



IDAHO STATE BOARD OF EDUCATION

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March 4, 2009

Wayne Hammon
Division of Financial Management

Re: Stimulus Bill

Title XIV of the American Recovery and Reinvestment Act of 2009 provides for the restoration of state support for higher education targeted for education and general expenditures to: 1) mitigate the need to raise tuition and fees; or 2) for the modernization, renovation or repair of facilities. Idaho's higher education share of this funding is \$35,367,800. We request that those funds be appropriated in FY 2010 and FY 2011 as follows:

Table with 4 columns: Institution/Agency, FY 2010, FY 2011, Total. Rows include PTE Postsecondary, Systemwide Needs, Boise State University, Idaho State University, University of Idaho, Lewis-Clark State College, College of Southern Idaho, North Idaho College, College of Western Idaho, and Total.

For 2010, the schedule above addresses the shortfall created by the 4% ongoing reduction from FY 2009 and the additional 3% reduction for FY 2010. For FY 2011, the schedule addresses \$13,456,300 of the shortfall. We envision that the institutions will make every effort to cut costs in FY 2010 including personnel reductions and one-time capital. However, we believe that providing more money in FY 2010 will provide the institutions time to make longer term decisions for FY 2011 such as implementing nonrenewal notices to reduce larger numbers of personnel. It is also critical that the institutions have time to adjust so that they can maintain capacity for helping people who need education to weather this economic downturn.

The stabilization funds will be used in a variety of ways including retaining adjunct faculty and purchasing necessary instructional equipment and supplies, with the goal of targeting funds to the most critical areas and maintaining capacity.

Also, the Federal Work Study and Pell grant programs will be funded directly through the higher education institutions. Idaho can use those funds effectively, and we would like the Governor to indicate that we would be willing to receive those funds.

We had previously instructed the institutions and agencies to submit their requests for funds under Title XIV and other parts of the American Recovery and Reinvestment Act of 2009 directly to DFM by noon March 4th. We anticipate that some of those requests will fit under the above request for restoration funds, but many will be targeted toward other parts of the act.

We now understand that very few projects will be approved under the governmental services category. Institutions may determine that some of those projects could be funded under the restoration category, but those decisions will be informed by the necessity to mitigate fee increases and modernize facilities while maintaining critical capacity.

Handwritten signature of Mike Rush
Mike Rush
Executive Director