

Contact: Andrea Anania

MINUTES OF MARCH 21, 2012, BOARD MEETING

**MAIN LOUNGE, IOWA MEMORIAL UNION
UNIVERSITY OF IOWA
IOWA CITY, IOWA**

Board Members	March 21, 2012
Nicole Carroll	Present
Robert Downer	Present
Jack Evans	Present
Ruth Harkin	Present
Greta Johnson	Present
Craig Lang	Present
David Miles	Present
Katie Mulholland	Present
Bruce Rastetter	Present

Staff Members

Andrea Anania, Brad Berg, Marcia Brunson, Aimee Clayton, Bob Donley, Sheila Doyle Koppin, Diana Gonzalez, Joan Racki, Keith Saunders, Patrice Sayre, Todd Stewart, Ilene Tuttle

Regent Institutions

SUI Sally Mason, Michelle Altmaier, P. Barry Butler, Ken Fisher, Ken Kates, Rod Lehnertz, Elyse Meardon, Jean Robillard, Paul Rothman, Von Stange, Doug True

ISU Steven Leath, Jamison Arends, Peter Englin, Elizabeth Hoffman, Warren Madden

UNI Ben Allen, Gloria Gibson, Michael Hager, Emily Hanson, Carol Petersen

ISD John Cool, Jim Heuer

IBS Patrick Clancy

Others

Sandy Baum, College Board
Barry Fick, Springsted Incorporated
Mitchell Hirsch, Pelli Clarke Pelli Architects
Rod Kruse, BNIM
Kevin Monson, Neumann Monson Architects

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.

Call to Order for March 21, 2012

President Lang called the Board of Regents meeting to order at 1:00 p.m.

Roll Call:

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Present	x	x	x	x	x	x	x	x	x
Absent									

Resolution for the Sale and Award of \$25 Million Utility System Revenue Bonds, Series S.U.I. 2012

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

Barry Fick reported that: (1) seven bids were received; (2) the winning bid was submitted by a group led by Piper Jaffray & Co.; and (3) the true interest cost was 3.59%.

- MOVED by EVANS, SECONDED by DOWNER, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$25,000,000 Utility System Revenue Bonds, Series S.U.I. 2012, for the purpose of approving and authorizing the agreement of such sale and award, and authorizing and approving the execution and delivery of the Seventeenth Supplemental Indenture, Tax Exemption Certificate, and Continuing Disclosure Certificate.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

University of Iowa Hospitals and Clinics Committee

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

Board Receipt of UIHC Committee Report

- MOVED by DOWNER, SECONDED by EVANS, to receive the:
 - ◆ Informational report on Operational and Financial Performance;
 - ◆ Report on Dance Marathons at Iowa's Public Universities; and
 - ◆ Report of the University of Iowa Hospitals and Clinics Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

Audit/Compliance and Investment Committee

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

Board Receipt of Audit/Compliance and Investment Committee Report

➤ MOVED by EVANS, SECONDED by RASTETTER, to receive the:

- ◆ Investment and Cash Management Report for the Quarter Ended December 31, 2011; and
- ◆ Report of the Audit/Compliance and Investment Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

Board President Report

President Lang thanked President Mason, Vice President Doug True, and Director of Planning, Design and Construction in Facilities Management Rod Lehnertz for the comprehensive morning tour of the sites for the Arts Campus replacement facilities, new residence hall, and other campus locations. He said the Board is pleased with the progress that has been made for the Arts Campus and noted the extraordinary efforts of the University of Iowa, Governor Branstad, FEMA, and Iowa Homeland Security in this endeavor.

President Allen and College of Education Dean Dr. Dwight Watson updated the Board on the closing of the Malcom Price Laboratory School and transition plans for students and employees.

Regent Johnson gave an update on the student-led marketing initiative, Universities for a Better Iowa.

➤ The Board received the report by GENERAL CONSENT.

Tuition Set-Aside Presentation

Chief Academic Affairs Officer Dr. Diana Gonzalez introduced College Board Senior Policy Analyst Dr. Sandy Baum. Dr. Baum discussed the use of tuition set-aside as a source of student financial aid, practices in other states, and policy implications.

President Lang requested that this issue be presented to the Board again at its June meeting.

➤ The Board received the report by GENERAL CONSENT.

CONSENT AGENDA

- ◆ Minutes of February 6-7, 2012, Board Meeting
- ◆ Minutes of February 27, 2012, Telephonic Board Meeting
- ◆ Minutes of March 5, 2012, Telephonic Board Meeting
- ◆ Annual Report on Span of Control
- ◆ Proposed University Parking for FY 2013
- ◆ University of Northern Iowa Request to Borrow from the Iowa Energy Bank Revolving Loan Program
- ◆ Revisions to the Board of Regents Policy Manual – Chapter 8
- ◆ Annual Report on Campus Safety and Security

➤ MOVED by MILES, SECONDED by DOWNER, to:

▶ Remove the following items from consideration in the CONSENT AGENDA:

- ◆ University of Northern Iowa Request to Borrow from the Iowa Energy Bank Revolving Loan Program; and
- ◆ Revisions to the Board of Regents Policy Manual – Chapter 8.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

▶ Approve the University of Northern Iowa Request to Borrow from the Iowa Energy Bank Revolving Loan Program from the Consent Agenda.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	
Abstain									x

MOTION APPROVED by ROLL CALL.

➤ MOVED by MILES, SECONDED by HARKIN, to TABLE the Revisions to the Board of Regents Policy Manual – Chapter 8.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Abstain									

MOTION APPROVED by ROLL CALL.

➤ MOVED by MILES, SECONDED by EVANS, to approve the CONSENT AGENDA.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Abstain									

MOTION APPROVED by ROLL CALL.

Board Receipt of Report of Education and Student Affairs Committee

- MOVED by MULHOLLAND, SECONDED by HARKIN, to:
 - ◆ Terminate and/or suspend undergraduate and graduate programs at the University of Northern Iowa;
 - ◆ Approve the proposed revisions for the 2012-2013 General Catalog at Iowa State University; and
 - ◆ Terminate the Bachelor of Science Program in Insect Science in the College of Agriculture and Life Sciences at Iowa State University.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

- MOVED by MULHOLLAND, SECONDED by HARKIN, to receive and file the report of the School of Music accreditation report at the University of Northern Iowa.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Personnel Actions – Iowa School for the Deaf

Policy and Operations Officer Marcia Brunson provided a brief overview of the transactions.

Regent Miles recognized and acknowledged emails expressing concern about Superintendent Clancy’s qualifications and ability to sign. He stated his support for Superintendent Clancy and praised his leadership skills.

- MOVED by RASTETTER, SECONDED by HARKIN, to:
 - ◆ Accept the resignation of Superintendent Jeanne Prickett;
 - ◆ Retain Dr. Prickett as a consultant at the Iowa School for the Deaf for the period of April 1, 2012, through June 10, 2012, as detailed in Attachment A in the memorandum; and
 - ◆ Approve the appointment of Patrick Clancy, Superintendent of the Iowa Braille and Sight Saving School, as Superintendent of the Iowa School for the Deaf effective April 1, 2012, with a \$25,000 salary increase and an increase of \$20,000 in deferred compensation.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Register of University of Iowa Capital Improvement Business Transactions

Vice President Doug True explained the Field House project and introduced Director of Planning, Design and Construction in Facilities Management Rod Lehnertz.

Director Lehnertz introduced Mitchell Hirsch from Pelli Clarke Pelli Architects who explained the schematic design, site, plans and renderings for Hancher Auditorium; Rod Kruse from BNIM who discussed the Art Building Replacement Project; and Kevin Monson from Neumann Monson Architects who talked about the School of Music Replacement Project.

➤ MOVED by MILES, SECONDED by HARKIN, to approve:

- ◆ The following actions for the **Field House – Modify for UIHC Entry Access** project:
 - ◆ Acknowledge receipt of the University’s initial submission of information to address the Board’s capital project evaluation criteria (see Attachment A in the memorandum);
 - ◆ Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - ◆ Authorize permission to proceed with project planning, including utilization of design professionals from the project team for the UIHC / Children’s Hospital project.

MOTION APPROVED UNANIMOUSLY.

➤ MOVED by MILES, SECONDED by MULHOLLAND, to approve:

- ◆ The following actions for the **Art Building Replacement – Construct New Facility, Hancher Auditorium Replacement – Construct New Facility, School of Music Replacement Facility – Construct New Facility, and West Campus Residence Hall – Construct New Facility** projects:
 - ◆ Acknowledge receipt of the University’s final submission of information to address the Board’s capital project evaluation criteria (see Attachments in the memorandum: B for Art Building Replacement, C for Hancher Auditorium Replacement, D for School of Music Replacement and E for West Campus Residence Hall);
 - ◆ Accept the Board Office recommendation that the projects meet the necessary criteria for Board consideration;
 - ◆ Approve the financing plan for the West Campus Residence Hall;
 - ◆ Approve the utilization of the firm of Neumann-Monson Architects to begin planning the demolition of structures on the site of the School of Music Replacement facility; and
 - ◆ Approve the schematic designs, project descriptions and budgets (\$77,263,400 for Art Building Replacement, \$175,586,145 for Hancher Auditorium Replacement, \$152,045,596 for School of Music Replacement, and \$53,444,501 for the West Campus Residence Hall), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.

MOTION APPROVED UNANIMOUSLY.

University of Iowa Building Demolition

Vice President Doug True explained the proposed building demolition.

- MOVED by MILES, SECONDED by DOWNER, to approve the demolition of 109 River Street in Iowa City.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

University of Iowa Update of Flood Recovery Status

Vice President Doug True and Director of Planning, Design and Construction in Facilities Management Rod Lehnertz gave a presentation on the update of flood recovery status.

- The Board received the report by GENERAL CONSENT.

University of Iowa Reimbursement Resolution – Flood Recovery

Vice President Doug True explained the reimbursement resolution.

- MOVED by EVANS, SECONDED by MULHOLLAND, to Adopt a Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the State University of Iowa for certain original expenditures paid to build, repair, replace, reconstruct, furnish and equip facilities damaged by flood.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

University of Iowa Reimbursement Resolution – Motor Vehicle Purchase

Vice President Doug True explained the reimbursement resolution.

- MOVED by MULHOLLAND, SECONDED by MILES, to Adopt a Resolution declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the State University of Iowa for certain original expenditures paid in connection with the purchase of motor vehicles.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Register of Iowa State University Capital Improvement Business Transactions

Vice President Warren Madden highlighted the proposed transaction.

- MOVED by DOWNER, SECONDED by MULHOLLAND, to approve the project description and budget (\$3.23 million) for the **MacKay Hall - Auditorium 117 Remodeling** project.

MOTION APPROVED UNANIMOUSLY.

Iowa State University Naming – Agriculture Student Learning Center

President Leath explained the naming.

- MOVED by MILES, SECONDED by EVANS, to name the University's Agriculture Student Learning Center as the Jeff and Deb Hansen Agriculture Student Learning Center.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Register of University of Northern Iowa Capital Improvement Business Transactions

Vice President Michael Hager highlighted the proposed transaction.

- MOVED by MULHOLLAND, SECONDED by JOHNSON, to approve the following actions for the **Redeker Center Expansion - Phase 2** project, a major capital project as defined by Board policy.
 - ◆ Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria (see Attachment A in the memorandum);
 - ◆ Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
 - ◆ Approve the project description and budget (\$4,350,000), and financing plan for the project, with the understanding that approval will constitute final Board approval and authorization to proceed with construction on Phase 2.

MOTION APPROVED UNANIMOUSLY.

University of Northern Iowa Demolitions

Vice President Michael Hager highlighted the proposed demolitions.

- MOVED by MULHOLLAND, SECONDED by MILES, to approve the demolition of two houses located at 3214 and 3104 Hudson Road, Cedar Falls, Iowa.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Institutional Agreements, Leases, and Easements

Policy and Operations Officer Joan Racki explained the proposed easements and lease.

- MOVED by MILES, SECONDED by CARROLL, to approve two easements and one lease for the benefit of the University of Iowa, subject to approval of the final documents by the Board Office and Attorney General's Office.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x		x	x	x	x	x
Absent				x					

MOTION APPROVED by ROLL CALL.

Legislative Update

State Relations Officer Keith Saunders provided an update on education, economic development, and infrastructure appropriations bills, and education reform and alternative project delivery policy bills.

Discussion was held on stopping the state appropriations funding loss, advocacy efforts and grass roots initiatives, and the importance of reconnecting Iowans to the institutions through the Universities for a Better Iowa campaign.

- The Board received the update by GENERAL CONSENT.

Residence System Governance Report

Policy and Operations Officer Brad Berg provided an overview of the docket item.

SUI University Housing Director Von Stange, ISU Department of Residence Director Peter Englin, and UNI Interim Director of Residence Carol Petersen discussed capacity and the anticipated growth in enrollment.

- By GENERAL CONSENT, the Board:
 - ◆ Received the university residence systems five-year plans for FY 2013 through FY 2017;
 - ◆ Considered the universities' preliminary FY 2013 residence system budgets, which are subject to further review and action when the Board approves the final FY 2013 institutional budgets; and
 - ◆ Considered, with final approval scheduled for April, the universities' academic year 2012-2013 proposed rates for all residence halls, board options, and apartments as detailed in the attachments.

Adjourn

President Lang adjourned the meeting at 4:07 p.m.