Good afternoon. Thank you for this opportunity to discuss the impact of the COVID-19 pandemic on Iowa State University. The Iowa State community has responded to the crisis with creativity, innovation, and flexibility.

I feel very proud of our faculty and staff who have responded quickly to uphold our land-grant mission, ensure critical university operations continue, and keep our students on track with their academic progress.

Nonetheless, the financial impact on Iowa State University will be unprecedented.

Iowa State’s response to the crisis began 95 days ago when we activated our Emergency Operations Center and started to establish 12 working groups with expertise in specific issues like academic continuity, workforce protection, and finance and logistics. This allowed us to take a swift, thoughtful, and coordinated approach as the COVID-19 outbreak spread and eventually hit Iowa.

As you know, our decisions have been rooted in guidance from the Governor, the Iowa Department of Public Health, and the Centers for Disease Control and Prevention to ensure the health and safety of our students, faculty, and staff.

The first international travel warning was issued for China in late January. A month later, South Korea was added, followed shortly by Italy. These warnings and a subsequent international travel ban led to the recall of all ISU students studying abroad, and eventually, all Study Abroad programs were canceled.

Iowa State immediately began incurring costs for emergency flight changes to help our students get home, as well as refunds for programs cut short or canceled.

On March 11, Iowa State announced the move to virtual instruction for two weeks following spring break, and all university events were canceled, postponed, or moved online during that time period. Our faculty and staff jumped into action to transition more than 6,000 courses online and move numerous student services to a virtual format.

A few days later, the Big 12 Men’s and Women’s Basketball Tournaments were canceled, followed by the NCAA Tournament, resulting in significant lost revenue for athletics.

As the pandemic escalated the next week, we made the move to extend virtual instruction through the end of the semester.

We immediately initiated discussions about refunds for housing, dining, course fees, and parking. With 40 percent of the semester being moved online and students encouraged to return home, we decided to provide prorated refunds for course fees that supported hands-on learning
Remarks as prepared for delivery by President Wendy Wintersteen

components – like field trips and lab equipment. We also refunded the unused portion of housing and dining contracts and parking permits. To give you an idea, of the 6,400 students living in our residence halls, only 280 remain.

Soon thereafter, we announced that all university events through May 31 had to be canceled, postponed, or moved online. The decision to cancel through May was made to give organizers time to plan and make alternate arrangements. Our usually bustling campus has gone quiet as conferences, seminars, athletic events, and other performances have been called off. As the number of event cancelations increase, the amount of lost revenue will multiply.

Campus units that rely heavily on revenue are projecting significant losses, including the Memorial Union, Department of Residence, ISU Dining, the Iowa State Book Store, the Iowa State Center, and University Museums.

Additionally, the Veterinary Diagnostic Laboratory, Veterinary Medical Center, Field Services, Training, and Testing are projecting considerable lost revenue due to modified operations.

Lost earnings and interest are also a substantial concern as we calculate lost revenue. This includes lost interest on the ISU Foundation Endowment, which supports a number of programs and student scholarships.

While lost revenue and refunds are a predominant part of the equation, the other piece is additional expenses. The most significant expense right now is for personal protective equipment and cleaning supplies for our front line staff in health care, public safety, and facilities. We’ve also incurred incremental costs to move courses online and support employees working remotely.

In early April, we conservatively estimated the impact of the COVID-19 crisis would total more than $88 million in refunds and lost revenue, and close to $1 million in additional expenses. This projection covered the time period from early March to the end of August.

However, it’s important to note that the figures do not include our research enterprise. We continue to gather information about the financial impact of reduced research operations.

In addition, we understand the circumstances of this crisis continue to change rapidly and will undoubtedly have additional financial implications for which we must account.

We will continue to carefully monitor our losses and increased costs during the coming months. And while uncertainty remains, you can count on Iowa State University to fulfill our land-grant mission to serve our students and to serve all Iowans. Thank you.