

Contact: Andrea Anania

MINUTES OF DECEMBER 4, 2013, TELEPHONIC BOARD MEETING

(host location)
ALUMNI CENTER, UELNER EXECUTIVE BOARD ROOM
IOWA STATE UNIVERSITY
AMES, IOWA

Board Members

Nicole Carroll	Present
Milt Dakovich	Present
Robert Downer	Present
Ruth Harkin	Via phone
Larry McKibben	Present
Katie Mulholland	Present
Bruce Rastetter	Present
Subhash Sahai	Present
Hannah Walsh	Present

Staff Members

Andrea Anania, Jeneane Beck, Bob Donley, Sheila Doyle Koppin, Tom Evans, Diana Gonzalez, Joan Racki, Keith Saunders, Patrice Sayre, Ilene Tuttle

Regent Institutions

SUI	Sally Mason, Barry Butler, Ken Fisher, Ken Kates, Jean Robillard, Debra Schwinn, Doug True
ISU	Steven Leath, Warren Madden, Jonathan Wickert
UNI	Bill Ruud
ISD/IBSSS	Patrick Clancy

Others

Mike Dudkowski, Wilshire Consulting
Barry Fick, Springsted Incorporated

The corresponding memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934. Audio of the meeting is also available on the web site.

Call to Order for December 4, 2013

President Rastetter called the Board of Regents meeting to order at 1:02 p.m.

Roll Call:

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Present	x	x	x		x	x	x	x	x
Absent				x*					

*Regent Harkin joined via phone during the Audit/Compliance and Investment Committee meeting**

CONSENT AGENDA

- ▶ Minutes of October 24, 2013, Board Meeting
 - ▶ Approval of Common and University/Program-Specific Fees for 2014-2015
 - ▶ Request to Name the Cardiovascular Research Center at the University of Iowa
- MOVED by DOWNER, SECONDED by WALSH, to approve and receive items on the CONSENT AGENDA.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

University of Iowa Hospitals and Clinics Committee

The University of Iowa Hospitals and Clinics Committee met at this time.

Board Receipt of Committee Report

- MOVED by SAHAI, SECONDED by RASTETTER, to receive the:
- ▶ Report of Operational and Financial Performance; and
 - ▶ Report of the University of Iowa Hospitals and Clinics Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Audit/Compliance and Investment Committee

The Audit/Compliance and Investment Committee met at this time.

Board Receipt of Committee Report

➤ MOVED by DOWNER, SECONDED by CARROLL, to:

- ▶ Receive the Investment and Cash Management Report for the Quarter Ended September 30, 2013;
- ▶ Approve the fund manager strategies as shown in the memorandum;
- ▶ Approve the Revision to the Board of Regents Policy Manual – Investment Policy; and
- ▶ Receive the report of the Audit/Compliance and Investment Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Board President Report

President Rastetter:

- ▶ Congratulated the three universities for receiving high national rankings by CollegeAtlas.org, an independent, non-profit site that ranks over 1,300 U.S. universities based on the following three “A-List” criteria: Affordability, Academic Quality, and Accessibility. He reported:
 - ◆ Each of Iowa’s public universities ranked at or near the top of the site’s “A-List” – Iowa State University at #1, the University of Iowa at #7, and the University of Northern Iowa at #13;
 - ◆ Of top Midwestern universities, the universities ranked #1, #2, and #4, respectively;
 - ◆ The rankings are significant because they reflect the high expectations of the Board and the universities for affordability, academic quality, and accessibility; and
 - ◆ The Board and the universities will continue the commitment to excellence in the areas of affordability, academic quality, and accessibility for current and future generations of Iowans.
 - ▶ Recognized Regent McKibben for an update on the Board’s Efficiency Study;
 - ▶ Recognized Sheila Doyle Koppin for an update on implementation of the Board’s transparency measures; and
 - ▶ Recognized Regent Walsh who thanked Board members for their investment in her as a student Regent and for their work to make the tuition freeze possible.
- The Board received the report by GENERAL CONSENT.

Search for Superintendent of Iowa School for the Deaf/Iowa Braille and Sight Saving School

President Rastetter announced ISD/IBSSS Superintendent Patrick Clancy's retirement effective June 30, 2014, adding that Superintendent Clancy will provide additional services as needed to ensure a smooth transition to the next Superintendent. President Rastetter said the Board appreciated Superintendent Clancy's service, commitment, intensity, passion, and the tremendous accomplishments under his exemplary leadership over the last several years.

- MOVED by MULHOLLAND, SECONDED by DAKOVICH, to:
 - ▶ Accept the retirement of Patrick Clancy, as Superintendent of the Iowa School for the Deaf and the Iowa Braille and Sight Saving School effective June 30, 2014;
 - ▶ Express the Board's appreciation to Superintendent Clancy for his service;
 - ▶ Name Rose Vasquez as chair of a committee to begin the search;
 - ▶ Appoint Regent Nicole Carroll as a member and Robert Donley and Diana Gonzalez as ex-officio members of the search committee;
 - ▶ Authorize the search committee chair in consultation with the Executive Director, the Board leadership and Superintendent Clancy to name additional members to the search committee;
 - ▶ Authorize the Executive Director in consultation with the search committee chair to issue a request for proposals to name a search firm and to select a firm from the respondents;
 - ▶ Schedule a minimum of two public hearings before February 2014 – one at the Iowa School for the Deaf and one at the Iowa Braille and Sight Saving School to elicit comments from the communities on the necessary criteria for the Superintendent;
 - ▶ Direct that an account be established jointly between the two special schools to fund the search; and
 - ▶ Submit a progress report to the Board at its February 2014 meeting.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x*	x	x	x	x	x	x	x	x
Abstain*	x*								

MOTION APPROVED by ROLL CALL.

** Regent Carroll abstained from approving her own appointment and voted aye on all other items.*

Reports from Institutional Heads

President Rastetter recognized Superintendent Clancy and Presidents Mason, Ruud, and Leath for a report on recent activities at their respective institutions.

- The Board received the reports by GENERAL CONSENT.

Bond Sales

SALE AND ISSUANCE OF \$8,750,000 DORMITORY REVENUE BONDS, SERIES I.S.U. 2013C

Policy and Operations Officer Joan Racki introduced Barry Fick from Springsted, Incorporated, the Board's financial advisor.

Barry Fick reported that: (1) three bids were received; (2) the winning bid was submitted by Hutchinson Shockey, Erley & Co.; and (3) the true interest cost was 3.52%.

- **MOVED** by DAKOVICH, **SECONDED** by WALSH, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$8,750,000 Dormitory Revenue Bonds, Series I.S.U. 2013C, for the purpose of paying a portion of the costs of constructing and equipping the Frederiksen Court Expansion project at Iowa State University of Science and Technology, funding a debt service reserve fund, and paying costs of issuance.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

SALE AND AWARD OF \$6,000,000 ACADEMIC BUILDING REVENUE REFUNDING BONDS, SERIES I.S.U. 2013

Barry Fick reported that: (1) eight bids were received; (2) the winning bid was submitted by Stifel Nicolaus & Company, Incorporated; and (3) the true interest cost was 1.2198%.

- **MOVED** by DAKOVICH, **SECONDED** by DOWNER, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$6,000,000 Academic Building Revenue Refunding Bonds, Series I.S.U 2013, for the purpose of currently refunding the \$7,790,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2003 and the \$5,430,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2004A, and paying costs of issuance.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Proposed 2014-2015 Tuition and Fees

Chief Business Officer Patrice Sayre provided an overview of the proposed tuition and mandatory fees for the 2014-2015 academic year and explained the changes from the proposal presented to the Board at its October meeting.

- MOVED by WALSH, SECONDED by DOWNER, to approve the proposed conditional tuition and mandatory fees for the 2014-2015 academic year as outlined in the agenda item, effective with the summer session 2014.
- MOVED by MULHOLLAND, SECONDED by CARROLL, to amend the motion by adding the following language: "Tuition for all resident students currently enrolled or entering the Juris Doctorate program in the Fall of 2014 would decrease by an amount equal to the respective percentage of the decrease in tuition for nonresident students."

Discussion was held on the financial impact to students and to the College of Law, quality, affordability, and enrollment.

- ROLL CALL VOTE on the amendment.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x		x	x	x	x	x	x
Nay			x						

MOTION APPROVED by ROLL CALL.

Regent Sahai asked for information on retaining College of Law graduates in Iowa and how decreasing tuition would affect the number of applicants.

- ROLL CALL VOTE on the motion as amended.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Report of the Education and Student Affairs Committee

The Education and Student Affairs Committee was held the morning of December 4th.

- MOVED by MULHOLLAND, SECONDED by CARROLL, to:
 - ▶ Approve the minutes of the Education and Student Affairs Committee meeting of October 23, 2013;
 - ▶ Approve the Professional Development Assignment Requests for FY 2015. The universities request approval of 124 faculty assignments, which represents 1.6% of all faculty at the universities;
 - ▶ Receive the Professional Development Assignment Reports for FY 2013. There were 111 Professional Development Assignments approved by the Board of Regents for FY 2013. However, 101 reports were included because some faculty members declined to participate in their professional development assignment or asked for it to be deferred to a later date;

- ▶ Approve the Annual Report on the Articulation Efforts and Activities Implemented by the Iowa Community Colleges and the Institutions of Higher Education Governed by the Board of Regents and recommend that the Board Office be directed to submit the final report to the General Assembly by January 15, 2014. Of note, there are more than 1,000 individual articulation agreements between Iowa’s public universities and community colleges, a bonus for the students of Iowa;
- ▶ Approve the annual report on the Iowa Research and Development Center for Educational Transformation at the University of Northern Iowa and recommend directing the Board Office to submit the report to the General Assembly by January 10, 2014. The Center was approved by the Board of Regents in October 2013 with a \$2 million investment from The Carver Trust. The Center will be the clearinghouse for educational innovation, conduct transformative design-based implementation research, provide professional development for practicing teachers, broaden the arena of practice for pre-service teachers, and synergize the existing services of other PK-12 centers across the university;
- ▶ Approve the request of Iowa State University to establish a new center: The Center for Arthropod Management Technologies. The new Center will be a new National Science Foundation Industry/University Cooperative Research Center. ISU will be the lead institution. The purpose of the Center is to streamline the efforts of industry government and academics toward development of technologies for effective management of arthropod pests. The funding for the Center will be a combination of NSF Funds, membership fees, and collegiate-reallocated funds. The Center will be unique in the state;
- ▶ Approve the request of the University of Iowa to award an Honorary Doctor of Humane Letters Degree to Mr. Leonard A. Hadley at the Spring 2014 commencement. The University of Iowa wishes to recognize Mr. Hadley for his leadership and advocacy on behalf of the Tippie College of Business and his commitment to advancing the missions of the Tippie College of Business and the University of Iowa. Mr. Hadley and his wife, Marlene, are generous supporters, not only of the Tippie College of Business, but also of University of Iowa Athletics; Hancher Auditorium; and glaucoma research, education, and clinical care in the Department of Ophthalmology;
- ▶ Approve the request of the University of Iowa to award an Honorary Doctor of Science Degree to Mr. Manuel Villafana at the at the Spring 2014 commencement. The University of Iowa wishes to recognize Mr. Villafana for his extraordinary achievements in the area of biomedical device development, his civic leadership, and his commitment to supporting the success of University of Iowa students. Mr. Villafana and his wife, Tippie College of Business alumna Elizabeth Elder Villafana, are committed to enhancing the impact of the University of Iowa College of Engineering and to supporting the success of its students. His work with the faculty in the biomedical engineering program helped propel it to its present national recognition; and
- ▶ Receive the update of the Education and Student Affairs Committee Work Plan for 2013.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Report of the Property and Facilities Committee

The Property and Facilities Committee was held the morning of December 4th.

- MOVED by DAKOVICH, SECONDED by CARROLL, to:
 - ▶ Approve the Register of University of Iowa Capital Improvement Business Transactions;
 - ▶ Approve the Institutional Agreements, Leases and Easements;
 - ▶ Approve the University of Iowa’s request to name the replacement facility for the School of Music the Voxman Music Building;
 - ▶ Receive the report of the University of Iowa Update of Flood Recovery Status; and
 - ▶ Receive the Report of the Property and Facilities Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Closed Session – Student Appeal

- MOVED by SAHAI, SECONDED by MULHOLLAND, to enter into closed session pursuant to Iowa Code §21.5(1)(a and f) to review records that are required to be kept confidential by the Family Educational Rights and Privacy Act and to discuss the decision to be rendered in a contested case proceeding.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x			x	x	x	
Absent				x	x				x

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 3:33 p.m.

The Board reconvened in open session at 4:10 p.m.

- MOVED by MULHOLLAND, SECONDED by DOWNER, to deny the student appeal and affirm the institutional action.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Adjourn

President Rastetter adjourned the meeting at 4:12 p.m.