$ 4,814,309
Utilities	3,517,432	-390,347	3,127,085
Total Administrative Services, Dept. of	\$ 8,866,664	\$ -925,270	\$ 7,941,394

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 7.0. This includes 4.0 layoffs and 3.0 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Department of Administrative Services (DAS) is \$14.2 million. Of this total, \$5.3 million represents receipts and reimbursements from agencies, and \$8.9 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 6.5% of the total FY 2010 resources budgeted for the DAS.
- Impact to federal funds: None.
- Other impacts: Layoffs will result in the delays in issuance of 1099 tax forms, electronic fund transfers (EFTs), daily processing, and the approval in claims and issuance of warrants. Maintenance of Capitol Complex grounds identified as ceremonial space will be reduced. Major equipment and facility heating, ventilating, and air conditioning systems will be not replaced.
- Funding backfill needs and recommendations: None.
- NOTE: The ATB reduction for Utilities exceeds 10.0% because the ATB also applies to the FY 2009 carryover funds. The total reduction for Utilities is 11.1% for FY 2010.

Auditor of State

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Auditor of State</u>			
Auditor of State - General Office	\$ 905,468	\$ -90,547	\$ 814,921
Total Auditor of State	\$ 905,468	\$ -90,547	\$ 814,921

- ATB Implementation Plan: No plan required because the Auditor of State is an elected official.

Ethics and Campaign Disclosure Board

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Ethics and Campaign Disclosure</u>			
Ethics and Campaign Disclosure Board	\$ 523,000	\$ -52,300	\$ 470,700
Total Ethics and Campaign Disclosure	\$ 523,000	\$ -52,300	\$ 470,700

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 1.0. This includes 1.0 layoff.
- Portion of the FY 2010 budget funded by the General Fund: The Board receives 100.0% of its resources from the General Fund.
- Impact to federal funds: None.
- Other impacts: Audits of campaign committees will take longer to complete.
- Funding backfill needs and recommendations: None.

Department of Commerce

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Commerce, Dept. of</u>			
Alcoholic Beverages			
Alcoholic Beverages Operations	\$ 2,007,160	\$ -200,716	\$ 1,806,444
Banking Division			
Banking Division	\$ 0	\$ 0	\$ 0
Credit Union Division			
Credit Union Division	\$ 0	\$ 0	\$ 0
Insurance Division			
Insurance Division	\$ 0	\$ 0	\$ 0
Senior Health Insurance Information Program	52,253	-5,225	47,028
Health Insurance Oversight	0	0	0
Total Insurance Division	\$ 52,253	\$ -5,225	\$ 47,028
Professional Licensing and Reg.			
Professional Licensing Bureau	\$ 900,553	\$ -90,055	\$ 810,498
Utilities Division			
Utilities Division	\$ 0	\$ 0	\$ 0
Total Commerce, Dept. of	\$ 2,959,966	\$ -295,996	\$ 2,663,970

- Note: The Banking Division, Credit Union Division, Insurance Division, and Utilities Division did not receive the 10.0% ATB reduction because they do not receive General Fund appropriations. These Divisions receive appropriations from the Department of Commerce Revolving Fund established at the beginning of FY 2010. Since these Divisions are funded by their respective industries, any reduction in their appropriations would have no impact on the State's General Fund (reductions in the General Fund appropriations would result in reductions to General Fund revenues). The Senior Health Insurance Information Program (SHIIP) within the Insurance Division is not included in the Revolving Fund and was reduced by the 10.0% ATB reduction.

Alcoholic Beverages Division

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 2.0. This includes 2.0 layoffs and no vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Alcoholic Beverages Division (ABD) is \$3.5 million. Of this total, \$1.5 million represents receipts and \$2.0 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 5.7% of the total FY 2010 resources budgeted for the ABD.
- Impact to federal funds: None.
- Other impacts: Delays in issuing warrants, travel payment reimbursements, processing liquor payments, and issuing of the annual report will likely occur.
- Funding backfill needs and recommendations: None.

Professional Licensing Bureau

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 1.0. This includes no layoffs and 1.0 vacant position eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Professional Licensing Bureau (PLB) is \$2.0 million. Of this total, \$204,000 represents receipts; \$866,000 represents fees, licenses and permits; and \$1.0 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 4.5% of the total FY 2010 resources budgeted for the PLB.
- Impact to federal funds: None.
- Other impacts: The Bureau will reduce information technology costs by consolidating code rolls in their computer system. Delays may occur in approving and renewing licensing for various professions.
- Funding backfill needs and recommendations: None.

Office of the Governor and Lt Governor

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Governor</u>			
Governor/Lt. Governor's Office	\$ 2,293,857	\$ -229,386	\$ 2,064,471
Terrace Hill Quarters	438,101	-43,810	394,291
Administrative Rules Coordinator	141,297	-14,130	127,167
National Governor's Association	70,783	0	70,783
State-Federal Relations	46,620	-4,662	41,958
Total Governor	\$ 2,990,658	\$ -291,988	\$ 2,698,670

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 2.5. This includes no layoffs and 2.5 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Governor's Office is \$3.2 million. Of this total, \$0.2 million represents receipts and \$3.0 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 9.1% of the total FY 2010 resources budgeted for the Governor's Office.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- Impact to federal funds: None.
- Other impacts: The Office will reduce travel, printing, and office supplies.
- Funding backfill needs and recommendations: None.
- NOTE: The National Governor's Association line item was not decreased since the dues were already paid in full.

Governor's Office of Drug Control Policy

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Governor's Office of Drug Control Policy</u>			
Drug Policy Coordinator	\$ 348,368	\$ -34,837	\$ 313,531
Drug Task Forces	0	0	0
Total Governor's Office of Drug Control Policy	\$ 348,368	\$ -34,837	\$ 313,531

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Governor's Office of Drug Control Policy (ODCP) is \$18.0 million. Of this total, \$17.7 million represents federal funds and \$348,000 represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 1.9% of the total FY 2010 resources budgeted for the ODCP.
- Impact to federal funds: The Department has indicated that there will be no impact to federal funds.
- Other impacts: The Department has indicated that Iowans will see no reduction in applicable services.
- Funding backfill needs and recommendations: None.

Department of Human Rights

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Human Rights, Dept. of</u>			
Human Rights Administration	\$ 306,777	\$ -32,004	\$ 274,773
Deaf Services	378,792	-13,343	365,449
Asian and Pacific Islanders	133,430	-37,879	95,551
Persons with Disabilities	208,231	-20,823	187,408
Latino Affairs	178,100	-17,810	160,290
Status of Women	315,883	-31,588	284,295
Status of African Americans	166,796	-16,680	150,116
Status of Native Americans	5,352	-535	4,817
Criminal & Juvenile Justice	1,427,472	-142,747	1,284,725
Dev., Assess. & Resolution Prog.	0	0	0
Total Human Rights, Dept. of	\$ 3,120,833	\$ -313,409	\$ 2,807,424

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 2.0. This includes no layoffs and 2.0 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Department of Human Rights (DHR) is \$135.2 million. Of this total, \$132.1 million represents federal funds, including \$51.7 million for the Weatherization Program, \$31.2 million for Low-Income Energy Assistance, and \$17.0 million for Community Action Agencies; and \$3.1 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 2.3% to the total FY 2010 resources budgeted for the DHR.
- Impact to federal funds: The Department has indicated that the 10.0% ATB reduction will have no impact on federal funds.
- Other impacts: There will be a reduction in all-call maintenance for the Department's computer systems.
- Funding backfill needs and recommendations: None.

Department of Inspections and Appeals

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Inspections & Appeals, Dept. of</u>			
Administration Division	\$ 2,005,011	\$ -200,501	\$ 1,804,510
Administrative Hearings Division	677,317	-67,732	609,585
Investigations Division	1,452,962	-145,296	1,307,666
Health Facilities Division	2,235,383	-223,538	2,011,845
Employment Appeal Board	51,465	-5,147	46,318
Child Advocacy Board	2,920,367	-292,037	2,628,330
Total Inspections and Appeals, Dept. of	\$ 9,342,505	\$ -934,251	\$ 8,408,254
<u>Racing Commission</u>			
Pari-Mutuel Regulation	\$ 2,930,682	\$ -293,068	\$ 2,637,614
Riverboat Regulation	3,372,069	-337,207	3,034,862
Total Racing Commission	\$ 6,302,751	\$ -630,275	\$ 5,672,476
Total Inspections & Appeals, Dept. of	\$ 15,645,256	\$ -1,564,526	\$ 14,080,730

- ATB Implementation Plan: Approved pending changes.
- Positions Eliminated: 18.5. This includes no layoffs and 7.75 vacant positions eliminated. The Department indicated layoffs were not necessary because of the memorandum of understanding (MOU) with employee unions.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Department of Inspections and Appeals (DIA) is \$22.7 million. The total includes \$2.0 million of appropriations from other funds, \$5.1 million from federal funds, and \$15.6 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 7.0% to the total FY 2010 resources budgeted for the DIA.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- Impact to federal funds: None. The Department plans to use the Medicaid Fraud Account to offset any reductions. The Medicaid Fraud Account is funded by penalty recoveries collected by the Investigations Division. This process was codified during the 2009 Legislative Session.
- Other impacts: The reduction plan should have little impact on current inspections of food establishments. Delays may occur in the ability for the Department to provide timely hearings to people impacted by State actions. Less regulation of racing and gaming activities, such as slot machine testing, and fewer screenings of horses for performance-enhancing drugs, will occur.
- Funding backfill needs and recommendations: The Governor has recommended backfilling the Court Appointed Special Attorneys (CASA) Program in the amount of \$292,037. This amount will be offset from the Medicaid Fraud Account within the Department.

Department of Management

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Management, Dept. of</u>			
Department Operations	\$ 2,811,511	\$ -281,151	\$ 2,530,360
Total Management, Dept. of	\$ 2,811,511	\$ -281,151	\$ 2,530,360

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 3.0. This includes 3.0 layoffs and no vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Department of Management (DOM) is \$3.1 million. Of this total, \$56,000 represents an appropriation from the Road Use Tax Funds, \$200,000 represents one-time federal ARRA stimulus funds for operation costs, and \$2.8 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 9.1% to the total FY 2010 resources budgeted for the DOM.
- Impact to federal funds: None.
- Other impacts: The reduction will delay enhancements to local government projects including web and desktop applications.
- Funding backfill needs and recommendations: None.

Department of Revenue

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Revenue, Dept. of</u>			
Revenue, Department of	\$ 25,254,688	\$ -2,525,469	\$ 22,729,219
School Infrastructure Transfer	0	0	0
Total Revenue, Dept. of	\$ 25,254,688	\$ -2,525,469	\$ 22,729,219

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 42.0. This includes no layoffs and 7.0 vacant positions eliminated. The Department indicated layoffs will no longer be necessary because of the memorandum of understanding (MOU) with employee unions.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Department of Revenue is \$44.1 million. Of this total, \$1.3 million represents an appropriation from the Motor Fuel Tax Administration, \$18.9 million represents receipts, and \$25.3 million represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 5.7% to the total FY 2010 resources budgeted for the Department of Revenue.
- Impact to federal funds: None.
- Other impacts: The Department will eliminate all use of outside data entry. This will cause delays in the processing of tax returns and issuance of refunds. The remaining FY 2010 budget for computer hardware and software will be eliminated leaving the Department with no funds available in the event of equipment failure.
- Funding backfill needs and recommendations: None.

Secretary of State

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Secretary of State</u>			
Admin/Elections/Voter Registration	\$ 0	\$ 0	\$ 0
Secretary of State-Business Services	3,217,317	-321,732	2,895,585
Total Secretary of State	\$ 3,217,317	\$ -321,732	\$ 2,895,585

- ATB Implementation Plan: No plan required because the Secretary of State is an elected official.

Treasurer of State

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Treasurer of State</u>			
Treasurer - General Office	\$ 949,210	\$ -94,921	\$ 854,289
Total Treasurer of State	\$ 949,210	\$ -94,921	\$ 854,289

- ATB Implementation Plan: No plan required because the Treasurer of State is an elected official.

Rebuild Iowa Office

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Rebuild Iowa Office</u>			
Rebuild Iowa OR50	\$ 198,277	\$ -19,828	\$ 178,449
Total Rebuild Iowa Office	\$ 198,277	\$ -19,828	\$ 178,449

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 0.0.
- Portion of the FY 2010 budget funded by the General Fund: The estimated FY 2010 budget for the Rebuild Iowa Office (RIO) includes federal funds of \$1.1 million. Total budgeted revenue for the

Department is estimated at \$1.2 million, including the 10.0% ATB reduction. Dividing the 10.0% reduction by the total FY 2010 revenue budget (\$1.2 million) represents a 1.7% decrease. The estimated FY 2010 expenditure budget prior to adjustments to accommodate the 10.0% ATB is \$1.3 million. This is a \$0.1 million shortfall for FY 2010.

- Portion of the FY 2010 budget funded by the General Fund: The FY 2010 budgeted revenue for the Rebuild Iowa Office (RIO) is \$1.3 million. Of this total, \$1.1 million represents federal funds and \$200,000 represents the original General Fund appropriation. The 10.0% ATB reduction results in a net reduction of 1.5% to the total FY 2010 resources budgeted for the RIO.
- Impact to federal funds: None
- Other impacts: The Department will utilize conference calls and internet meetings while increasing reliability on email and reducing printed materials.
- Funding backfill needs and recommendations: None.

AGRICULTURE AND NATURAL RESOURCES SUBCOMMITTEE

Department of Agriculture and Land Stewardship

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Agriculture and Land Stewardship</u>			
Administrative Division	\$ 18,747,009	\$ -1,874,701	\$ 16,872,308
Chronic Wasting Disease	0	0	0
Regulatory Dairy Products	0	0	0
Avian Influenza	0	-18,077	-18,077
Apiary Program	0	0	0
Gypsy Moth Control - GF	0	0	0
Emerald Ash Borer Public Awareness	0	0	0
Soil Commissioners Expense	0	0	0
Sr. Farmers Market Program	0	0	0
Emergency Veterinarian Rapid Response	0	0	0
Organic Agricultural Products	0	0	0
Grape & Wine Development Fund	0	0	0
Farm to School Program	0	0	0
Total Agriculture and Land Stewardship	\$ 18,747,009	\$ -1,892,778	\$ 16,854,231

- ATB Implementation Plan: A plan was presented on December 2, 2009, that included the following reductions:
 - \$90,000 from the Iowa Farmers Market Nutrition Program.
 - \$20,000 from the Farm to School Program.
 - \$34,000 reduction in reimbursement for expenses to District Soil and Water Commissioners.
 - \$25,000 cut to Emerald Ash Borer (EAB) and Gypsy Moth eradication Programs
 - \$112,000 for 12 furlough days for the Department's 38.0 noncontract FTE positions.
- Positions Eliminated: 5.0. This includes 5.0 layoffs with total General Fund savings of \$212,000.
- Portion of the FY 2010 budget funded by the General Fund: The Department has a budget of approximately \$30.1 million in FY 2010 prior to the 10.0% across-the-board reduction. Of this total, \$18.8 million (62.2%) comes from General Fund appropriations. The remaining revenue comes from federal funds, other fund appropriations, and fees. The Department has budgeted \$28.2 million (93.6% of total revenues) for general operations for FY 2010 (salaries and benefits, travel, supplies, equipment, advertising, and outside contracts). The Department has budgeted \$1.9 million (6.4%) for State aid.
- Impact to federal funds: Undetermined. The following is a list of the federal programs included in the Administrative Division's estimated FY 2010 budget that are over \$100,000:
 - \$756,000 for Plant and Animal Disease and Pest Control.

- \$610,000 for Market Protection and Promotion.
- \$109,000 for Specialty Crop Block Grant Program.
- \$1.8 million for Meat and Poultry Inspection.
- \$1.1 million for Farmer's Market Nutrition Program.
- \$841,000 for Performance Partnership Grants.
- Other areas that are budgeted for federal funding include: Abandoned Mines Land Grants at \$450,000, Pseudorabies at \$340,000, and Abandoned Mines Reclamation Fund at \$1.4 million.
- Other impacts: To address previous budget reductions, the Department implemented three permanent layoffs and mandatory leave without pay for 38.0 FTE positions that are noncontract employees. The Department has a voluntary leave without pay option for all employees. The reduction of employees and the number of hours worked will cause delays in services provided.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$561,000 was transferred from the General Fund to pay for salaries and operations for FY 2010.

Department of Natural Resources

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Natural Resources, Dept. of</u>			
Natural Resources Operations	\$ 17,742,678	\$ -1,774,268	\$ 15,968,410
Redemption Center	0	-8,843	-8,843
Supplemental to Fish & Wildlife Trust Fund - GF	0	0	0
Total Natural Resources, Dept. of	\$ 17,742,678	\$ -1,783,111	\$ 15,959,567

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 4.0. This includes no layoffs and 4.0 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: The Department has a budget of approximately \$121.6 million in FY 2010 prior to the 10.0% across-the-board reduction. Of this total, \$17.7 million (14.6%) comes from General Fund appropriations. The remaining revenue comes from federal funds, other fund appropriations, and fees. The Department has budgeted \$119.6 million (98.4% of total revenues) for general operations for FY 2010 (salaries and benefits, travel, supplies, equipment, advertising, and outside contracts). The Department has budgeted \$2.0 million for reimbursements (1.6%)
- Impact to federal funds: Undetermined. The following is a list of the federal programs included in the Natural Resources Operations' estimated FY 2010 budget that are over \$100,000:
 - \$1.2 million for Cooperative Forestry Assistance.
 - \$433,000 for Fish Restoration.
 - \$329,000 for Highway Research, Planning, and Construction.
 - \$497,000 for Title VI Revolving Loan Fund.
 - \$20.8 million for consolidated Environmental Programs.

- \$341,000 for Disaster Assistance.
- Other areas that are budgeted for federal funds include: Snowmobile Fund at \$90,000; Resource Enhancement and Protection Fund at \$350,000; Fish and Wildlife Trust Fund at \$11.0 million; Federal Funds Pass Through at \$1.6 million; and Marine Fuel Tax Capitals Fund at \$400,000.
- Other impacts:
 - Savings = \$686,000. Portions of State Parks will be closed and closing entire State Parks may be necessary if additional budget reductions are required. Seasonal employees will be reduced as well as maintenance at State Parks.
 - Savings = \$271,000. The DNR is moving 2.0 FTE positions in the Air Quality Bureau from the Minor Source Emissions Inventory Program to the Major Source Emissions Inventory Program.
 - Savings = \$218,000. The Montrose State Nursery will be closed and equipment purchases will be delayed.
 - Savings = \$144,000. The DNR is moving 2.0 FTE positions from the Animal Feeding Operations Field Staff to federally funded wastewater and drinking water compliance activities. The DNR is discontinuing on-site inspections for Manure Management Plans.
 - Savings = \$92,000. The DNR is reducing water quality monitoring sampling and data analysis. This information is used to support decision making regarding permits, rules, and standards.
 - Savings = \$85,000. The workload for staff in the Geographic Information Systems (GIS) will include federally funded watershed improvement programs and the Floodplain Program funded with infrastructure funds.
 - Savings = \$84,000. Adjust 1.0 FTE position funded by the General Fund wastewater construction permit engineering activities to federal State Revolving Fund (SRF) engineering.
 - Savings = \$77,000. Reduce Department travel expenditures.
 - Savings = \$58,000. Reduce purchase of information technology products and maintenance.
 - Savings = \$46,000. Cancel hydrogeology and environmental studies that include drilling contract work. This will delay in the collection of geological information needed for long-term environmental and resource needs.
 - Savings = \$15,000. The DNR has a voluntary leave without pay program. Employees can volunteer to take time off without pay.
 - The Department is meeting with the federal Environmental Protection Agency (EPA) to reduce the required match needed for the Air Quality Program. A meeting was held with personnel from EPA Region 7 on November 17, and the Department will submit a report with budget reductions to the EPA in November.
- Funding backfill needs: None.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$273,000 was transferred from the DNR from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

Board of Regents

<u>Regents, Board of</u>	<u>Estimated FY 2010</u>	<u>ATB Reduction FY 2010</u>	<u>Est Net FY 2010</u>
ISU - Veterinary Diagnostic Laboratory	\$ 3,826,993	\$ -382,699	\$ 3,444,294
Total Regents, Board of	\$ 3,826,993	\$ -382,699	\$ 3,444,294

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. No positions have been eliminated but furloughs are being implemented to reduce operating costs. This may delay the processing of diagnostic tests.
- Portion of the FY 2010 budget funded by the General Fund: The Veterinary Diagnostic Laboratory (VDL) is funded by the General Fund.
- Impact to federal funds: None. The VDL does receive grants from the U.S. Department of Agriculture (USDA) to fund diagnostic services conducted for the USDA through cooperative agreements.
- Other impacts: Core functions and services are still being provided by the VDL, however, expenditures on new technology and other operating expenditures are being delayed.
- Funding backfill needs and recommendations: None.
- Notice of Appropriation Transfer – On December 23, 2009, LSA received notice that \$4,000 was transferred from the ISU Veterinary Diagnostic Laboratory from furlough and deferred compensation savings to the General Fund to implement the Governor's recommendation to backfill funds reduced due to the 10.0% across-the-board reduction implemented on October 9, 2009.

ECONOMIC DEVELOPMENT SUBCOMMITTEE

Department of Cultural Affairs

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Cultural Affairs, Dept. of</u>			
Cultural Affairs, Dept. of			
Administration Division	\$ 235,632	\$ -23,563	\$ 212,069
Community Cultural Grants	279,159	-5,659	273,500
Historical Division	3,550,119	-355,012	3,195,107
Historic Sites	547,845	-54,785	493,060
Arts Division	1,137,458	-113,746	1,023,712
Great Places	248,060	-33,191	214,869
Archiving Former Governor's Papers	77,936	-7,794	70,142
Records Center Rent	222,018	-22,202	199,816
Hist. Resource Dev. Emerg. Grants	0	0	0
Iowa Cultural Caucus	0	0	0
Total Cultural Affairs, Dept. of	\$ 6,298,227	\$ -615,952	\$ 5,682,275

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 9.0. This includes 7.0 layoffs and 2.0 vacant positions eliminated. Furloughs: The savings from five furlough days for contract employees will be approximately \$54,943 from the General Fund and \$71,284 from all funds. The savings from seven days for noncontract employees will be approximately \$29,576 from the General Fund and \$30,005 from all funds. The total savings will be approximately \$84,519 from the General Fund and \$101,289 from all funds.
- The FY 2010 budget funded by the General Fund is as follows:
 - Administration Division – 97.3%
 - Community Cultural Grants – 100.0%
 - Historical Division – 71.4%
 - Historic Sites – 100.0%
 - Arts Division – 50.2%
 - Great Places – 71.9%
 - Archiving Former Governor's Papers – 100.0%
 - Records Center Rent – 100.0%
- Impact to federal funds: None.
- Other impacts:
 - Administration Division – The Division will reduce equipment upgrades, and equipment and vehicle replacement will be delayed. Outreach by the Director will be reduced.

- Community Cultural Grants – Grant review will be assigned to the Great Places funding.
- Historical Division – The Division will suspend intake of records from agencies to the State Records Center and provide retrievals by limited appointment. The Division will reduce hours of "through the door" access at two libraries to allow staff to perform other duties. The Division will also suspend microfilming of weekly Iowa newspapers and reduce library acquisitions, creating a gap in historical reference materials in the future. Other reductions include: closing the gift shops at the Historical Building and the Western Trails Center, reduction of the National History Day Program, suspension of work on some museum collection areas and exhibits.
- Historic Sites – Personal services will be reduced by approximately \$66,000 and result in significant changes in public access at historic sites.
- Arts Division – The Division will make 36.00-40.00% reductions in three grant programs: Big Yellow School Bus, EZ 1-2-3, and IAC Mini Project Grants. The Division will also reduce or eliminate planned workshops and conferences, statewide arts promotion, and development of curriculum materials. Personal services will be reduced by approximately \$20,000, decreasing local technical assistance and information.
- Great Places – Coaching, support, and tourism promotion for Great Places will be reduced.
- Archiving Former Governor's Papers – The reduction may be offset by the use of other grant funds to continue efforts on selected documents during FY 2010.
- Records Center Rent – The option of renegotiating or terminating the lease for the Records Center will continue to be explored to reduce the rent or move the documents to another less expensive location.
- Funding backfill needs and recommendations: None.
- NOTE: The ATB reduction does not equal 10.0% of FY 2010 for the following appropriations:
 - Community Cultural Grants – The ATB is 2.0% because the appropriation was expended for state aid prior to the ATB.
 - Great Places – The ATB is 13.4% due to the inclusion of \$83,850 of carryover funds.

Department of Economic Development

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Economic Development, Dept. of</u>			
Economic Dev. Administration	\$ 2,044,671	\$ -218,625	\$ 1,826,046
Business Development	5,965,227	-618,691	5,346,536
Community Development Division	5,833,379	-769,462	5,063,917
World Food Prize	750,000	0	750,000
Historic Preservation Challenge Grants	184,195	-18,420	165,775
Iowa Comm. Volunteer Ser.-Promise	125,000	-12,500	112,500
Center for Citizen Diplomacy	0	0	0
TSB Marketing and Compliance	0	-9,457	-9,457
TSB Process Improvement & Admin.	0	-20,358	-20,358
TSB Advocacy Centers	0	-79,308	-79,308
Total Economic Development, Dept. of	\$ 14,902,472	\$ -1,746,821	\$ 13,155,651

- ATB Implementation Plan. Approved as submitted.
- Positions Eliminated: 7.6. This includes 7.0 layoffs and 0.6 vacant position eliminated. The savings from five furlough days for contract employees will be approximately \$13,088 from the General Fund and \$19,605 from all funds. The savings from seven furlough days for noncontract employees will be approximately \$193,716 from the General Fund and \$276,652 from all funds. The total savings will be approximately \$206,804 from the General Fund and \$296,257 from all funds.
- The percent of the FY 2010 budget funded by the General Fund is as follows:
 - Administration – 75.5%
 - Business Development – 60.2%
 - Community Development Division – 44.5%
 - World Food Prize – 100.0%
 - Historic Preservation Challenge Grants – 100.0%
 - Iowa Commission on Volunteer Service – 100.0%
 - Targeted Small Business (TSB) Marketing and Compliance – 100.0%
 - TSB Process Improvement and Administration – 100.0%
 - TSB Advocacy Centers – 100.0%
- Impact to federal funds: Yes. The ATB reduction will result in a loss of \$52,500 of federal funds under the Community Development Block Grant Program and \$18,420 for preservation grants.
- Other impacts:
 - Administration – The ATB reduction diminishes the ability to provide management, accounting, compliance, technical, and communication services to internal and external customers.

- Business Development – Thirty Iowa companies will not be provided the opportunity to expand their sales in foreign markets via the Export Trade Assistance Program. There will be less follow-up with business clients seeking to expand or relocate their operations in Iowa and subsequently the turnaround time for bringing staff-approved job creation projects to the Iowa Department of Economic Development (IDED) Board for their review and approval will increase. Day-to-day maintenance of operations will be diminished and marketing targeted at foreign direct investment along with subsequent investment opportunities will be reduced.
- Community Development Division – The amount of Travel Guides will be reduced by 20.0%. The Cooperative Advertising Program will be impacted along with other consumer publication ad placement. The Iowa State Fair give-away campaign will be eliminated and the new Stretch Your Fun Campaign will be postponed. The ATB reduction will also reduce the Agency's access to potential new federal funds by \$52,500 under the Community Development Block Grant Program. Two to five projects that assist Iowa communities and organizations with business development, housing strategies, and enhance community and local government service delivery, will not be completed with support of the Community Development Fund. Technical assistance to Main Street communities will be decreased by 67.0%. This assistance provides guidance and training in areas including real estate development, business retention and recruitment, sustainability practices, and historic preservation.
- Historic Preservation Challenge Grants – State aid for preservation will be reduced by a total of \$36,840 from all funds. This will reduce the amount of technical assistance in Main Street communities for business and real estate development, design assistance for downtowns, and sustainable development practices and strategies.
- Iowa Commission on Volunteer Service – Training and development of mentoring relationships at various organizations throughout the State will be limited.
- TSB Marketing and Compliance – Funding options are being explored to replace funding of \$9,457 to maintain compliance with statewide TSB purchasing goals.
- TSB Process Improvement and Administration – The ability to successfully market the Targeted Small Business Program will be limited.
- TSB Advocacy Centers - Technical assistance to prevent business failures will be limited.
- Funding backfill needs and recommendations: None.
- NOTE: The ATB reduction does not equal 10.0% of FY 2010 for the following appropriations:
 - Administration - The ATB is 10.7% due to the inclusion of \$141,581 of carryover funds.
 - Business Development – The ATB is 10.4% due to the inclusion of \$ 221,683 of carryover funds.
 - Community Development Division – The ATB is 13.2% due to the inclusion of \$1,861,246 of carryover funds.
 - World Food Prize – The ATB is 0.0% because the appropriation was expended for state aid prior to the ATB.
 - TSB Process Marketing and Compliance – The ATB includes \$94,573 of carryover funds.
 - TSB Process Improvement and Administration – The ATB includes \$203,581 of carryover funds.
 - TSB Advocacy Centers – The ATB includes \$793,082 of carryover funds.

Iowa Finance Authority

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Iowa Finance Authority</u>			
Council on Homelessness	\$ 5,000	\$ -500	\$ 4,500
Total Iowa Finance Authority	\$ 5,000	\$ -500	\$ 4,500

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 0.0. The savings for five furlough days for contract employees will be approximately \$98,595 from all funds. The savings for seven furlough days for noncontract employees will be approximately \$52,193 from all funds. The total savings will be approximately \$150,787 from all funds.
- Percent of the FY 2010 budget funded by the General Fund is 100.00%.
- Impact to federal funds: None.
- Other impacts: A portion of the reduction to the director's salary will be used as replacement funding.
- Funding backfill needs and recommendations: None.

Iowa Workforce Development

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Iowa Workforce Development</u>			
IWD - Labor Services Division	\$ 3,851,643	\$ -456,203	\$ 3,395,440
IWD - Workers' Comp Division	2,884,187	-288,419	2,595,768
IWD Operations - Field Offices	12,010,167	-1,214,693	10,795,474
Offender Reentry Program	367,447	-45,186	322,261
Security Employee Training Program	15,000	-1,967	13,033
Statewide Standard Skills Assessment	0	-33,699	-33,699
Employee Misclassification	500,000	-50,000	450,000
Total Iowa Workforce Development	\$ 19,628,444	\$ -2,090,167	\$ 17,538,277

- ATB Implementation Plan: Approved pending changes.
- Positions Eliminated: 1.0. This includes no layoffs and 1.0 vacant positions eliminated. The savings from five furlough days for contract employees will be approximately \$83,359 from the General Fund and \$894,535 from all funds. The saving from seven furlough days for noncontract employees will be approximately \$17,615 from the General Fund and \$186,732 from all funds. The total savings will be approximately \$100,974 from the General Fund and \$1,081,266 from all funds.
- The FY 2010 budget funded by the General Fund is as follows:
 - Labor Services Division – 50.7%
 - Workers' Compensation Division – 69.2%

- Operations - Field Offices – 98.8%. This excludes \$6,500,000 from Unemployment Insurance Interest and includes the \$250,000 transfer to the Department of Management.
- Offender Reentry Program – 79.2%
- Security Employee Training Program – 57.4%
- Statewide Standard Skills Assessment – 37.8%
- Employee Misclassification – 64.3%
- Impact to federal funds. None.
- Other impacts:
 - Labor Services Division – Unobligated funds carried forward from FY 2009 will be reverted to the General Fund. The amount brought forward was \$710,385 and the portion unobligated has not been established. Inflatable amusement rides will no longer be safety inspected. Inspectors will be reassigned from General Fund funded positions to Revolving Fund funded positions and perform elevator inspections.
 - Workers' Compensation Division – A vacant deputy commissioner position will be held open. The workload will be assumed by other commissioners. A deputy commissioner will be moved to a position funded by Unemployment Insurance for nine months. Work will be assumed by other deputy commissioners. Postage savings will be generated by converting from paper documents for orders and decisions to emailed documents. It is anticipated that filing fees for workers' compensation cases will be increased.
 - Operations - Field Offices –
 - The \$160,000 General Fund appropriation for New Iowan Centers will be reverted to the General Fund and replaced with federal Wagner Peyser funding with no impact on services for FY 2010.
 - Approximately \$600,000 will be reverted to the General Fund and replaced with federal Wagner Peyser and Unemployment Insurance contingency funds. These federal funds have grown as a result of the increases in unemployment. If service levels are to be maintained, the reverted funding will be needed in future years when unemployment returns to normal levels and federal funds are reduced. This change will not impact services in FY 2010.
 - The director's salary will be decreased by 10.00%.
 - Purchases of office equipment funded by the General Fund will be reduced. Existing equipment will be retained and repaired as necessary.
 - Field staff travel to the State Employers Council of Iowa board meetings in Des Moines will be eliminated. All attendance will be via electronic means.
 - Cell phones and cell phone usage will be reduced. This will have a minimal impact on staff efficiency by reducing immediate access to voice and data in FY 2010.
 - Reduce field remote security access to information systems by eliminating access equipment to all except essential personnel. This will have a minimal impact on services for FY 2010.
 - Reduce paper and use electronic means to distribute announcements of job opening and career events.

- All job vacancies will be held open for a minimum of 90 days. The impact on services will vary depending on the location, job duties, and responsibilities of the position.
- Offender Reentry Program – The carryover balance of \$84,186 will be used to compensate for the ATB reduction of \$45,186.
- Security Employee Training Program – Training sessions for security personnel will be discontinued after November 2009.
- Statewide Standard Skills Assessment – The funding level for Region 10 (Cedar Rapids) and Region 11 (Des Moines) will be reduced with minimal impact on services.
- Employee Misclassification – Unemployment Insurance auditors will assist in misclassification audit field work through performance of their normal duties, reducing the amount required in the misclassification budget. The work continues to count toward meeting Unemployment Insurance field audit goals as well.
- Funding backfill needs and recommendations: Yes. Funds of \$100,000 may be reallocated for the inspection of inflatable amusement devices.
- NOTE: The ATB reduction does not equal 10.0% of FY 2010 for the following appropriations:
 - Labor Services Division – The ATB is 11.8% due to the inclusion of \$710,385 of carryover funds.
 - Operations - Field Offices - The ATB is 10.1% due to the inclusion of \$136,763 of carryover funds.
 - Offender Reentry Program – The ATB is 12.3% due to the inclusion of \$84,413 of carryover funds.
 - Statewide Standard Skills Assessment – The ATB includes \$336,990 of carryover funds.
 - Security Employee Training Program – The ATB is 13.1% due to the inclusion of \$4,668 of carryover funds.

Public Employment Relations Board

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Public Employment Relations Board</u>			
PER Board - General Office	\$ 1,168,781	\$ -116,878	\$ 1,051,903
Total Public Employment Relations Board	\$ 1,168,781	\$ -116,878	\$ 1,051,903

- ATB Implementation Plan: Approved as submitted. The plan included the addition of fees. Since the original plan was submitted, the Board has decided not to implement the fees. As a result, one layoff will be necessary.
- Positions Eliminated: 1.0. This includes one layoff as a result of not implementing the fees. The savings from 21 furlough days for all noncontract Board Members (3) and Administrative Law Judges (4) and 10 days for two secretaries will be approximately \$67,600 from the General Fund after a third secretary is laid off.
- The percent of the FY 2010 budget funded by the General Fund is 98.1%.
- Impact to federal funds: None.

- Other impacts: The reductions could cause delays in case processing, decision writing, and responding to requests for information from the public. If an administrative law judge position is reduced or eliminated, in addition to the clerical staff position, it may not be possible for the Board to hear cases if two of the three remaining judges are tainted by prior contact with the parties. Board members and professional staff will take 21 days of unpaid leave and the two secretaries will take 10 days of unpaid leave (this includes the seven days mandated by the Governor).
- Funding backfill needs and recommendations. Yes. The prior proposal by the Board to implement fees would increase revenue by an estimated \$72,500.

Board of Regents

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Regents, Board of</u>			
ISU - Economic Development	\$ 2,751,092	\$ -275,109	\$ 2,475,983
SUI - Economic Development	247,080	-24,708	222,372
UNI - Economic Development	539,638	-53,964	485,674
Total Regents, Board of	\$ 3,537,810	\$ -353,781	\$ 3,184,029

- ATB Implementation Plan: Approved as submitted. The plan was approved by the Board of Regents.
- Positions Eliminated: Unknown at this time. This information has not yet been provided by the Board of Regents. Personal Services are estimated to be \$213,463 for the University of Iowa, \$2,041,589 for Iowa State University, and \$482,252 for the University of Northern Iowa.
- The percent of the FY 2010 budget funded by the General Fund is 100.00%.
- Impact to federal funds: None. Iowa State University uses \$994,000 of their appropriation to match federal funds.
- Other impacts: The reductions could reduce the amount of research and the number of new businesses. It could also reduce support for small business.
- Funding backfill needs and recommendations: None.

EDUCATION SUBCOMMITTEE

Department of the Blind

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Blind, Dept. of the</u>			
Department of the Blind	\$ 2,258,072	\$ -225,807	\$ 2,032,265
Total Blind, Dept. of the	\$ 2,258,072	\$ -225,807	\$ 2,032,265

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None.
- Portion of the FY 2010 budget funded by the General Fund. Sources of funding include:
 - State and federal funding – The Department’s State funding serves as a match for federal funding at an approximate ratio of 21/79, and a majority of the Department’s budget is federally funded.
 - Gifts and bequests – Donated funds and the interest earned on them are used primarily for emergency nonrecurring needs of blind Iowans that cannot be funded by other means. Use of the donated funds large requests or for routine operating costs requires the approval of the Commission for the Blind.
 - Transfers from other State agencies – These come primarily from the Department of Education and are generally in exchange for transcribing information into alternative media for the visually impaired.
 - Sales – The Department sells specialized equipment to blind Iowans.
- Impact to federal funds: Yes. The across-the-board reduction will result in the loss of at least \$834,000 in federal Vocational Rehabilitation funds. In addition, the Department will be in violation of the maintenance of effort (MOE) requirements for the funds. This could result in an additional loss of funding. The Department is in the process of applying for a waiver of the MOE requirements.
- Other impacts: The Department will eliminate staff overtime and discontinue temporary staff help. This will delay the provision of services to consumers. Support will be discontinued for the Newslane service that provides access to newspapers and periodicals. Routine building maintenance and technology projects will be delayed. Selected staff training will be eliminated.

The Department has approximately \$3.0 million in a reserve fund that it is using to maintain services during the economic downturn. These are federal funds received under the Federal Stimulus Program, as well as reimbursements from the Social Security Administration earned when clients become employed and begin at or above a certain wage amount.

- Funding backfill needs and recommendations: None.

College Student Aid Commission

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>College Aid Commission</u>			
College Aid Commission	\$ 349,381	\$ -34,938	\$ 314,443
Iowa Grants	981,743	0	981,743
DSM University-Osteopathic Loans	91,668	0	91,668
DSM University-Physician Recruit.	312,821	-31,282	281,539
National Guard Benefits Program	3,499,545	-423,762	3,075,783
Teacher Shortage Forgivable Loan	438,282	-43,828	394,454
All Iowa Opportunity Scholarships	2,502,537	-250,254	2,252,283
Nurse & Nurse Educator Loan Program	90,293	-9,029	81,264
Barber & Cosmetology Tuition Grant Program	45,834	0	45,834
College Work Study	0	0	0
Tuition Grant Program-Standing	47,213,069	-4,721,307	42,491,762
Tuition Grant - For-Profit	4,988,561	-498,856	4,489,705
Vocational Technical Tuition Grant	2,512,958	-251,296	2,261,662
Washington DC Internships	0	0	0
All Iowa Opportunity Foster Care Grant Program	687,510	-68,751	618,759
Total College Aid Commission	\$ 63,714,202	\$ -6,333,303	\$ 57,380,899

- ATB Implementation Plan: Approved pending changes.
- Positions Eliminated: 0.4. The FTE positions under the State appropriated programs will be reduced from 4.4 to 4.0 FTE positions. Responsibilities for 6 positions were adjusted to permit funding from non-General Fund sources.
- Portion of the FY 2010 budget funded by the General Fund: The Commission has a budget of approximately \$205.3 million in FY 2010 prior to the 10.0% across-the-board reduction. Of this total, \$57.4 million (28.0%) comes from General Fund appropriations. The remaining revenue comes from fees for various loan management and maintenance services, account maintenance fees, and federal funds. The Commission has budgeted \$13.2 million (6.3% of total revenues) for general operations for FY 2010, i.e., for salaries and benefits, travel, supplies, equipment, advertising, and outside contracts. This includes a General Fund appropriation for administration of \$314,000 (0.6% of the total General Fund appropriations). The Commission has budgeted \$139.2 million (67.8%) for various student aid and loan programs; \$34.7 million (16.9%) is carried forward; and the remaining \$18.2 million (8.9%) is involved in transfers and refunds.
- Impact to federal funds: Yes. After the across-the-board reduction, the Commission may not meet the maintenance of effort requirements for the federal Leveraging Educational Assistance Program (LEAP) or the match requirements for the federal Supplemental Leveraging Educational Assistance Program (SLEAP). This would result in the loss of \$743,000 in federal funding for a program that serves approximately 2,590 students. The average reduction in awards would be approximately \$290 per student.
- Other impacts: Under the Governor's proposal, four programs would have reductions totally restored, and the National Guard Benefits Program would have funding partially restored with transfers from other funds. Five budget units would have their General Fund appropriations

reduced by the full 10.0%. The following table describes the reductions and impact on these five programs.

<u>Program</u>	<u>Reduction</u>	<u>Impact</u>
National Guard Educational Assistance Program	\$ 182,642	Reduce grant awards or limit number of eligible Guard members.
Des Moines University-Physician Recruitment	31,282	Eliminate assistance for one physician.
Iowa Tuition Grant Program – Not-For-Profit Institutions	4,721,307	Reduce awards by approximately \$450 for 14,750 students.
Iowa Tuition Grant Program – For-Profit Institutions	498,856	Reduce awards by approximately \$200 for 2,980 students.
All Iowa Opportunity Foster Care Grant Program	68,751	The appropriation after the reduction is still greater than FY 2009 and awards can still be made.
College Student Aid – Administration	34,938	Shift responsibilities for 6 positions (0.4 FTE positions) to non-General Fund sources.
Total	\$ 5,537,776	

- Funding backfill needs and recommendations: Yes – for five programs. The Governor is recommending transferring funds from the Teacher Forgivable Loan Repayment Fund (\$44,000), the Nurse Forgivable Loan Repayment Fund (\$9,000), and the Scholarship and Tuition Grant Reserve Fund (\$743,000) to backfill the reductions to the Teacher Shortage Loan Forgiveness Program (\$44,000), the Registered Nurse and Nurse Educator Loan Forgiveness Program (\$9,000), the All Iowa Opportunity Scholarship Program (\$250,000), Iowa Vocational-Technical Tuition Grant Program (\$251,000), and the National Guard Educational Assistance Program (\$241,000).
- NOTE: The Commission’s reduction is \$38,000 less than the specified 10.0%. The appropriated funds had already been expended for the Barber and Cosmetology Arts and Sciences Tuition Grant, the Osteopathic Forgivable Loan Program, and the Iowa Grant Program, so the ATB reduction was not applied to those Programs.

Department of Education

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Education, Dept. of</u>			
Education, Dept. of			
Administration	\$ 8,073,976	\$ -807,398	\$ 7,266,578
Vocational Education Administration	582,755	-58,276	524,479
State Library	1,748,500	-174,850	1,573,650
State Library - Enrich Iowa	1,796,081	-179,608	1,616,473
State Library - Library Service Areas	1,562,210	-156,221	1,405,989
Vocational Education Secondary	2,696,921	-269,692	2,427,229
Food Service	2,266,069	-226,607	2,039,462
Early Child - Comm. Empowerment Gen. Aid	7,477,675	-747,768	6,729,907
Early Child - Family Support & Parent Ed.	15,214,551	-1,521,455	13,693,096
Early Child - Early Care, Health & Ed.	0	-54,595	-54,595
Early Child - Spec. Ed. Services Birth to 3	1,554,304	-155,430	1,398,874
Early Child - Voluntary Preschool	11,538,863	-1,194,569	10,344,294
Nonpublic Textbook Services	625,634	-62,563	563,071
Administrator Mentoring	225,733	-22,573	203,160
Model Core Curriculum	1,979,540	-197,954	1,781,586
Student Achievement/Teacher Quality	7,614,750	-892,428	6,722,322
Community Colleges General Aid	158,678,501	-15,867,850	142,810,651
Community College Salaries - Past Years	916,680	-91,668	825,012
Jobs For America's Grads	600,000	-60,000	540,000
Senior Year Plus	0	-140,566	-140,566
Community College Interpreters for Deaf	200,000	-20,000	180,000
Private Instruction	0	0	0
Educational Expenses for American Indians	100,000	-10,000	90,000
K-12 Management Information System	230,000	-23,000	207,000
Empowerment Preschool Tuition Assistance	8,772,150	-877,215	7,894,935
Total Education, Dept. of	\$ 234,454,893	\$ -23,812,286	\$ 210,642,607
Vocational Rehabilitation			
Vocational Rehabilitation	\$ 5,155,508	\$ -515,551	\$ 4,639,957
Independent Living	51,075	-5,108	45,967
Farmers with Disabilities	108,000	0	108,000
Entrepreneurs with Disabilities Program	180,590	-18,059	162,531
Independent Living Center Grant	50,000	-5,000	45,000
Total Vocational Rehabilitation	\$ 5,545,173	\$ -543,718	\$ 5,001,455
Iowa Public Television			
Iowa Public Television	\$ 8,971,682	\$ -897,168	\$ 8,074,514
Regional Telecom. Councils	1,232,071	-123,207	1,108,864
Total Iowa Public Television	\$ 10,203,753	\$ -1,020,375	\$ 9,183,378
Total Education, Dept. of	\$ 250,203,819	\$ -25,376,379	\$ 224,827,440

- ATB Implementation Plans: Approved as submitted.
- Positions Eliminated – Department of Education = 31.0 FTE positions. This includes 13.0 layoffs and 18.0 vacant positions eliminated. The Department indicated that the number of layoffs will be reduced to 3.9 positions and the number of vacant positions eliminated will increase to 19.0 positions, as result of the memorandum of understanding (MOU) with the employee unions.
- Positions Eliminated – Vocational Rehabilitation = 14.0 vacant FTE positions.
- Positions Eliminated – Iowa Public Television = 8.0 FTE positions through layoffs.
- Portion of the FY 2010 budget funded by the General Fund:
 - Department of Education – A majority of the Department’s budget is federally funded (approximately 70.0%). State funding serves as a match for some of those funds (see below). The Department’s revenue from fees and reimbursements from other agencies is minimal. The Board of Educational Examiners receives no State support and is completely fee-supported.
 - Vocational Rehabilitation – State funding serves as a match for federal funding at an approximate ratio of 21/79, and a majority of the agency’s budget is federally funded. Revenue from other sources is minimal.
 - Iowa Public Television (IPTV) – State funding represents approximately 51.0% of IPTV’s budget. Approximately 23.0% comes from donations to the Iowa Public Television Foundation and Friends of Iowa Public Television. The Foundation has announced that they will give an additional \$100,000 to IPTV in FY 2010. The agency also receives federal funding through the Corporation for Public Broadcasting (CPB) in the form of a Community Service Grant (CSG). This amounts to approximately 15.0% of the budget. The remaining funding comes from charges for service (5.0%), other federal and private grants (4.0%), and passive income (3.0%).
- Impact to federal funds – Department of Education: Yes. Four General Fund appropriations draw down large amounts of federal funding that is subject to maintenance of effort (MOE) requirements:
 - The appropriations for Vocational Education Administration and Vocational Education Secondary combined draw down \$12.1 million in federal funding. Unless backfilled, the reduction in FY 2010 funding potentially jeopardizes the entire federal funding stream.
 - Unless backfilled, the reduction in the FY 2010 Food Service appropriation will result in the loss of \$816,000 in federal funding for the School Lunch Program. This will result in a reduction in reimbursement rates to local school districts.
 - Unless backfilled, the reduction in the FY 2010 appropriation for Special Education Birth to 3 will prevent the State from complying with the MOE requirements for federal funding under the Individuals With Disabilities Education Act (IDEA) Part C. This will potentially jeopardize the entire funding stream for Part C that totals \$8.5 million and provides services to infants and toddlers with disabilities.
- Impact to federal funds – Vocational Rehabilitation: Yes. Unless backfilled, the across-the-board reduction will result in the loss of at least \$4.3 million in federal Vocational Rehabilitation funds.
- Impact to federal funds – Iowa Public Television = Yes. The reduction in FY 2010 State funding will result in the loss of \$84,000 in funds from the Corporation for Public Broadcasting (CPB) as part of IPTV’s Community Service Grant (CSG). Congress is currently considering emergency funding for public television and radio that is estimated to provide an additional \$250,000 to \$319,000 to IPTV.

- Other impacts:
 - Department of Education – Details are not yet available, but the reduction will result in loss of funding for the community colleges and local Community Empowerment areas. Funding for new preschool grants will be prorated, resulting in fewer children being served. The implementation of the core curriculum by local school districts may be delayed. State law mandates completion of the implementation by 2012 for grades 9-12 and by 2014 for grades K-8.
 - The State Library will reduce purchases for collections, and a reduction in staff will result in slower responses to requests for information. The reduction in funding for the Library Service Areas (LSAs) is likely to result in a reduction in staff. Each of the seven LSAs had less than 3.0 FTEs in FY 2009. The reduction in the Enrich Iowa appropriation will reduce funding to local libraries.
 - Vocational Rehabilitation – A waiting list for client services has been reinstated for those with the least need. The Division anticipates the need to place significantly disabled referrals on the waiting list at a later date. The Division is considering reducing tuition reimbursement for 1,430 clients from the current 50.0% to 40.0% and eliminating reimbursement for summer school.
 - Iowa Public Television – Overnight broadcast service will be suspended. This is estimated to affect teachers in approximately 50.0% of the State's K-12 districts that use the service to acquire IPTV programming for use in classrooms. The Executive Director plans to give back 10.0% of his salary for the remainder of the fiscal year or 6.1% of his annual salary. The agency's future programming priority will be programs that generate funding.

The Agency originally submitted an FY 2011 request for capitals funding to purchase a nearby building that currently houses IPTV staff under a rental agreement. The Public Broadcasting Board has authorized the Executive Director to possibly rescind the request and ask for the funds to modify the existing main facility to accommodate all staff in order to eliminate the rental fees.

- Office of Empowerment (Department of Management) – Staff will take seven furlough days. The Department of Management is considering layoffs that may affect the Office of Empowerment. All out-of-state travel is eliminated. In-state travel may still be necessary to assist local boards, but conference call meetings are being used when possible.

The 60.0% reduction in funding for professional development will delay the expansion of the family support credentialing initiative. Professional development is funded with allocations from two appropriations – one through the Department of Education was reduced by 10.0%; the other through the Department of Human Services was eliminated entirely.

- Funding backfill needs and recommendations – Department of Education: The Department had significant carryforward in the FY 2009 appropriation for Senior Year Plus, and the Governor approved a transfer of \$727,000 of that funding to backfill the four budget units facing federal MOE shortfalls to restore them to their original FY 2010 funding level. In addition, the Department has recommended that the following budget units be backfilled to their original FY 2010 funding levels, but the Governor has not approved transfers to do so:
 - Nonpublic School Textbooks - \$63,000
 - Teacher Quality - \$892,000
 - Voluntary Preschool - \$1.2 million
 - Core Curriculum - \$198,000
 - Enrich Iowa Libraries - \$180,000

- Senior Year Plus - \$141,000 (to restore FY 2009 carryforward)
- K-12 Management Information System - \$23,000
- Community Empowerment Preschool Tuition Assistance - \$877,000
- Before and After School Grants - \$55,000 (to restore FY 2009 carryforward)

The Governor approved a second statewide transfer to backfill reductions in the Department of Corrections and other areas of critical need. A portion of the funding came from additional reductions to Department of Education budget units totaling \$241,000.

- Funding backfill needs and recommendations – Vocational Rehabilitation: The Division has requested an appropriation from the Department of Education to backfill at least a portion of the reduction to avoid loss of federal funds, but that request has not been approved by the Governor. The current match deficit is estimated to be \$1.3 million.
- Funding backfill needs and recommendations – Iowa Public Television: None.
- The total FY 2010 across-the-board reduction for the Department of Education does not equal 10.0% of the FY 2010 appropriations for the following reasons:
 - The reduction includes funding from FY 2009 carryforward for Before and After School Grants (\$55,000) and Senior Year Plus (\$141,000).
 - The Voluntary Preschool appropriation was reduced 10.4% due to the FY 2009 carryforward.
 - The Student Achievement and Teacher Quality appropriation was reduced 11.7% due to the FY 2009 carryforward.

Board of Regents

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Regents, Board of</u>			
Regent Board Office	\$ 1,227,914	\$ -122,791	\$ 1,105,123
Southwest Iowa Resource Center	100,851	-10,085	90,766
Tri-State Graduate	76,789	-7,679	69,110
Quad Cities Grad Center	149,628	-14,963	134,665
Midwestern Higher Education Consortium	0	0	0
IPR - Iowa Public Radio	451,465	-45,147	406,318
University of Iowa			
University of Iowa - General University	235,483,091	-23,548,309	211,934,782
SUI - Center for Disabilities & Development	0	0	0
SUI - Oakdale Campus	2,521,028	-252,103	2,268,925
SUI - Hygienic Laboratory	4,077,715	-407,772	3,669,943
SUI - Family Practice Program	2,061,809	-206,181	1,855,628
SUI - Specialized Children Health Services (SCHS)	760,330	-76,033	684,297
SUI - Iowa Cancer Registry	171,851	-17,185	154,666
SUI - Substance Abuse Consortium	64,023	-6,402	57,621
SUI - Biocatalysis	834,433	-83,443	750,990
SUI - Primary Health Care	748,195	-74,820	673,375
SUI - Iowa Birth Defects Registry	44,145	-4,415	39,730
SUI - Iowa Nonprofit Resource Center	187,402	-18,740	168,662
SUI Ag Health & Safety	0	0	0

Board of Regents – continued

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Iowa State University			
Iowa State - General University	184,987,583	-18,498,758	166,488,825
ISU - Agricultural Experiment Station	32,412,044	-3,241,204	29,170,840
ISU - Cooperative Extension	20,680,435	-2,068,044	18,612,391
ISU - Leopold Center	458,209	-45,821	412,388
ISU - Livestock Disease Research	199,284	-19,928	179,356
ISU - George Washington Carver Endowed Chair	0	0	0
University of Iowa			
UNI - University of Northern Iowa	83,789,887	-8,378,989	75,410,898
UNI - Recycling and Reuse Center	202,064	-20,206	181,858
UNI - Math and Science Collaborative	3,611,721	-361,172	3,250,549
UNI - Real Estate Education Program	144,469	-14,447	130,022
UNI - Research Development School Infrastructure Study	35,000	-3,500	31,500
Special Schools			
ISD - Iowa School for the Deaf	9,644,404	-964,440	8,679,964
IBSSS - Iowa Braille and Sight Saving School	5,463,736	-546,374	4,917,362
ISD/IBSSS - Tuition and Transportation	13,562	-1,356	12,206
ISD/IBSSS - Licensed Classroom Teachers	94,600	-9,460	85,140
Total Regents, Board of	\$ 590,697,667	\$ -59,069,767	\$ 531,627,900

- ATB Implementation Plan: Approved by the Board of Regents. The institutions have planned reductions totaling the following amounts. Specific elements of the plans are identified in the subsequent bullets.
 - University of Iowa (SUI) – \$24.7 million.
 - Iowa State University (ISU) – \$24.5 million.
 - University of Northern Iowa (UNI) – \$8.8 million.
 - Iowa Braille and Sight Saving School (IBSSS) – \$547,000.
 - Iowa School for the Deaf (ISD) – \$1.1 million.
 - Board Office, Iowa Public Radio, and Regional Programs – \$201,000.
- Specific actions to produce the above total savings include:
 - Positions Eliminated: Unspecified.
 - University of Iowa (SUI) – no layoffs planned. The SUI anticipates approximately 400 fewer positions funded by the General Education Fund due to early/phased retirement programs and attrition.
 - Iowa State University (ISU) – temporary layoffs and furloughs saving \$7.0 million and an early retirement program producing more savings in FY 2011.
 - University of Northern Iowa (UNI) – temporary layoffs and pay reductions saving \$1.8 million.

- Iowa Braille and Sight Saving School (IBSSS) – save \$342,000 through open positions, reduction in staff, and temporary leaves.
- Iowa School for the Deaf (ISD) – save \$217,000 through staff reductions affecting eight positions but no faculty reductions.
- Board Office and Regional Programs – save \$123,000 by not filling an academic research position, the executive director taking a 10.0% salary reduction via furlough days, and three days furlough for all staff.
- Tuition Surcharges for Spring 2010 are projected to increase revenues by the following amounts:
 - University of Iowa (SUI) – \$2.2 million.
 - Iowa State University (ISU) – \$2.4 million.
 - University of Northern Iowa (UNI) – \$1.0 million.
- Redirect American Recovery and Reinvestment Act (ARRA) Funds:
 - University of Iowa (SUI) – \$13.5 million from canceling ARRA grant funding opportunities.
 - University of Northern Iowa (UNI) – \$1.0 million.
- Reduction in Benefits:
 - University of Iowa (SUI) – \$3.3 million by reducing the employer contribution to the Teachers' Insurance and Annuity Association – College Retirement Equities Funds (TIAA-CREF) from 10.0% of salary to 8.0%.
 - Iowa State University (ISU) – \$2.6 million by reducing the employer contribution to TIAA-CREF from 10.0% of salary to 8.0%.
 - University of Northern Iowa (UNI) – \$1.0 million by reducing the employer contribution to TIAA-CREF from 10.0% of salary to 8.0%.
 - Iowa School for the Deaf (ISD) – \$125,000 from a reduction in benefits and \$19,000 from salary reductions.
- Reallocations and reduction in purchases, repairs, maintenance, services, and operating expenses:
 - University of Iowa (SUI) – \$4.6 million from general operations for building renewal and equipment and \$1.2 million for reductions in special purpose appropriations for programs such as the State Hygienic Lab and research/outreach centers.
 - Iowa State University (ISU) – \$4.1 million from reductions in equipment purchases, travel, professional development, and printing and communications; \$3.3 million from reallocating salary and benefits costs to other funding sources and hiring delays or eliminating vacant positions; and \$1.0 million in support for centers and institutes and custodial, grounds, and other services.
 - University of Northern Iowa (UNI) – \$1.0 million for permanent budget reduction across the university and \$0.4 million in reductions absorbed by specific line-item appropriations with changes determined at the departmental level.
 - Iowa Braille and Sight Saving School (IBSSS) – \$205,000 from reduction in furniture and equipment purchases, repairs and maintenance, supplies, travel, and in-service training.

- Iowa School for the Deaf (ISD) – \$219,000 from delayed repairs, maintenance, and vehicle replacement and from reduced supplies and curriculum development; and \$498,000 in reduced services and programming.
- Board Office, Iowa Public Radio, and Regional Programs – \$78,000 in reductions for the Southwest Iowa Resource Center, Tri-State Graduate Center, Quad Cities Graduate Center, and Iowa Public Radio.
- Utilize tuition revenues from enrollments that were greater than projected or budgeted:
 - Iowa State University (ISU) – \$4.1 million.
 - University of Northern Iowa (UNI) – \$2.7 million.
- Portion of the FY 2010 budget funded by the General Fund:
 - University of Iowa (SUI) – For FY 2010, prior to the 10.0% ATB reduction, SUI had a total budget of \$2,613.4 million. Of this total, \$275.8 million (10.6%) was from General Fund appropriations; \$93.2 million (3.6%) was from other State appropriations including non-recurring ARRA funds, capital contributions, and patient care revenues earned from the Iowa Care Program; \$349.4 million (13.4%) was from tuition and fees; \$256.8 million (9.8%) was from federal sources; and \$1,638.3 million (62.7%) was from other revenues. Budgeted expenditures included \$1,396.9 million (53.5%) for salaries and benefits, \$113.9 million (4.4%) was for student aid, and \$1,102.5 million (42.2%) was for other expenditures, such as library acquisitions, facilities, supplies, and equipment.
 - Iowa State University (ISU) – For FY 2010, prior to the 10.0% ATB reduction, ISU had a total budget of \$1,113.4 million. Of this total, \$276.9 million (24.9%) was from General Fund appropriations, \$23.8 million (2.1%) was from other State appropriations, \$243.4 million (21.9%) was from tuition and fees, \$160.8 million (14.4%) was from federal sources, and \$408.6 million (36.7%) was from other revenues. Budgeted expenditures included \$578.1 million (51.9%) for salaries and benefits, \$97.0 million (8.7%) was for student aid, and \$438.3 million (39.4%) was for other expenditures, such as library acquisitions, facilities, supplies, and equipment.
 - University of Northern Iowa (UNI) – For FY 2010, prior to the 10.0% ATB reduction, UNI had a total budget of \$317.3 million. Of this total, \$89.2 million (28.1%) was from General Fund appropriations, \$5.1 million (1.6%) was from other State appropriations, \$83.5 million (26.3%) was from tuition and fees, \$38.4 million (12.1%) was from federal sources, and \$101.2 million (31.9%) was from other revenues. Budgeted expenditures included \$169.4 million (53.4%) for salaries and benefits, \$26.4 million (8.3%) was for student aid, and \$121.5 million (38.3%) was for other expenditures, such as library acquisitions, facilities, supplies, and equipment.
 - Iowa Braille and Sight Saving School (IBSSS) – For FY 2010, prior to the 10.0% ATB reduction, IBSSS had a total budget of \$10.0 million. Of this total, \$5.4 million (54.2%) was from General Fund appropriations, \$79,000 (0.8%) was from other State appropriations, \$1.0 million (10.5%) was from federal sources, and \$3.4 million (34.5%) was from other revenues. Budgeted expenditures included \$7.4 million (74.3%) for salaries and benefits and \$2.6 million (25.7%) was for other expenditures, such as library acquisitions, facilities, supplies, and equipment.
 - Iowa School for the Deaf (ISD) – For FY 2010, prior to the 10.0% ATB reduction, ISD had a total budget of \$11.8 million. Of this total, \$9.5 million (81.5%) was from General Fund appropriations, \$186,000 (1.6%) was from other State appropriations, \$817,000 (6.9%) was from federal sources, and \$1.2 million (10.4%) was from other revenues. Budgeted expenditures included \$8.8 million

(74.7%) for salaries and benefits and \$3.0 million (25.3%) was for other expenditures, such as library acquisitions, facilities, supplies, and equipment.

- Board Office, Iowa Public Radio (IPR), and Regional Programs – For FY 2010, prior to the 10.0% ATB reduction, the Board Office, IPR, and Regional Programs had a total budget of \$2.4 million. Of this total, \$2.0 million (83.5%) was from General Fund appropriations and \$396,000 (16.5%) was from other revenues. Budgeted expenditures included \$1.3 million (54.6%) for salaries and benefits and \$1.1 million (45.4%) was for other expenditures, such as supplies, equipment, outside services, transfers and reimbursements, and communications.
- Impact to federal funds: None.
- Other impacts: In considering the effects of the across-the-board reductions, the Regents and university presidents mentioned tuition increases, increased class size, decreased competitiveness in attracting faculty because of decreased benefits, and eliminating majors and programs attracting a minimal number of students.
- Funding backfill needs and recommendations: None.

HEALTH AND HUMAN SERVICES SUBCOMMITTEE

Department on Aging (formerly Elder Affairs)

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Aging, Dept. on</u>			
Aging Programs	\$ 4,958,230	\$ -495,823	\$ 4,462,407
Total Aging, Dept. on	\$ 4,958,230	\$ -495,823	\$ 4,462,407

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: 1.0. This includes 0.5 FTE position for an upcoming retirement and 0.5 FTE position for a vacant position eliminated.
- Portion of the FY 2010 budget funded by the General Fund: State funding for the Department on Aging represents approximately 44.0% of the budget. The Department has a number of federal grants that provide direct services to the elderly.
- Impact to federal funds: None
- Other impacts: The Department will reduce the transfer to Medicaid Case Management by 10.0%. This reduced transfer does not impact federal funds in this budget, but would reduce federal funds in the Medicaid budget by \$622,345. The Dementia Standards Education Project will be eliminated. The Department will eliminate part of their support to the Resident Advocate Community Coordinator Program for new applications.
- Funding backfill needs and recommendations: None.

Department of Public Health

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Public Health, Dept. of</u>			
Addictive Disorders	\$ 28,652,500	\$ -2,865,250	\$ 25,787,250
Healthy Children and Families	2,249,167	-224,917	2,024,250
Chronic Conditions	2,756,236	-275,624	2,480,612
Community Capacity	4,116,847	-411,685	3,705,162
Elderly Wellness	8,345,779	-834,578	7,511,201
Environmental Hazards	1,000,391	-100,039	900,352
Infectious Diseases	1,630,661	-163,066	1,467,595
Public Protection	3,569,986	-356,999	3,212,987
Resource Management	1,062,517	-106,252	956,265
Prevention and Chronic Care Management	0	0	0
Medical Home System	0	0	0
Healthy Communities Initiative	0	0	0
Gov. Council on Physical Fitness and Nutrition	0	0	0
Iowa Health Information Technology System	0	0	0
Health Care Access	0	0	0
Total Public Health, Dept. of	\$ 53,384,084	\$ -5,338,410	\$ 48,045,674

ATB Implementation Plan: Approved with backfills.

- Positions Affected: 12.7. This includes 3.4 positions that were shifted to federal funding, 4.3 layoffs and 5.0 vacant positions that will not be filled or hiring will be delayed.
- Portion of the FY 2010 budget funded by the General Fund: A majority of the Department's budget is federally funded (53.2%). The General Fund represents 23.4% and the Health Care Trust Fund provides for approximately 3.0% of the budget. The rest of the Department's funding (19.0%) comes from "other" funding sources, such as fees collected and retained by individual programs or via memoranda of understanding that have been established with other State agencies, grants received from private foundations, and Rebuild Iowa Infrastructure (RIIF) funds. For FY 2010, 1.0% of the Department's funding came from the federal ARRA stimulus funds.
- Impact to federal funds: Yes. The ATB reduction will result in the loss of \$26,000 in federal funds for the following:
 - \$15,000 for the oral health portion of the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program. The Department receives federal matching funds from the Department of Human Services. General funds will be reduced by \$15,000 for a loss of \$30,000 total. One FTE position will be shifted to federal funds.
 - \$11,000 for the local public health liaisons services federal match for health care access programs. The General Fund reduction to services will be \$36,000. There will be a reduction in consultation and technical assistance to local boards of health and local public health agencies as well as a reduction to in-state travel.
- Other impacts to the Department include:
 - For tobacco use, prevention, and cessation services the Department will reduce funding for JEL-related youth activities, provide a reduced amount of free cessation products to the public, reduce contracts with local tobacco control program grantees and the Alcohol Beverages Division of the Department of Commerce, reduce travel and vehicle use, and an impact study related to Iowa's Smokefree Air Act will not be conducted.
 - The Perinatal Program will reduce travel and make adjustments to contracted University of Iowa staff.
 - The mental health program, Assuring Better Child Health and Development (ABCD II Program) will not fill a vacant FTE position and will reduce funding to community-based contractors.
 - The Prevention and Chronic Care Management, Medical Homes, Health Information Technology, the Governor's Physical Fitness and Nutrition, and Health Care Access Health Care Advisory Councils will all receive a reduction resulting in a decrease in operations.
 - Contracts will be reduced for the following areas within the Community Capacity appropriation budget unit: child vision screening, local boards of health, the University of Iowa Mental Health Program, and the Cherokee Mental Health Institution.
 - The Department will shift 0.75 FTE position to federal funding in the health delivery system area. This will impact the amount of technical assistance and consultation provided to hospitals and safety net providers.
 - The Department's Wellness Initiative Grants will be reduced by two and support staff travel and operating expenses will be reduced.

- The Local Board of Health Environmental Liaisons will reduce in-state travel. Other support expenses will be shifted to fee-based programs or federal grants.
- The Department will not fill a vacant FTE position for the Public Health Redesign/Modernization initiative and will reduce in-state travel.
- The Division of Environmental Health will reduce travel and office supplies and may reduce the contract with Iowa State University for mosquito surveillance.
- The Department's water-related regulatory programs (i.e. drinking fountains and swimming pools) will reduce travel to local public health agencies. Some expenses will be moved to fee based programs.
- The Milk Certification Program will eliminate overtime paid to staff and will shift some expenses to other funding sources.
- The contract with the Iowa State Poison Control Center will be reduced resulting in less capacity for the Center to receive public phone calls.
- Storage facility costs for Iowa's Antiviral Stockpile and other medical resources will be moved to federal funding instead of funding from the General Fund.
- The Department's Emergency Medical Services (EMS) will conduct 100 less inspections per year and will reduce in-state travel and consultation to ambulance service programs and hospitals. Unobligated funds from the EMS Fund will be used to maintain local service contracts.
- The State Medical Examiner will not fill a new FTE position.
- The Certificate of Need Program will shift 0.10 FTE position to federal funding.
- Under the resource management budget appropriation unit, the salary of the Director of the DPH will be reduced by 10.0%, two FTE positions will not be filled, 0.50 FTE position will be shifted to federal funding, future utility rate increases billed from the Department of Administrative Services will not be funded, and dependent adult abuse curriculum activities will be discontinued.
- The Department receives appropriations from the Health Care Trust Fund (HCTF). The HCTF appropriations to the Addictive Disorders and Community Capacity appropriations budget units were reduced by \$160,000 and \$272,000, respectively. For Addictive Disorders, the Department will reduce grants already awarded to the Tobacco Priority Population Networks by 10.0%; eliminate 1.0 filled FTE position in the Division of Tobacco Use, Prevention, and Control; eliminate funding for the Tobacco Partners Website; and reduce funding for education and youth marketing campaigns. For Community Capacity, the Department will reduce contracts related to the Iowa Collaborative Safety Net Network, reduce stipends awarded to four entities for mental health work, reduce the contract with the Greater Sioux Community Health Center and to local boards of health for accreditation, and reduce activities and leave a vacant FTE position unfilled relating to direct care workers initiatives.

Backfill Funding

The Governor recommended backfill funding for various programs and services under the Department of Public Health. These include:

- \$2.5 million to continue efforts relating to gambling and substance abuse treatment and prevention, and tobacco use, prevention, and control.

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- \$23,000 for oral health programming. Delta Dental provides referral services for eligible Iowans to receive free dental care; this contract will not be reduced.
- \$57,000 for the Healthy Opportunities for Parents to Experience Success (HOPES) Program. Service levels will continue for all participating families.
- \$18,000 to restore the child health specialty clinics contract with the University of Iowa. Services will continue to children with special health care needs at clinics in Iowa City and 13 regional centers.
- \$31,000 to restore the contract with the University of Iowa relating to services provided for persons with muscular dystrophy and birth defects.
- \$24,000 to restore case management contracts related to the Ryan White AIDS Drug Assistance Program.
- \$56,000 to continue the contract with the University of Iowa to provide 82 individuals with funding for special foods for children affected by Phenylketonuria (PKU).
- \$11,000 to restore the contract with the Iowa Prescription Drug Corporation and to continue administrative support for the Prescription Drug Donation Program.
- \$32,000 to restore the contract with the Epilepsy Foundation of North Central Illinois, Iowa and Nebraska to provide education and support services for persons with epilepsy.
- \$49,000 to fill 0.30 FTE position for the Brain Injury Advisory Council and to continue brain injury services for 200 persons in Iowa.
- \$23,000 to partially backfill the proposed reduction to operations of \$35,000 for the Governor's Council on Physical Fitness and Nutrition.
- \$229,000 to continue services and restore contracts for local public health nursing. Prior to the backfill, the Department estimated a reduction of 988 home visits statewide in addition to less access to services for 488 Iowans.
- \$605,000 to continue local Home Care Aide service contracts. Prior to the backfill the Department estimated a reduction of 16,000 hours of personal care.
- \$66,000 to restore lead screenings for children and follow-up services for those with positive results for lead poisoning.
- \$119,000 to continue Dtap [diphtheria, tetanus, and pertussis (whooping cough)] vaccinations services to children.
- \$7,000 to restore reductions in contracts and services relating to Hepatitis C virus tests and Hepatitis B vaccinations.
- \$13,000 for prescription drug assistance and testing services related to persons with chlamydia, gonorrhea, or tuberculosis.

Department of Human Services

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Human Services, Dept. of			
Toledo Juvenile Home			
Licensed Classroom Teachers	\$ 115,500	\$ -11,550	\$ 103,950
General Administration			
General Administration	\$ 15,252,523	\$ -1,525,252	\$ 13,727,271
Field Operations			
Child Support Recoveries	\$ 13,420,460	\$ -1,342,046	\$ 12,078,414
Field Operations	63,032,831	-6,303,283	56,729,548
Total Field Operations	\$ 76,453,291	\$ -7,645,329	\$ 68,807,962
Toledo Juvenile Home			
Toledo Juvenile Home	\$ 6,754,759	\$ -675,476	\$ 6,079,283
Eldora Training School			
Eldora Training School	\$ 10,717,787	\$ -1,071,779	\$ 9,646,008
Cherokee CCUSO			
Civil Commit. Unit for Sex Offenders	\$ 6,860,204	\$ -686,020	\$ 6,174,184
Cherokee			
Cherokee MHI	\$ 5,436,076	\$ -543,608	\$ 4,892,468
Clarinda			
Clarinda MHI	\$ 6,227,335	\$ -622,734	\$ 5,604,601
Independence			
Independence MHI	\$ 9,503,567	\$ -950,357	\$ 8,553,210
Mt. Pleasant			
Mt. Pleasant MHI	\$ 1,795,552	\$ -180,889	\$ 1,614,663
Glenwood			
Glenwood Resource Center	\$ 17,620,487	\$ -1,812,049	\$ 15,808,438
Woodward			
Woodward Resource Center	\$ 10,929,200	\$ -1,142,920	\$ 9,786,280
Assistance			
Family Investment Program/JOBS	\$ 34,592,700	\$ -3,459,270	\$ 31,133,430
Medical Assistance	681,949,840	-71,853,706	610,096,134
Health Insurance Premium Payment	508,011	-50,801	457,210
Medical Contracts	13,651,503	-1,365,150	12,286,353
State Supplementary Assistance	18,412,646	-1,954,813	16,457,833
State Children's Health Insurance	14,629,830	-1,462,983	13,166,847
Child Care Assistance	37,974,472	-5,427,008	32,547,464
Child and Family Services	90,591,451	-9,059,145	81,532,306
Adoption Subsidy	34,883,674	-3,488,367	31,395,307
Family Support Subsidy	1,697,137	-174,139	1,522,998
Connors Training	37,358	-3,736	33,622
MI/MR/DD State Cases	11,446,288	-1,151,081	10,295,207
MH/DD Community Services	15,790,111	-1,579,011	14,211,100
Volunteers	94,067	-9,407	84,660
Family Planning	10,000	-55,654	-45,654
Pregnancy Counseling	100,000	-28,312	71,688
MH/DD Growth Factor	54,108,770	-5,410,877	48,697,893
Medical Assistance, Hawk-i, Hawk-i Expansion	4,207,001	-420,700	3,786,301
State Mental Health Systems	0	0	0
Total Assistance	\$ 1,014,684,859	\$ -106,954,160	\$ 907,730,699
Total Human Services, Dept. of	\$ 1,182,351,140	\$ -123,822,123	\$ 1,058,529,017

- ATB Implementation Plan: Approved with backfills.
- Positions Eliminated: 184.0. This includes 35.0 layoffs and 149.0 vacant positions eliminated. Of the layoffs, 25.0 positions will be eliminated as part of a planned Department reorganization of the General Administration Division. The 10.0 remaining layoffs will occur at the Juvenile Home in Toledo and the Mental Health Institute at Independence. The original plan submitted to the Governor projected 79.0 layoffs but that has been revised as a result of the memorandum of understanding (MOU) with the employee unions.
- Portion of the FY 2010 budget funded by the General Fund: A majority of the Department's budget is federally funded (approximately 71.0%). State funding serves as a match or to meet maintenance of effort (MOE) requirements. The match or MOE requirements vary by program.
- Impact to federal funds: Yes. Impacts for the Department are as follows:
 - The ATB reduction will result in a loss of \$1.8 million in federal funds for General Administration. The Department receives an approximate federal match of 45.0% for FTE positions and support activities. A total of 60.0 FTE positions will be reduced including 24.0 authorized but unfunded positions, 11.0 vacant positions, and 25.0 filled positions. Support activities such as travel and information technology purchases will be reduced and contracts may be delayed or reprioritized. Reorganization of the central office in Des Moines will also occur.
 - The ATB reduction will result in a loss of \$2.8 million in federal funds for Field Operations. The Department receives an approximate federal match of 25.0% for FTE positions and support activities relating to field operations. The Department will not fill 78.0 vacant positions and will begin a process of reorganization including a reduction of service areas, increasing the amount of less-than-full-time offices, and centralization of some services like child abuse intakes.
 - The ATB reduction will result in a loss of \$2.2 million in federal funds for the Child Support Recovery Unit (CSRU). All State appropriations for the CSRU are matched by approximately a 66.0% match rate. The loss in funding will result in approximately \$15.4 million less in collection of support for Iowa parents.
 - The ATB reduction will result in a loss of \$227.0 million in federal funds for the Medical Assistance appropriation, including funds transferred from the Medical Assistance, hawk-i, and hawk-i Expansion appropriations. All State funds are matched at approximately a 72.2% match rate for FY 2010. A portion of the loss in federal funds is for dollars that would have been carried forward as part of a surplus and spent in FY 2011. The loss in funding will result in rate reductions for providers and a reduction in various services. For more information please refer to the Medical Assistance section of this document.
 - The ATB reduction will result in a loss of \$118,000 in federal funds for the Health Insurance Premium Payment Program. This will result in delayed applications and renewals.
 - The ATB reduction will result in a loss of \$5.9 million in federal funds for the Medical Contracts appropriation. This will result in delayed implementation of various computer projects related to Health Information Technology.
 - The ATB reduction will result in a loss of \$1.6 million in federal funds for the Adoption Subsidy Program. The Department receives federal Title IV-E funding for the Adoption Subsidy Program. For FY 2010, the federal match will be approximately 68.8%. The USDA maintenance rates will be reduced by 5.0%, legal services will be capped, and there may be a reduction in

special services such as counseling, transportation, and payment of health insurance premiums for eligible children.

- The ATB reduction will result in a loss of \$539,000 in federal funds for various programs under the Child and Family Services appropriation budget unit. For family foster care maintenance rates and services, there will be a loss of \$389,000 in federal funding. The reduction in group care maintenance rates will result in a loss of \$99,000 in federal funding. The 25.0% reduction to the child welfare training contract with the Coalition for Child and Family Services will result in a loss of \$51,000 in federal funding. These services are governed under Title IV-B and IV-E of the federal Social Security Act and the Child Abuse Prevention and Treatment Act and receive federal matching dollars for eligible children and services. For FY 2009, Title IV-E paid approximately 37.0% of the cost of family foster care maintenance rates and 14.0% of the cost of group care maintenance rates. The USDA maintenance rates will be reduced by 5.0% for family foster care and group care, the contract with the Iowa Foster and Adoptive Parents Association (IFAPA) for support services will be reduced by 5.0%, the contract with Kids Net for foster parent recruitment and retention will be reduced by 5.0%, and unobligated funds from the Family Foster Care and Foster Home Insurance Fund will be used in FY 2010 instead of future years. Foster care and group care allocations to DHS Service Areas will also be reduced.
- Other impacts to the Department include:
 - The juvenile institutions at Toledo and Eldora will be eliminated and will not fill 21.0 vacant FTE positions (5.0 at Toledo and 19.0 at Eldora). Toledo will close one living unit after a reduction of seven treatment beds for girls and Eldora will close an 18-bed special needs unit.
 - The four Mental Health Institutes will reduce treatment and psychiatric services. Independence MHI will combine the children and adolescent unit. There will be an increased waiting time for new admissions.
 - The two State Resource Centers will defer facility infrastructure repairs and improvements and reduce supply and equipment expenditures. All services to existing clients will continue.
 - For the programs within the Family Investment Program, the earned income tax credit contract will be eliminated. The mileage rate for the Promise Jobs Program will be decreased. The TANF transfer to Empowerment will be reduced by \$500,000 resulting in a reduction to all 58 Empowerment Areas. Funding for the FaDSS Program will be reduced by 10.0% resulting in a reduction in services. The Department will provide less assistance to counties for the cost of housing DHS staff offices.
 - For the MH/DD Growth Factor, Community Services and Property Tax Relief, the ATB of \$14.8 million may result in counties having to institute waiting lists or to reduce services. This may result in increased visits to the emergency room or increased costs to the criminal justice system.
 - The MI/MR/DD State Cases Program will begin a waiting list. Approximately 132 cases are expected to be added to the waiting list per month with a total of 1,056 cases added by the end of the fiscal year.
 - The appropriation for State Family Planning funding will be eliminated and the carryforward of \$293,413 will be transferred to Medicaid.
 - The Pregnancy Counseling contract will be eliminated effective January 1, 2010.

- Select services under the Quality Rating System (QRS) will be temporarily suspended beginning January 1, 2010, through June 30, 2010. Suspended services will include National Administrator Credentialing and training and Environmental Rating Scale (ERS) assessments and trainings.
- The Department will not transfer Professional Development funding to the Department of Education that would be used for local professional development activities primarily related to the Community Empowerment Program.
- The Department will reduce projected carryforward for the Child Care Assistance Subsidy Program for FY 2010.
- The following programs will be impacted under the Child and Family Services appropriation unit:
 - Funding for child protection medical exams will be reduced but core services should not be affected.
 - Funding for Child Protection Centers will be reduced but core services should not be affected.
 - The Department will eliminate the Linn County Runaway and Four Oaks Autism earmarks. Each Program serves one county and neither program has signed a contract for FY 2010.
 - The contract with Elevate, a youth foster care advocacy group, will be reduced by 5.0%.
 - For Juvenile Justice, the Department will reduce funding for tracking, supervised community treatment, life skills, and school based supervision and will eliminate funding for the family drug courts beginning January 1, 2010. The drug courts are located in five counties. Court ordered services for children and youth adjudicated child in need of assistance (CINA) or delinquent will also be reduced.
 - The PMIC multi-dimensional foster care treatment pilot program will be eliminated beginning on January 1, 2010. This pilot program operated in two counties.
 - Provider rates for the Supervised Apartment Living Program will be reduced by 5.0%. An estimated average of 76 youth will utilize this service per month for FY 2010.
 - The Department will reduce the contract for administering the State Supplemental Security Income (SSI) benefits. These federal benefits assist in offsetting the cost of foster care for eligible children.
 - The Department will divert unobligated funds from the Juvenile Detention Fund to replace State funding for juvenile delinquency programs. These funds are normally used for reimbursements to counties.

Backfill Funding

The Governor recommended backfill funding for various programs or services by using \$5.0 million of the Medicaid surplus to offset the cost. These include:

- \$44,000 to restore the contract reduction for Prevent Child Abuse Iowa.
- \$602,000 for Pregnancy Prevention under the TANF appropriation.
- \$200,000 for the HOPES Program.
- \$195,000 to keep Mental Health drugs off the Preferred Drug List (PDL) in the Medicaid Program.

- \$1.2 million to maintain Chiropractic Services under the Medicaid Program, but with the same 5.0% rate reduction assessed to other providers.
- \$500,000 for Children’s Mental Health under the Medicaid Program, so the program will not need to be moved under a managed care plan.
- \$118,000 to eliminate the need to charge a \$6 dollar emergency room copayment to Medicaid clients.
- \$326,000 to continue the implementation of the Dental Only program under hawk-i for children who have health insurance, but no dental insurance.
- \$63,000 to continue initiatives for presumptive eligibility, express lane eligibility, paperless administrative renewal process, and premium assistance for the hawk-i Program.
- \$175,000 to proceed with a grant for special needs children in Polk County. The Department proposed to eliminate this grant prior to the backfill.
- \$47,000 to proceed with a low-income special needs children grant in Polk County. The Department proposed to eliminate this grant prior to the backfill.
- \$101,000 to proceed with a child abuse prevention grant that specifically targets child sexual abuse prevention.
- \$66,000 for Preparation for Adult Living to restore the reduction in payments for children aging out of the foster care system.
- \$413,000 to restore the 5.0% shelter care and child welfare emergency services provider rate reduction.
- \$1.1 million to continue payments for empty guaranteed shelter beds. For FY 2009, the State paid approximately \$2.3 million to shelters for empty but contracted guaranteed beds. For FY 2010 year-to-date through October, the Department has paid \$714,000 for these beds.

Department of Veterans Affairs

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Veterans Affairs, Dept. of</u>			
Veterans Affairs, Department of			
General Administration	\$ 1,067,170	\$ -106,717	\$ 960,453
War Orphans Educational Assistance	22,944	-10,213	12,731
Injured Veterans Grant Program	0	-128,145	-128,145
Veterans County Grants	1,000,000	-10,000	990,000
Total Veterans Affairs, Department of	\$ 2,090,114	\$ -255,075	\$ 1,835,039

- ATB Implementation Plan: Approved as submitted. Impacts include:
 - General Administration:
 - A decrease of \$71,000 by eliminating 1.00 FTE positions. As of November 13, 2009, the two positions have not been identified.

- A decrease of \$35,717 that is expected to be replaced with funds from the Cemetery Fund; this money is supplied by the federal Veterans Administration for each burial at the Iowa Veterans Cemetery.
- War Orphans Educational Assistance Program – A decrease of \$10,213 that will be replaced by utilizing carryforward funds available from previous fiscal years.
- Injured Veterans Grant Program – A decrease of \$128,145 that will be replaced by utilizing carryforward funds available from a previous appropriation.
- Veteran County Grants Program – A decrease of \$10,000 that will eliminate the training component provided by the Department for the counties.
- Positions Eliminated: 1.0 FTE position. This includes 1.0 layoff. The original plan submitted to the Governor projected 2.0 layoffs but that has been revised as a result of the memorandum of understanding (MOU) with the employee unions.
- Portion of the FY 2010 budget funded by the General Fund for the general operation expenditures of the Department is 100.0%. However, this is supplemented by various outside funding when needs are determined, including:
 - The Department of Veterans Affairs has access through approval by the Veterans Affairs Commission to utilize funds from the Veterans License Plate Fund. For FY 2010, the Department is using \$50,000 from this Fund for a veterans needs study.
 - A Merchant Marine Bonus Fund is available via appropriation by the General Assembly. As of November 1, 2009, there was \$134,829.
 - The interest from the Veterans Trust Fund is available for expenditure by the Commission for various needs of veterans. As of November 1, 2009, there was approximately \$9.0 million in the Trust Fund. Expected interest for FY 2010 available for expenditure is \$60,000.
- Impact to federal funds: None
- Other impacts: Cemetery – Without adequate staff, the maintenance of the Veterans Cemetery could be diminished. Additional volunteers for that effort could be sought.
- Funding backfill needs and recommendations: None

Department of Veterans Affairs – Iowa Veterans Home

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Veterans Affairs, Dept. of</u>			
Iowa Veterans Home	\$ 11,326,650	\$ -1,695,804	\$ 9,630,846
Total Veterans Affairs, Dept. of	\$ 11,326,650	\$ -1,695,804	\$ 9,630,846

- ATB Implementation Plan for the Iowa Veterans Home: Approved as submitted. Impacts include:
 - A decrease of \$140,000 in less overtime costs.
 - A decrease of \$516,706 for nondirect care vacant funded positions.
 - A decrease of \$10,692 for a reduction in the Commandant's salary.

- A decrease of \$45,060 for various travel and training cost decreases.
- A decrease of \$29,300 for various supplies and related cost decreases.
- A decrease of \$149,870 for a reduction in inventories.
- A decrease of \$98,007 for various contracted services.
- A decrease of \$143,030 for equipment purchase deferrals.
- A decrease of \$563,139 from the available carryforward that would have been utilized in FY 2011.
- Positions Eliminated: 11.8. This includes no expected layoffs and 11.8 vacant positions eliminated.
- Portion of the FY 2010 budget funded by the General Fund: With the 10.00% ATB reduction, the Iowa Veterans Home FY 2010 budget is 18.8% State General Fund. The report included with the approved reductions did not indicate an impact to the outside funding. A small decrease in reimbursement is expected due to the State funding reduction for the Medicaid Program. Since the adoption of the original budget, the Home has increased their expected revenue from the Veterans Administration per diem reimbursement and decreased their expected revenue from resident support; neither of these adjustments are a result of the across-the-board reduction. The Veterans Home is net-budgeted; an across-the-board reduction impacts revenues less than if not net budgeted.
- Impact to federal funds: Not directly; a decrease in Medicaid reimbursements is possible due to reductions in the Medicaid Program State funding.
- Other impacts: Although a decrease in funding available for FY 2011 due to the decision to utilize the earlier expected carryforward from FY 2010 is occurring, the Veterans Home projects a greater increase in the carryforward after the across-the-board and utilization of \$563,139 of FY 2010 funds. The estimated carryforward into FY 2011 is revised to \$2.9 million and is expected to increase prior to the end of FY 2010 to reflect a typical historical pattern.
- Funding backfill needs and recommendations: None.

JUSTICE SYSTEM SUBCOMMITTEE

Department of Justice

<u>Justice, Department of</u>	<u>Estimated FY 2010</u>	<u>ATB Reduction FY 2010</u>	<u>Est Net FY 2010</u>
General Office A.G.	\$ 8,592,145	\$ -859,215	\$ 7,732,930
Victim Assistance Grants	3,400,000	-340,000	3,060,000
Legal Services Poverty Grants	1,954,634	-195,463	1,759,171
Farm Mediation Services	0	0	0
Total Justice, Dept. of	\$ 13,946,779	\$ -1,394,678	\$ 12,552,101
Consumer Advocate			
Consumer Advocate	\$ 0	\$ 0	\$ 0
Total Justice, Department of	\$ 13,946,779	\$ -1,394,678	\$ 12,552,101

- ATB Implementation Plan: No plan submitted because the Attorney General is an elected official.
- Positions Eliminated: None. The Office is not eliminating any vacant positions nor will there be any layoffs. The Office estimates there will be 9.0 vacant positions funded from the General Fund. Current staff will be reassigned to vacant positions funded from other funds available to the Department. The Department is exempt from the Governor's mandatory furlough days. The Office will implement planned furloughs in two rounds as follows:
 - Round One – July 1 through December 31, 2009
 - Staff that make less than \$45,000 annually as of July 1, 2009, will not be required to take furloughs.
 - Staff that make between \$45,000 and \$50,000 annually will be required to take one furlough day (8 hours).
 - Staff that make more than \$50,000 will be required to take five furlough days (40 hours).
 - Round Two – October 19, 2009, through July 1, 2010
 - Staff that make less than \$45,000 annually as of October 19, 2009, will not be required to take furloughs except for the holiday closures (see below).
 - Staff that make between \$45,000 and \$50,000 annually will be required to take one furlough day (8 hours).
 - Staff that make more than \$50,000 (except deputies and division directors – see below) will be required to take seven furlough days (56 hours).
 - Deputies and division directors – Each deputy and division director will be required to take eight furlough days (64 hours).
 - Part-time employees making \$45,000 or more annually will be required to take furloughs on a pro-rata basis.
 - Holiday Closures – The Office will close at noon on December 24 and December 31, 2009, and all employees will receive eight hours of furlough.
 - The Office of the Consumer Advocate is exempt from the ATB because it is funded through the Department of Commerce Revolving Fund.
- Portion of the FY 2010 budget funded by the General Fund: With the exception of the Crime Victim Assistance Division, the Department of Justice does not receive any direct federal funds. Approximately 65.8% of the Attorney General's Office operating budget is funded from internal

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funds, grants, boards, Funds, or State agencies. Approximately 49.4% of its operating budget is reimbursed from other State agencies. It is likely State agencies may not be able to reimburse the Attorney General's Office for the full cost of legal representation. The Department plans to rely on internal funds, such as forfeited property and the Consumer Education and Litigation Fund, to meet its obligations.

- Impact to federal funds: The only area of the Department that receives direct federal funds is the Crime Victim Assistance Division. It is estimated to receive approximately \$14.2 million in FY 2010. It is anticipated the ATB will not impact the Division's ability to draw down federal funds.
- Other impacts: As a result of budget reductions, the following vacant positions will not be filled:
 - 1.0 Attorney and 1.0 Investigator for the Special Litigation Division that handle tort claims against the State.
 - 2.5 Attorneys in the Area Prosecution Division that assist county attorneys in prosecuting the most serious crimes in Iowa.
 - 1.5 Attorneys in Divisions that advise State agencies.
 - 2.0 Attorneys in the Criminal Appeals Division that handles all appeals by criminal defendants.
 - 1.0 Attorney in the Prosecuting Attorney Training Coordinator's Office that provides criminal law training to county attorneys.

Civil Rights Commission

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Civil Rights Commission</u>			
Civil Rights Commission	\$ 1,533,179	\$ -153,318	\$ 1,379,861
Total Civil Rights Commission	\$ 1,533,179	\$ -153,318	\$ 1,379,861

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. One Administrative Assistant position and 0.5 Information Technologist 3 position will remain vacant. The use of Drake law students for screening cases has been significantly reduced.
- The Director plans to reallocate approximately \$121,000 in General Fund expenditures to federal funds in FY 2010. It is likely this will not be a valid option in FY 2011 due to an anticipated decline in federal receipts.
- Noncontract staff are mandated by the Governor to take seven furlough days. Contract staff agreed to five furlough days.
- Voluntary furloughs have been in place since Spring 2009.
- The Director plans to reduce the support budget including office supplies, travel, training materials, and equipment.
- The Director has restructured the job duties of existing staff to improve alignment of resources with job functions.
- Approximately 40.0% of the Commission's budget is federal funds. The Director anticipates no impact on the receipt of federal funds in FY 2010. The impact in FY 2011 may be a significant reduction in federal receipts due to not being able to meet maintenance of effort requirements. This

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

applies to the two main federal funding sources – Equal Employment Opportunity Commission (EEOC) and Housing and Urban Development (HUD) grants. Currently, the EEOC grant is \$604,000 while the HUD grants are \$382,000.

- Attendance at mandatory training is required by both EEOC and HUD contracts. Funding for the training comes directly out of federal funds. Failure to attend training jeopardizes contracts and will reduce federal receipts. Not meeting the maintenance of effort requirements in FY 2010 is likely to also reduce federal receipts from both the EEOC and HUD in FY 2011. It is anticipated that the backlog of discrimination complaints, particularly in employment and housing, will increase.

Department of Corrections

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Corrections, Dept. of</u>			
Community-Based Corrections			
CBC District I	\$ 13,242,989	\$ -1,324,299	\$ 11,918,690
CBC District II	11,096,272	-1,109,627	9,986,645
CBC District III	5,939,602	-593,960	5,345,642
CBC District IV	5,755,000	-575,500	5,179,500
CBC District V	19,278,247	-1,927,825	17,350,422
CBC District VI	13,787,019	-1,378,702	12,408,317
CBC District VII	7,152,217	-715,222	6,436,995
CBC District VIII	7,102,030	-710,203	6,391,827
Central Office			
County Confinement	\$ 861,213	\$ -86,121	\$ 775,092
Federal Prisoners/Contractual	239,411	-23,941	215,470
Corrections Administration	4,810,048	-481,005	4,329,043
Corrections Education	1,558,109	-194,402	1,363,707
Iowa Corrections Offender Network	424,364	-42,436	381,928
Mental Health/Substance Abuse	24,799	-2,480	22,319
Hepatitis Treatment and Education	186,534	-18,653	167,881
Total Central Office	\$ 8,104,478	\$ -849,038	\$ 7,255,440
Institutions			
Ft. Madison Institution	\$ 41,114,692	\$ -4,111,469	\$ 37,003,223
Anamosa Institution	31,413,895	-3,141,390	28,272,505
Oakdale Institution	58,646,095	-5,864,610	52,781,485
Newton Institution	28,033,393	-2,803,339	25,230,054
Mt. Pleasant Inst.	27,216,182	-2,721,618	24,494,564
Rockwell City Institution	9,392,186	-939,219	8,452,967
Clarinda Institution	23,421,051	-2,342,105	21,078,946
Mitchellville Institution	15,836,794	-1,583,679	14,253,115
Ft. Dodge Institution	29,999,036	-2,999,904	26,999,132
Total Corrections, Dept. of	\$ 356,531,178	\$ -35,691,709	\$ 320,839,469

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- ATB Implementation Plan: The initial plan was not approved. The Governor negotiated a Memorandum Of Understanding (MOU) with the American Federation of State, County, and Municipal Employees (AFSCME) that resulted in several budget reduction items. The Iowa United Professionals (IUP) union refused to negotiate. The Department of Corrections is meeting its budget reduction of \$35.7 million as follows:
 - \$11.4 million in vacant positions will not be filled. This is at least 220 vacant positions.
 - \$3.7 million from furloughs. Noncontract staff are mandated by the Governor to take seven furlough days. Contract staff agreed to five furlough days.
 - \$1.0 million by eliminating the State's match on deferred compensation.
 - \$2.5 million by laying off 69 positions. These were non-contract and IUP positions.
 - \$6.1 million transferred from other agencies and from internal reallocations.
 - \$722,000 in support budget reductions.
 - \$7.6 million recommended by the Governor as a supplemental appropriation.
 - \$2.7 million may be generated through unidentified savings.
- Portion of the FY 2010 budget funded by the General Fund: Approximately 99.9%. Approximately 81.1% of the DOC budget is personal services cost. The majority of the payroll is security staff. The DOC Institutions are under several federal court orders and decisions that require compliance with certain services pertaining to training, medical, security, and treatment.
- Impact to federal funds: None.
- Other impacts: Iowa Prison Industries (IPI) is self-funded through sales. It must make a profit to remain in business. It is likely inmate employment in IPI programs will decrease as sales decrease. Also, IPI may implement a Reduction In Force (RIF) plan in FY 2010. The CBC District Departments are under the authority of their respective Boards of Directors. The District Departments have implemented a selective hiring freeze. The eight Boards approved their budget reduction plans. These plans were incorporated into the DOC plan that was resubmitted to the Governor.
- NOTE: The amount of the reduction for the Corrections Education appropriation exceeds 10.0% because the reduction was applied to the balance brought forward from FY 2009.

Department of Inspections and Appeals

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Inspections & Appeals, Dept. of</u>			
Public Defender	\$ 21,743,182	\$ -2,174,318	\$ 19,568,864
Indigent Defense Appropriation	24,009,163	-2,400,916	21,608,247
Total Inspections & Appeals, Dept. of	\$ 45,752,345	\$ -4,575,234	\$ 41,177,111

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. One Public Defender 3 position has been reassigned from processing indigent defense claims from the private bar to staffing cases in the field. This action is projected to save approximately \$209,000 in FY 2010 because cases handled by private attorneys will now be

staffed by a public defender. The State Public Defender reallocated approximately \$2.1 million from the Indigent Defense Fund to the State Public Defender's Office. The cost per claim for the private bar is \$501 while the cost per case for public defenders is \$330. Reallocating funds is a cost containment effort. Noncontract staff are mandated by the Governor to take seven furlough days. Contract staff agreed to five furlough days.

- Portion of the FY 2010 budget funded by the General Fund: 100.0%. There are no other resources available to meet the costs of this constitutionally mandated program.
- Impact to federal funds: None.
- Other impacts: Processing claims paid to private attorneys may be slower than in the past due to the reassignment of one attorney to field work. Based on total FY 2009 expenditures of \$55.4 million for the Public Defender and indigent defense, and assuming no growth in expenditures, the FY 2010 shortfall is estimated to be approximately \$14.2 million. This shortfall may be addressed by a supplemental appropriation, transfers in from other State agency budgets, and referring claims to the State Appeal Board.
- *The Governor is recommending an FY 2010 supplemental appropriation of \$10.9 million to the Office of the State Public Defender for the Indigent Defense Program.*

Judicial Branch

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Judicial Branch</u>			
Judicial Branch	\$ 160,184,957	\$ 0	\$ 160,184,957
Judicial Retirement	0	0	0
Total Judicial Branch	\$ 160,184,957	\$ 0	\$ 160,184,957

NOTE: The Judicial Branch is a separate branch of Government. The Governor does not have statutory authority to issue across-the-board reductions to the Judicial Branch.

- ATB Implementation Plan: None submitted as this is a separate branch of government. However, the Judicial Branch announced implementation of a voluntary reduction of \$11.4 million (7.1%) to the FY 2010 budget. This has resulted in ten days of unpaid leave for all judges, magistrates, and court staff from December 4, 2009, to June 18, 2010, totaling \$4.1 million. One furlough day of all judges, magistrates, and court personnel is approximately \$418,000. In addition, the Judicial Branch implemented a workforce reduction of approximately 9.3% totaling \$7.3 million and a reduction in non-personnel expenditures of approximately \$700,000.
- Positions Eliminated: 205.0. The Judicial Branch laid off 105.0 employees, eliminated 100.0 vacant positions (27 retirements and 73 vacancies), and reduced the hours of 58 employees. Ninety-five percent of the Judicial Branch budget is personnel costs. The reduction plan downsized the Clerk of Court offices based on a weighted caseload formula. All Clerk of Court offices are staffed 12.0% below staffing formulas and juvenile court services is staffed 9.0% below current services. The Judicial Branch also is encouraging the pooling of court reporters addressed in a previously issued order dated June 25, 2009. (These figures are based on actual headcount rather than FTE positions.)
- Other impacts: Court offices will be closed December 4, 24, and 31 in 2009; and January 15; February 15; March 12 and 26; April 2; May 28; and June 18 in 2010. Chief Judges of the judicial districts may

assign judges and magistrates to be available during closure days to cover emergency matters. Twenty-five Clerk of Court offices will operate for less than 40 hours a week but every county will continue to maintain a Clerk of Court office. This includes the following counties: Adair, Adams, Audubon, Butler, Calhoun, Chickasaw, Davis, Decatur, Greene, Hancock, Howard, Humboldt, Iowa, Jones, Keokuk, Lucas, Mitchell, Monroe, Pocahontas, Ringgold, Taylor, Van Buren, Wayne, Winnebago, and Worth. State law allows the Judicial Branch to hold open judicial vacancies, except for magistrate vacancies, for up to six months. The Judicial Branch is exercising this option.

The Judicial Branch will continue with the Electronic Document Management System (EDMS) Project. This Project is funded with other funds within the Judicial Branch and is contractually committed. The pilot in Plymouth County began January 2010 and will be followed by Story County and the appellate courts. Once the pilots have been successfully completed, the Judicial Branch estimates it will take approximately four years to implement the System statewide. The Judicial Branch is exploring ways to expedite the pilot project and implementation to help reduce the difficulties caused by the reduction in force. The estimated cost for the EDMS, based on signed contracts for electronic-filing (e-filing) and the document management system, is \$15.0 million. An additional \$4.0 million may be necessary for set-up, preparation, and additional network costs during implementation. There are approximately 7.0 FTE positions dedicated to the project (4.0 FTEs are 100.0% dedicated to the project and another 10.0 FTE positions are approximately 30.0% dedicated to the project). The estimated ongoing operational cost for the EDMS is \$1.2 million (\$700,000 per year for software maintenance and \$500,000 a year for on-going network expenses).

Law Enforcement Academy

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Law Enforcement Academy</u>			
Law Enforcement Academy	\$ 1,166,033	\$ -116,603	\$ 1,049,430
Total Law Enforcement Academy	\$ 1,166,033	\$ -116,603	\$ 1,049,430

- ATB Implementation Plan: Approved as submitted. The 10.0% ATB reduction totals \$116,603. This includes a 10.0% decrease to the Director's salary pro-rated for November 2009 through June 2010 totaling \$7,464. Fewer classes will be offered across the State and instead will be offered at the Academy at Camp Dodge, decreasing in-State travel and vehicle mileage. Only essential out-of-State travel will be approved and all efforts to obtain grant-funding or federal funding will be made. Two-sided copies, electronic delivery of documents, and utilizing CDs will be done more frequently to reduce copies and postage. The Academy will continue to shut off lights, heat, and air conditioning on the weekends. There will also be a decrease in the number of outside agencies and personnel that instruct at the Academy and will decrease the number of basic and specialty schools offered. The reduction of \$26,743 for outside services and repairs will result in the Academy being unable to repair equipment as needed. No new equipment will be purchased unless federally funded or funded from other funds. There is a \$2,000 reduction to computer equipment. This line item was reduced by \$29,231 in FY 2009 and \$18,461 in FY 2010, prior to the ATB reduction of an additional \$2,000. No new equipment will be purchased and IT coverage will be reduced for FY 2010. If uniforms need to be replaced, staff at the Academy will be required to purchase their own.
- Positions Eliminated: 2.0. The Academy eliminated two vacant instructor positions. Two additional vacant instructor positions have been filled with federal funds. At this time, no FTE positions are

being laid off. Only noncontract personnel are required to take the mandated seven furlough days. This affects approximately half of the Academy staff or approximately 14 people.

- Impact to federal funds: None.
- Other impacts: The 10.0% ATB will result in an additional \$10,000 reduction to professional and scientific supplies, a decrease of approximately \$30,000 compared to FY 2009. Additional fees may be charged to the cities and counties to cover this decrease. The facility maintenance supplies will be reduced \$5,000. These supplies are primarily purchased from Iowa Prison Industries (IPI) and will reduce sales for IPI as fewer supplies are used. The \$2,220 reduction to communications will result in the elimination of some cell phones and a decrease in ICN and information technology expenditures that will impact other State agencies. The \$2,000 reduction to rentals will impact National Guard fees as the majority of the Academy rentals were for facilities belonging to the National Guard.
- Funding backfill needs and recommendations: None. Current tuition for the Academy is \$4,000 and covers approximately 67.0% of the Academy's operating budget while the General Fund appropriation of \$1.0 million makes up the remainder. The Academy does not plan to increase tuition for FY 2010 at this time. Tuition rates for FY 2011 have not yet been determined. The Academy is also proposing to amend their Administrative Rules for certified but not yet employed individuals to remove the requirement that a law enforcement agency certify they will be employed within 18 months. The individual must still be hired by a law enforcement agency within 18 months to attain certification. The individual does not become certified until they are hired even though they have completed the training.

Board of Parole

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Parole, Board of</u>			
Parole Board	\$ 1,161,399	\$ -116,140	\$ 1,045,259
Total Parole, Board of	\$ 1,161,399	\$ -116,140	\$ 1,045,259

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: The Board is considering the implementation of a Reduction In Force (RIF). The Board did not fill 2.5 FTE vacant positions. This includes 1.5 Administrative Assistant 1 positions and 1.0 Executive Officer position. Noncontract staff are mandated by the Governor to take seven furlough days. Contract staff agreed to five furlough days.
- Portion of the FY 2010 budget funded by the General Fund: 100.0%.
- Impact on federal funds: None.

Department of Public Defense

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Public Defense, Dept. of			
Public Defense, Department of	\$ 6,249,201	\$ -624,920	\$ 5,624,281
Emergency Management Division			
Homeland Security & Emer. Mgmt.	\$ 2,038,119	\$ -203,812	\$ 1,834,307
Total Public Defense, Dept. of	\$ 8,287,320	\$ -828,732	\$ 7,458,588

Military Division

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. The Military Division plans to leave 1.7 FTE positions vacant through the end of FY 2010. The Deputy Adjutant General of the Army position will remain vacant with duties being absorbed by the Adjutant General and the Deputy Adjutant General of the Air National Guard. The Museum Director is retiring in January 2010 and the position will remain vacant for the remainder of the year. The current Human Resources Associate position has been left open since September and will remain vacant for the remainder of the year. In addition, a Public Service Executive position will be temporarily moved from General Fund funding to a special fund (Military Operations Fund). There are 39.0 employees in the Military Division that must take the mandatory seven furlough days.
- Impact to federal funds: The Guard will shift \$50,000 in operations and maintenance costs at Camp Dodge to federal funds. Maintenance for the Readiness Center will be deferred to future years. Maintenance for all Iowa Army National Guard Facilities will be deferred to future years. This totals \$586,000 of which \$293,000 is General Fund and \$293,000 is federal funds.
- Other impacts: The Division temporarily shifted \$40,000 for Readiness Center Maintenance to the Armory Rental Fund. The Division will defer maintenance for the Air National Guard Facilities to future years. The inventory level of the National Guard's central supply warehouse will experience a \$20,000 reduction.
- Funding backfill needs and recommendations: State Active Duty was reduced \$38,293 and will result in a reduction in man days available to respond to emergencies by 192 before more funds are required to be transferred to this appropriation.

Homeland Security and Emergency Management Division

- ATB Implementation Plan: Approved as submitted.
- Positions Eliminated: None. A Communications Bureau Chief will retire in January 2010 and this position will remain vacant for the remainder of the year and the work will be distributed to the other four Bureau Chiefs. In addition, there are 3.0 FTE positions that will remain vacant through FY 2011. These positions focused on grant monitoring and planning. This will negatively impact technical planning assistance and grants program customer assistance. Also, there are 7.0 State employees and approximately 60 Merit Resources employees that must take the mandatory seven furlough days.
- Impact to federal funds: The vacant positions will impact federal grant monitoring and planning for approximately 1,200 subgrantees. The reductions will reduce federal funds by \$85,826.

Department of Public Safety

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Public Safety, Department of</u>			
Public Safety - Department Wide Duties	\$ 1,576,987	\$ -157,699	\$ 1,419,288
Public Safety Administration	4,391,190	-439,119	3,952,071
Public Safety DCI	21,125,270	-2,112,527	19,012,743
DCI - Crime Lab Equipment/Training	335,939	-33,594	302,345
Narcotics Enforcement	6,386,274	-638,627	5,747,647
Public Safety Undercover Funds	121,158	-12,116	109,042
DPS Fire Marshal	3,988,892	-398,889	3,590,003
Iowa State Patrol	50,068,094	-5,006,809	45,061,285
DPS/SPOC Sick Leave Payout	310,575	-31,058	279,517
Fire Fighter Training	680,421	-68,166	612,255
Total Public Safety, Department of	\$ 88,984,800	\$ -8,898,604	\$ 80,086,196

- **ATB Implementation Plan:** The initial plan was not approved by the Governor. As of January 28, 2010, the revised plan was being reviewed by the Governor. The Governor has indicated he may use his authority to transfer funds into the DPS to reduce the impact, but no transfers have occurred to date.
- **Positions Eliminated:** 25.0 vacant positions. The preliminary plan was not approved pending negotiation of union contracts by the Governor but included the elimination of 100.0 FTE positions. Of these, 25.0 were vacant positions, 54.0 were full-time positions, and 21.0 were emergency personnel (part-time employees). Noncontract staff are mandated by the Governor to take seven furlough days. The Department is shifting 49.0 FTE positions to non-General Fund sources saving \$3.3 million. This includes 44.0 FTE positions from the Patrol, 2.0 FTE positions from the Division of Narcotics Enforcement (DNE), and 3.0 FTE positions from Division of Criminal Investigation (DCI). For the payroll dated October 15, 2009, there were 994 Public Safety employees. Of these employees, 533 were in the SPOC bargaining unit, 236 were in the AFSCME bargaining unit, 43 were in the IUP bargaining unit, and 182 were non-contract covered.
- **Portion of the FY 2010 budget funded by the General Fund:** Approximately 82.0% of the FY 2010 operating budget is funded by the General Fund. Approximately 80.0% of the DPS operating budget is personnel services costs.
- **Impact to federal funds:** In FY 2010, the Department of Public Safety received \$750,000 in federal ARRA stimulus funding. The Department used the ARRA funds to retain 13.0 employees. Nine are peace officers and four are civilians. These employees are the least senior employees in their classifications.
- **Other impacts:** Based on the preliminary plan, the Department is planning to reduce depreciation by \$3.3 million, overtime for the DCI by \$35,000, equipment expenditures for the DCI by \$166,000, and Department of Administrative Services (DAS) billings and rebates by \$107,000. Depreciation for the following divisions will be reduced:
 - Administration - \$61,000
 - DCI - \$255,000
 - DNE - \$269,000
 - Fire Marshal - \$226,000
 - Iowa State Patrol - \$2.5 million

TRANSPORTATION, INFRASTRUCTURE, AND CAPITALS SUBCOMMITTEE

Department of Transportation

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Transportation, Dept. of</u>			
Commercial Service Airports	\$ 1,500,000	\$ -150,000	\$ 1,350,000
Total Transportation, Dept. of	\$ 1,500,000	\$ -150,000	\$ 1,350,000

NOTE: The Department of Transportation's (DOT) operations budget is funded from non-General Fund dollars and is not affected by the ATB reduction. The DOT's operating budget is funded from the Road Use Tax Fund and the Primary Road Fund.

- ATB Implementation Plan: Approved as submitted.
- Portion of the FY 2010 budget funded by the General Fund: The Road Use Tax Fund, Primary Road Fund, and federal highway funding fund most of DOT's budget. A small amount of funding for the DOT's multimodal programs such as vertical infrastructure for commercial service and general aviation airports, public transit infrastructure, and freight and passenger rail is generally funded from the Rebuild Iowa Infrastructure Fund or other infrastructure-related funds. For FY 2010, the funding for commercial service airports vertical infrastructure was provided by the General Fund. It is anticipated that funding in future years will be provided from the infrastructure funds.
- Impact to federal funds: None.
- Other impacts: The airports submit applications for funding to the DOT for approval by the Transportation Commission. Commercial service airports include Burlington, Cedar Rapids, Des Moines, Dubuque, Fort Dodge, Mason City, Sioux City, and Waterloo. Allocation of the appropriation for commercial service airports is by percentage: 50.0% equally between each of the commercial service airports; 40.0% based on percentage of enplaned passengers; and 10.0% based on the airport's proportion of cargo tonnage during the previous fiscal year. The reduction in the General Fund appropriation will reduce the amounts for these purposes accordingly.
- Funding backfill needs and recommendations: None.

UNASSIGNED STANDING APPROPRIATIONS

A significant portion of the General Fund budget is appropriated automatically by statute. These appropriations do not fall under the purview of a specific appropriations committee. There are two types of standing appropriations:

- **Standing Limited Appropriations.** These are appropriations of a specific dollar amount. An example is the Iowa Power Fund appropriation in Iowa Code Sec. 469.10, that states, *"There is appropriated from the general fund of the state to the office of energy independence for each fiscal year of the fiscal period beginning July 1, 2008, and ending June 30, 2011, the sum of twenty-five million dollars to be used for awarding grants and making loans from the Iowa power fund, and for all other purposes specified in and consistent with this subchapter."* However, during the 2009 Legislative Session, SF 478 (FY 2010 Standing Appropriations Act) capped the standing appropriation at \$20.0 million and made an additional one-time appropriation of \$4.0 million, for a total of \$24.0 million for FY 2010.
- **Standing Unlimited Appropriations.** These are appropriations of an unspecified dollar amount. An example is State aid for public schools pursuant to Iowa Code Section 257.16 that states, *"There is appropriated each year from the General Fund of the State an amount necessary to pay the foundation aid, supplementary aid under section 257.4, subsection 2, and adjusted additional property tax levy aid under section 257.15, subsection 4."*

General Fund Standing Appropriation ATB Reductions by Department

Illustrated below are the General Fund ATB reductions for standing appropriations for FY 2010. These reductions total \$274.1 million. The most significant standing appropriation reduction for FY 2010 is the State aid for public schools reduction of \$238.5 million. This accounts for 87.0% of the total reduction to standing appropriations. This reduction is discussed in more detail in the School Aid section of this document. Other significant reductions (more than \$1.0 million) include:

- \$1.2 million for child development (Department of Education)
- \$2.4 million for the Office of Energy Independence
- \$8.2 million for mental health property tax relief (Department of Human Services)
- \$10.1 million for the Property Tax Credit Fund (Department of Management)
- \$11.8 million for the Health Care Trust Fund transfer (Treasurer of State)

The standing appropriation reductions by department include:

Department of Administrative Services

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Administrative Services, Dept. of			
State Accounting Trust Accounts			
Federal Cash Management Standing	\$ 396,208	\$ -39,621	\$ 356,587
Unemployment Compensation-State Standing	489,301	-48,930	440,371
Municipal Fire & Police Retirement	2,503,510	-250,351	2,253,159
Total Administrative Services, Dept. of	\$ 3,389,019	\$ -338,902	\$ 3,050,117

Department of Corrections

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Corrections, Dept. of</u>			
Central Office			
State Cases Court Costs	\$ 66,370	\$ -6,637	\$ 59,733
Total Corrections, Dept. of	\$ 66,370	\$ -6,637	\$ 59,733

Department of Cultural Affairs

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Cultural Affairs, Dept. of</u>			
Cultural Affairs, Dept. of			
County Endowment DCA Grants-AGR	\$ 452,783	\$ -9,483	\$ 443,300
Total Cultural Affairs, Dept. of	\$ 452,783	\$ -9,483	\$ 443,300

Department of Economic Development

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Economic Development, Dept. of</u>			
Economic Development, Dept. of			
Tourism Marketing - AGR	957,809	-95,781	862,028
Total Economic Development, Dept. of	\$ 957,809	\$ -95,781	\$ 862,028

Department of Education

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Education, Dept. of</u>			
Education, Dept. of			
State Foundation School Aid	\$ 2,384,953,295	\$ -238,495,330	\$ 2,146,457,965
Child Development	11,493,891	-1,149,389	10,344,502
Transportation of Nonpublic Pupils	7,845,479	-784,548	7,060,931
Total Education, Dept. of	\$ 2,404,292,665	\$ -240,429,267	\$ 2,163,863,398

NOTE: For more information about the ATB reduction for schools, see the School Aid section of this document.

Office of Energy Independence

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Energy Independence</u>			
Office of Energy Independence			
Iowa Power Fund	\$ 24,000,000	\$ -2,400,000	\$ 21,600,000
Total Energy Independence	\$ 24,000,000	\$ -2,400,000	\$ 21,600,000

NOTE: This reduction will impact financial assistance to entities for research or business related to energy efficiency programs.

Executive Council

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Executive Council</u>			
Executive Council			
Performance of Duty	\$ 2,000,000	\$ -200,000	\$ 1,800,000
Court Costs	66,413	-6,641	59,772
Drainage Assessment	22,475	-2,248	20,227
Public Improvements	44,276	-4,428	39,848
Total Executive Council	\$ 2,133,164	\$ -213,317	\$ 1,919,847

Legislative Branch

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Legislative Branch</u>			
House of Representatives			
House	\$ 11,158,528	\$ 0	\$ 11,158,528
Senate			
Senate	\$ 7,443,141	\$ 0	\$ 7,443,141
Joint Expenses of Legislature			
Joint Legislative Expenses	\$ 1,233,192	\$ 0	\$ 1,233,192
Citizens' Aide, Office of			
Citizens Aide	\$ 1,484,119	\$ 0	\$ 1,484,119
Legislative Services Agency			
Legislative Services Agency	12,085,134	0	12,085,134
Total Legislative Services Agency	\$ 12,085,134	\$ 0	\$ 12,085,134
Total Legislative Branch	\$ 33,404,114	\$ 0	\$ 33,404,114

NOTE: The Legislative Branch is a separate branch of Government. The Governor does not have statutory authority to issue across-the-board reductions to the Legislative Branch.

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

- ATB Implementation Plan: None submitted. However, the Legislative Branch announced implementation of a voluntary reduction of \$3.3 million (10.0%) to the FY 2010 budget. This is the second reduction to the Legislative Branch for FY 2010. During the 2009 Legislative Session, SF 478 (FY 2010 Standing Appropriations Act) reduced the FY 2010 General Fund appropriation estimate by \$2.8 million (7.6%) compared to the FY 2009 General Fund appropriation estimate.
- Positions Eliminated: 6.0 part-time (Session only), no full-time. The part-time positions that will be eliminated include: one assistant chief clerk, one doorkeeper, and four pages. There is a hiring freeze in effect and vacant positions will be held open. All full-time employees will be required to take six furlough days.
- Other impacts: The General Assembly plans to reduce the statutory Session meeting length from 100 days to 80. This will reduce per diem pay by approximately \$310,000 during FY 2010. Constituency pay will be reduced from \$300 per month to \$200 per month for each legislator. Legislative clerks will work reduced hours. Travel expense has also been reduced.

Governor's Office

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Governor</u>			
Governor's Office			
Interstate Extradition	\$ 3,369	\$ -337	\$ 3,032
Total Governor	\$ 3,369	\$ -337	\$ 3,032

Department of Public Health

<u>Public Health, Dept. of</u>			
Public Health, Dept. of			
Reg. for Congenital & Inherited Disorders	\$ 182,044	\$ -20,684	\$ 161,360
Total Public Health, Dept. of	\$ 182,044	\$ -20,684	\$ 161,360

Department of Human Services

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Human Services, Dept. of</u>			
General Administration			
Commission of Inquiry	\$ 1,549	\$ -155	\$ 1,394
Non Resident Transfers	75	-8	67
Non Resident Commitment Mental Illness	158,669	-15,867	142,802
Total General Administration	\$ 160,293	\$ -16,030	\$ 144,263
Assistance			
MH Property Tax Relief	\$ 81,555,457	\$ -8,155,546	\$ 73,399,911
Child Abuse Prevention	217,772	-43,696	174,076
Total Assistance	\$ 81,773,229	\$ -8,199,242	\$ 73,573,987
Total Human Services, Dept. of	\$ 81,933,522	\$ -8,215,272	\$ 73,718,250

NOTE: For more information about the ATB reduction for the Department of Human Services see the Medicaid section and the ATB section for the Health and Human Services Subcommittee of this document.

Department of Management

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
Management, Dept. of			
Management, Dept. of			
Special Olympics Fund	\$ 50,000	\$ 0	\$ 50,000
Appeal Board Claims	3,984,786	-398,479	3,586,307
Property Tax Credit Fund	101,395,597	-10,139,560	91,256,037
Total Management, Dept. of	\$ 105,430,383	\$ -10,538,039	\$ 94,892,344

Property Tax Credits

The Homestead Property Tax Credit, the Agricultural Land and Family Farm Tax Credit, the Military Service Tax Credit, and the Elderly and Disabled Tax Credit and Rent Reimbursement are funded from the FY 2010 Property Tax Credit Fund (PTCF). The PTCF received FY 2010 appropriations of \$101.4 million from the General Fund and \$54.7 million from the Cash Reserve Fund and the transfer of \$3.8 million from the ending balance of the FY 2009 Property Tax Credit Fund. The tax credits were to receive the following amounts from the PTCF:

- Homestead Property Tax Credit – \$100.7 million.
- Agricultural Land and Family Farm Tax Credit – \$34.6 million.
- Military Service Tax Credit – \$2.4 million.
- Elderly and Disabled Tax Credit and Rent Reimbursement – \$22.2 million.

The 10.0% ATB reduction was announced in October 2009. At this time, funds for the Military Service Tax Credit and the Agricultural Land portion of the Agricultural Land and Family Farm Tax Credit had already been expended, so no reduction was applied. The Homestead Property Tax credit was reduced by \$4.2 million, and the Family Farm portion of the Agricultural Land and Family Farm Tax Credit was reduced by \$2.2 million, for a total reduction of \$6.4 million.

Section 9 of SF 478 (FY 2010 Standing Appropriations Act) requires the Elderly Property Tax Credit and Rent Reimbursement Credit to be paid at the percentage estimated by the Director of the Department of Revenue based upon data submitted by the county treasurers. The estimate provided on June 15, 2009, was for 100.0% reimbursement. Therefore, all elderly credit claims are to be paid at that 100.0% rate established pursuant to Iowa Code Section 25B.7 until the credits can no longer be paid, and then any remaining claims are held over and paid in the subsequent fiscal year.

For FY 2010, approximately \$6.1 million of the original Elderly Credit appropriation goes to the county for the property tax credit and \$16.1 million goes to rent reimbursement claims filed by individuals directly with the Department of Revenue. The 100.0% total of \$6.1 million for the Elderly Credit will be paid to the counties. Funding for the individual rent reimbursement claims is projected to be exhausted in April of 2010. At that time, all further claims will be held for payment in FY 2011. The FY 2010 shortfall in rent reimbursement is expected to be \$1.4 million. If funding remains at the current

Appendix G – FY 2010 – 10.0% Across-the-Board (ATB) Reduction Implementation Plans

reduced level for FY 2011, the Director's June 2009 estimate would require both the Elderly Property Tax Credit and rent reimbursements to be prorated to approximately 90.0% of the amount claimed.

Department of Public Defense

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Public Defense, Dept. of</u>			
Public Defense, Dept. of			
Compensation and Expense	\$ 382,938	\$ -38,294	\$ 344,644
Total Public Defense, Dept. of	\$ 382,938	\$ -38,294	\$ 344,644

Department of Revenue

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Revenue, Dept. of</u>			
Revenue, Dept. of			
Printing Cigarette Stamps	\$ 138,502	\$ -13,850	\$ 124,652
Tobacco Reporting Requirements	21,768	-2,177	19,591
Total Revenue, Dept. of	\$ 160,270	\$ -16,027	\$ 144,243

Treasurer of State

	Estimated FY 2010	ATB Reduction FY 2010	Est Net FY 2010
<u>Treasurer of State</u>			
Treasurer of State			
Health Care Trust Fund Transfer	\$ 117,796,000	\$ -11,779,600	\$ 106,016,400
Total Treasurer of State	\$ 117,796,000	\$ -11,779,600	\$ 106,016,400

NOTE: This reduction impacts funding for Medicaid. For more information see the Medicaid section of this document.