

Contact: Andrea Anania

MINUTES OF APRIL 24-25, 2013, BOARD MEETING

**MAUCKER UNION, OLD CENTRAL BALROOM, ROOMS A AND B
UNIVERSITY OF NORTHERN IOWA
CEDAR FALLS, IOWA**

Board Members	April 24, 2013	April 25, 2013
Nicole Carroll	Present	Present
Robert Downer	Present	Present
Jack Evans	Present	Present
Ruth Harkin	Present	Present
Craig Lang	Present	Present
David Miles	Present	Present
Katie Mulholland	Present	Present
Bruce Rastetter	Present	Present
Hannah Walsh	Present	Present

Staff Members

Andrea Anania, Jeneane Beck, Brad Berg, Bob Donley, Sheila Doyle Koppin, Tom Evans, Diana Gonzalez, Ann McCarthy, Joan Racki, Patrice Sayre, Todd Stewart, Ilene Tuttle

Regent Institutions

- SUI Sally Mason, Gary Barta, P. Barry Butler, Ken Fisher, Rod Lehnertz, Ken Kates, Randy Nessler, Carroll Reasoner, Jean Robillard, Debra Schwinn, Joshua Smith, Linda Snetselaar, Doug True, Mark Warner
- ISU Steven Leath, Peter Englin, Suzanne Hendrich, Roberta Johnson, Warren Madden, David Orman, Jonathan Wickert
- UNI Ben Allen, Mark Rowe-Barth, Gloria Gibson, Michael Hager, Joyce Morrow, Tyler Sharp, Matthew Wilson
- ISD/IBSSS Patrick Clancy, Don Boddicker (IBSSS)

Others

Barry Fick, Springsted Incorporated
Pat Hall, Iowa Homeland Security and Emergency Management Division
Mark Schouten, Iowa Homeland Security and Emergency Management Division

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 April 24, 2013

President Lang called the Board of Regents meeting to order at 3:10 p.m.

Roll Call:

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

University of Iowa Hospitals and Clinics Committee

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

Board Receipt of UIHC Committee Report

➤ MOVED by EVANS, SECONDED by CARROLL, to:

- ▶ Approve a 6% rate increase at University of Iowa Hospital and Clinics effective July 1, 2013;
- ▶ Receive the New Children’s Hospital Construction update;
- ▶ Receive the Operational and Financial Performance update;
- ▶ Receive the FY 2014 Budget; and
- ▶ Receive the 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>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

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 CARROLL, to:

- ▶ Receive the state audit reports for the fiscal year ended June 30, 2012;
- ▶ Receive the University Financial Reports for the fiscal year ended June 30, 2012;
- ▶ Receive the Report of Recommendations to Iowa State University of Science and Technology on a Review of Selected General and Application Controls over the Room and Board System;
- ▶ Receive the Report of Recommendations to the University of Hospital and Clinics on a Review of Selected General and Application Controls over the GE Centricity System;
- ▶ Receive the original and follow-up internal audit reports;
- ▶ Receive the external audit reports for the fiscal year ended June 30, 2012, for Iowa Public Radio and the Graduate Study Centers;
- ▶ Receive the report on Enterprise Risk Management;
- ▶ Approve the proposed changes to the Modification of Brokerage Firms, Financial Institutions, and Money Market Mutual Funds as outlined in the memorandum; and
- ▶ Receive the report of the Audit/Compliance and Investment Committee.

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

MOTION APPROVED by ROLL CALL.

President Lang thanked Regent Evans for his strong leadership in chairing the Audit/Compliance and Investment Committee and adjourned the meeting at 5:30 p.m.

Call to Order for April 25, 2013

President Lang called the Board of Regents meeting to order at 9:11 a.m.

Roll Call:

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

Board President Report

President Lang:

- ▶ Thanked outgoing student leaders for their outstanding leadership and close collaboration with the Board;
 - ▶ Reported that, pending final action by the legislature and the Governor, the Board anticipates that it will be able to freeze tuition for 2013-2014. He thanked the legislature for supporting higher education in the state of Iowa;
 - ▶ Recognized outgoing 2012-2013 student leaders:
 - ◆ SUI Student Government President Nic Pottebaum
 - ◆ SUI Student Government Vice President Jessica Tobin
 - ◆ SUI Executive Council of Graduate and Professional Students President Michael Appel
 - ◆ SUI Executive Council of Graduate and Professional Students Vice President Emma Hashman
 - ◆ ISU Government of the Student Body President Jared Knight
 - ◆ ISU Government of the Student Body Vice President Katie Brown
 - ◆ Northern Iowa Student Government President Jordan Bancroft Smithe
 - ◆ Northern Iowa Student Government Vice President KaLeigh White
 - ◆ Northern Iowa Student Government Speaker of the Student Senate Jared Parker
 - ▶ Recognized incoming 2013-2014 student leaders:
 - ◆ SUI Student Government President Katherine Valde
 - ◆ SUI Student Government Vice President Jack Cumming
 - ◆ SUI Executive Council of Graduate and Professional Students President Ben Gillig
 - ◆ SUI Executive Council of Graduate and Professional Students Vice President Matt Enriquez
 - ◆ ISU Government of the Student Body President Spencer Hughes
 - ◆ ISU Government of the Student Body Vice President Hillary Kletscher
 - ◆ Northern Iowa Student Government President Thomas Madsen
 - ◆ Northern Iowa Student Government Vice President Blake Findley
 - ◆ Northern Iowa Student Government Speaker of the Student Senate Stephanie McGraw
 - ▶ Recognized SUI Executive Council of Graduate and Professional Students President Michael Appel who gave a presentation on graduate and professional education and keeping students in Iowa after graduation;
 - ▶ Announced a new task force to review general university funding. He appointed Regent Miles to lead the task force and also asked Regent Mulholland to participate.
- The Board received the report by GENERAL CONSENT.

Reports from Institutional Heads

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

- The Board received the reports by GENERAL CONSENT.

CONSENT AGENDA

- ▶ Minutes of March 13, 2013, Board Meeting
 - ▶ Allocation of Mandatory Student Fees for 2013-2014 Academic Year
 - ▶ Approval of University Parking for FY 2014
 - ▶ Annual Report on Competition with Private Enterprise
 - ▶ UI College of Dentistry Basic Science Incentive Compensation Plan
 - ▶ Revisions to Board of Regents Policy Manual – Chapter 7
 - ▶ University of Northern Iowa Presidential Personnel Actions
- MOVED by DOWNER, SECONDED by EVANS, to approve the CONSENT AGENDA.

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

MOTION APPROVED by ROLL CALL.

Annual Student Financial Aid Report

Chief Academic Officer Dr. Diana Gonzalez introduced the three financial aid directors: Mark Warner (SUI), Roberta Johnson (ISU), and Joyce Morrow (UNI). The group provided an oral report on student financial aid.

Regent Walsh commented on tuition levels, student debt load, state funding, and increasing affordability for Iowa residents.

In response to Regent Evans, the financial aid directors addressed student financial literacy and interaction with parents.

Further discussion was held on student financial aid, including sequestration and its effects on student aid, federal grants and loans, interest, debt, and repayment plans and options.

- The Board received the report by GENERAL CONSENT.

Annual Regent Student Financial Aid Study

Chief Academic Officer Dr. Diana Gonzalez provided highlights of the study.

- The Board received the report by GENERAL CONSENT.

Report of the Education and Student Affairs Committee

- MOVED by RASTETTER, SECONDED by WALSH, to recommend:

- ▶ Approval of the minutes of the Education and Student Affairs Committee meeting on March 13, 2013;
- ▶ Approval of the request of a name change from the Iowa Teacher Intern License Pathway Program to the Regents Alternative Pathway to Iowa Licensure Program. The proposed name change will differentiate the program from other intern-licensure programs;
- ▶ Approval of the request by the University of Iowa to terminate the Master of Arts Program in International Studies. The request to terminate the program resulted from significantly reduced student interest in the program and an organizational change regarding the Bachelor of Arts program in International Studies;

- ▶ Approval of the request by the University of Iowa for a program name change from Master of Science and Ph.D. Programs in Biology to Master of Science and Ph.D. Programs in Integrated Biology. The proposed name change will allow the programs to more accurately target students interested in a broad approach to Biology and help eliminate confusion with the Biosciences Program that has similar or overlapping names with the sub tracks in Biology;
- ▶ Approval of the request by the University of Iowa to terminate the Master of Science Program in Operative Dentistry. By closing the M.S. program and replacing it with the existing three-year Master of Science Program in Oral Science, students will have an additional year of study to accommodate the advances of technology in the field;
- ▶ Approval of the request by the University of Iowa to create a new center, the University of Iowa Center for Child Health Improvement and Innovation. The purpose of the proposed center is to assist the state to integrate and improve children's disability and mental health system in Iowa. The proposed center will assist in the design and implementation of the pediatric integrated home health model across the state. The project will be entirely funded through a multi-year contract with Magellan of Iowa. No university funds will be allocated to this project. This project will not duplicate any other efforts at the University;
- ▶ Approval of the request by the University of Northern Iowa to re-open admissions to the Master of Arts Program in Women and Gender Studies. Admissions to the program were suspended in March 2012 to allow faculty to restructure the program curriculum which now has been successfully completed;
- ▶ Approval of a request by the University of Iowa to establish a new program, Doctor of Juridical Science in the College of Law. The proposed program will offer new opportunities for students in the field of legal academic research and scholarly writing;
- ▶ Approval of the request by the three universities of the 188 recommendations for tenure and promotion for the 2013-2014 year. This represents a decrease of 3.6% from the prior year;
- ▶ Receiving the Annual Report on Faculty Tenure for 2012-2013. The total number of faculty is 5,637, which is an increase of 2.2% from the prior year. This number does not include the clinical or adjunct faculty at the University of Iowa who did not receive a salary. Approximately 63% of the total number of faculty is either tenured or tenure-track. Each university has a post-tenure review process;
- ▶ Receiving the Iowa Student Loan presentation. Dr. Tahira Hira, Professor and Senior Policy Advisor to the President of Iowa State University, serves as the Board of Regents representative on the Iowa Student Loan Board of Directors. Iowa Student Loan has numerous programs that address student borrowing and practices;
- ▶ Receiving the report on the Title IIA Grant Program. Dr. Diana Gonzalez administers the Title IIA Grant Program which receives federal funds to develop community-based programs with the focus on enhancing student achievement in mathematics and science. First-year funding was awarded to one new multi-year project, the University of Northern Iowa's "Impacting Achievement with Collaboration and Technology"; and
- ▶ Receiving the update of the 2013 work plan of the Education and Student Affairs Committee.

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

MOTION APPROVED by ROLL CALL.

University of Northern Iowa – Property Conveyance, Property Exchange and Easements

Vice President Michael Hager explained the proposed property conveyance, property exchange and easements.

- MOVED by EVANS, SECONDED by DOWNER, to approve the property conveyance and property exchange at no cost, the granting of easements, and the waiver of Board Policy 9.02 C.2 (conveyance of real estate for monetary consideration based on appraisal) for the benefit of the University of Northern 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>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Approval of Residence System Proposed Rates and Transfers for 2013-2014 Academic Year

Policy and Operations Officer Brad Berg explained the proposed rates and transfers.

In response to a question from Regent Downer, Policy and Operations Officer Berg elaborated on the proposed increases for the Hawkeye Court Apartments.

- MOVED by MULHOLLAND, SECONDED by HARKIN, to approve the universities’ academic year 2013-2014 proposed rates for all residence halls, apartments, and board options as detailed in Attachments A, B and C in the memorandum, and to approve transfers from each university’s department of residence system funds to the improvement funds as detailed in the agenda item.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Walsh</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 and Director of Planning, Design and Construction in Facilities Management Rod Lehnertz explained the proposed transactions.

- MOVED by RASTETTER, SECONDED by CARROLL, to approve the:
 - ▶ **Hawkeye Tennis & Recreation Complex – Indoor Turf Addition** 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;
 - ◆ Approve the schematic design, project description and budget (\$15,000,000), and designbuild team finalists as outlined in this memorandum, with the understanding that approval will constitute final Board approval and authorization to proceed with construction; and
 - ◆ Approve the razing of the Housing Services building on the site.
 - ▶ Revised project budget (\$14,212,000) and contract award (\$10,630,000) to McComas-Lacina Construction LC of Iowa City, IA for the **UIHC Levels 7 & 8 John Colloton and John Pappajohn Rooftop Pavilions Infills** project.

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

MOTION APPROVED by ROLL CALL.

University of Iowa Reimbursement Resolution – Motor Vehicle Purchase

Vice President Doug True explained the reimbursement resolution.

- MOVED by EVANS, SECONDED by HARKIN, 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>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

University of Iowa – Kinnick Stadium Scoreboard and Sound System – Purchase and Financing

Vice President Doug True and Athletics Director Gary Barta explained the proposed purchase and financing.

President Lang noted that no tax dollars or tuition dollars will be used to pay for this project.

- MOVED by EVANS, SECONDED by WALSH, to:
 - ▶ Approve the University of Iowa's request to proceed with the purchase of a new video display and sound system for Kinnick Stadium from Daktronics, Inc., at a cost of up to \$4.5 million, subject to completion of satisfactory negotiations with the firm;
 - ▶ Authorize the University to enter into a Master Lease financing agreement of not more than \$8.0 million for the purchase and installation of the video display system, the infrastructure needed for the installation, and the control room and sound system equipment, subject to necessary approvals by the Board Office; and
 - ▶ Approve a revised project budget of \$2,440,421, and a contract award of \$1,937,000 to McComas-Lacina Construction LC of Iowa City for **Kinnick Stadium and Paul W. Breschler Press Box – Replace Score and Video Boards**, infrastructure project, a component of the Kinnick Stadium Scoreboard and Sound System, as outlined in the addendum to the memorandum.

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

MOTION APPROVED by ROLL CALL.

Iowa State University – Off-Campus Housing Agreements

Vice President Warren Madden and ISU Department of Residence Director Peter Englin explained the agreements.

Discussion was held on temporary housing and retention, net cost to the University, and bus service.

- MOVED by DOWNER, SECONDED by EVANS, to approve:
 - ▶ Off campus housing agreements for the benefit of Iowa State University for the 2013-2014 academic year, subject to approval of the final documents by the Board Office and the Attorney General's Office:
 - ◆ Apartment building at 119 Stanton in Ames from American Campus Communities (299 beds and office space) from August 1, 2013 to July 31, 2014 for an annual amount not to exceed \$1,708,380.
 - ◆ Four apartment buildings (204 beds) located at 4020, 4100, 4110, and 4130 Maricopa Drive in west Ames from The Ridge at Fountainview LC from August 1, 2013 to July 31, 2014 for an annual amount not to exceed \$1,032,660.

- ▶ Academic year 2013-2014 proposed rates as provided on page 3 in the memorandum for the The Ridge at Fountainview LC and American Campus Communities leased properties described in the memorandum.

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

MOTION APPROVED by ROLL CALL.

Other

- MOVED by MULHOLLAND, SECONDED by EVANS, to approve the following resolution:

WHEREAS, when Benjamin J. Allen assumed the position as the 9th President of the University of Northern Iowa on June 5, 2006, he brought to the University and the state of Iowa an exceptionally strong leadership style that provided an unwavering commitment and dedication to excellence for seven years; and

WHEREAS, under President Allen's leadership, the University of Northern Iowa achieved the most successful fundraising campaign in history, surpassing the fundraising goal for the "Imagine the Impact" campaign, and securing the three largest gifts in the University's history. The largest gift being a \$15 million gift from Des Moines businessman Richard O. Jacobson to the College of Education for teacher education which includes endowed student scholarships and faculty positions in literacy and science, visiting faculty fellows, an annual education summit, and teacher education programs and research; and

WHEREAS; President Allen initiated the development of the 2010-2015 strategic plan that provided clear direction as well as objective ways to measure accomplishments; and

WHEREAS; President Allen worked expertly to strengthen and bolster the University of Northern Iowa's leadership role in education by securing private funds for a Comprehensive Literacy Center and co-chairing the Governor's Science, Technology, Engineering and Mathematics (STEM) Advisory Council to improve statewide access to STEM educational opportunities, improve STEM teacher recruitment and preparation, and foster public/private partnerships to enhance support for STEM education; and

WHEREAS; President Allen provided outstanding leadership by successfully managing through significant budget reductions at the University, making difficult decisions to focus resources while maintaining an emphasis on preserving educational quality, ensuring that students' progress toward graduation would not be impeded, and sustaining student financial assistance; and

WHEREAS; President Allen was a strong advocate for the University of Northern Iowa and developed positive working relationships with public officials and private citizens and effectively communicated the University's unique role in serving Iowa students; and

WHEREAS; President Allen valued student leadership and maintained an effective working relationship with the student government leaders, he enthusiastically supported students' activities, and he taught leadership seminars for presidential scholars.

NOW THEREFORE, BE IT RESOLVED that the Board of Regents expresses its profound gratitude to President Benjamin J. Allen for his strong leadership, bold vision, valuable knowledge and experience; and presents to him this plaque in recognition and honor of his extraordinary service and contributions to the state of Iowa, the Board of Regents, and the University of Northern Iowa.

MOTION APPROVED UNANIMOUSLY.

- MOVED by MILES, SECONDED by MULLHOLLAND, to approve the following resolution:

WHEREAS, Craig A. Lang was appointed to the Board of Regents on May 1, 2007, and served as its 17th President from July 12, 2011, through April 30, 2013; and

WHEREAS, under Mr. Lang's leadership, the Board guided Iowa's Public Universities and Special Schools through difficult and uncertain financial times resulting from the global financial crisis, and a substantial decrease in state appropriations, and successfully directed the institutions to do more with less as they completed comprehensive, strategic reviews that strengthened the efficiency of their operations; and

WHEREAS, under Mr. Lang's leadership, the Board continued to emphasize access and affordability of Iowa's Public Universities for all students, especially for all eligible Iowans and continues to make significant progress in terms of student access and affordability, enrollment growth, graduation rates, operational efficiencies, online distance education, and research funding; and

WHEREAS, under Mr. Lang's leadership, the Board approved modest inflationary increases to tuition as it carefully balanced its commitment to the affordability of Iowa's Public Universities with its commitment to preserving the outstanding quality of the institutions and, for the 2013-2014 academic year, approved a tuition freeze for Iowa's undergraduate students; and

WHEREAS, under Mr. Lang's leadership, the Board approved a five-year plan to eliminate the use of tuition revenues for financial aid at the universities and to create a state-funded student financial aid program for Iowa undergraduate students attending Regent universities; and

WHEREAS, under Mr. Lang's leadership, the Board continued to emphasize the link between education and Iowa's economic future, and Iowa's Public Universities continued expansion of their relationships with Iowa's Community Colleges to support the transfer and enrollment of students at Iowa's Public Universities; and

WHEREAS, under Mr. Lang's leadership, the Board consolidated the superintendent positions and oversaw the strategic transformation of the educational delivery model at the Iowa Braille and Sight Saving School and preserved the specialized and high quality services of the Iowa School for the Deaf despite significant budget cuts; and

WHEREAS, under Mr. Lang's leadership, the Board selected exceptional higher education leaders to serve as presidents of Iowa State University and the University of Northern Iowa; and

WHEREAS, under Mr. Lang's leadership, Iowa's Public Universities and Special Schools along with their commitment to Iowans, are stronger than ever.

NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Mr. Lang for his vision, expertise, and leadership, and presents to him this plaque in honor of his extraordinary service and contributions to the Board of Regents, its institutions, students, families, and all Iowans.

MOTION APPROVED UNANIMOUSLY.

Bond Sales

Policy and Operations Officer Joan Racki: (1) reported that, excluding the following refunding bonds presented for approval, the present value savings from the refunding of Board bonds total \$36,844,365 since 2001; and (2) introduced Barry Fick from Springsted, Incorporated, the Board's financial advisor.

RESOLUTION FOR SALE AND ISSUANCE OF \$20,155,000 MEMORIAL UNION REVENUE REFUNDING BONDS, SERIES I.S.U. 2013

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 2.662%.

- MOVED by DOWNER, SECONDED by WALSH, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$20,155,000 Memorial Union Revenue Refunding Bonds, Series I.S.U. 2013, for the purpose of advance refunding the \$24,625,000 Memorial Union Revenue Bonds, Series I.S.U. 2004, paying costs of issuance and approving a Refunding Trust Agreement.

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

MOTION APPROVED by ROLL CALL.

RESOLUTION FOR SALE AND ISSUANCE OF \$2,755,000 REGULATED MATERIALS FACILITY REVENUE REFUNDING BONDS, SERIES I.S.U. 2013

Barry Fick reported that: (1) the winning bid was submitted by Hutchinson Shockey, Erley & Co.; and (2) the true interest cost was 1.184%.

- MOVED by MULHOLLAND, SECONDED by CARROLL, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$2,755,000 Regulated Materials Facility Revenue Refunding Bonds, Series I.S.U. 2013, for the purpose of currently refunding the \$6,750,000 Regulated Materials Facility Revenue Bonds, Series I.S.U. 2003, and paying costs of issuance.

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

MOTION APPROVED by ROLL CALL.

RESOLUTION FOR SALE AND ISSUANCE OF \$4,815,000 FIELD HOUSE REVENUE REFUNDING BONDS, SERIES U.N.I. 2013

Barry Fick reported that: (1) the winning bid was submitted by Robert W. Baird; and (2) the true interest cost was 2.022%.

- MOVED by EVANS, SECONDED by CARROLL, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$4,815,000 Field House Revenue Refunding Bonds, Series U.N.I. 2013, for the purpose of currently refunding the \$10,000,000 Field House Revenue Bonds, Series U.N.I. 2004, and paying costs of issuance.

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

MOTION APPROVED by ROLL CALL.

RESOLUTION FOR SALE AND ISSUANCE OF \$2,435,000 STUDENT HEALTH SYSTEM REVENUE REFUNDING BONDS, SERIES U.N.I. 2013

Barry Fick reported that: (1) the winning bid was submitted by Robert W. Baird; and (2) the true interest cost was 2.0025%.

- **MOVED** by WALSH, **SECONDED** by EVANS, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$2,435,000 Student Health System Revenue Refunding Bonds, Series U.N.I. 2013, for the purpose of currently refunding the \$3,875,000 Student Health System Revenue Bonds, Series U.N.I. 2004, and paying costs of issuance.

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

MOTION APPROVED by ROLL CALL.

Report of Board of Regents Transparency Task Force

Regent Carroll provided an update of the Regents Transparency Task Force.

President Lang thanked Regent Carroll for leading the task force and said he looked forward to the recommendations.

- The Board received the report by GENERAL CONSENT.

Legislative Update

State Relations Officer Jeneane Beck updated the Board on the following bills: education and appropriations, economic development, agriculture, infrastructure, and education reform.

- The Board received the update by GENERAL CONSENT.

University of Iowa Update of Flood Recovery Status

Vice President Doug True introduced Iowa Homeland Security and Emergency Management Division (IHSEMD) Administrator Mark Schouten and IHSEMD Recovery Bureau Head Pat Hall. SUI General Counsel Carroll Reasoner was also present.

Director of Planning, Design and Construction in Facilities Management Rod Lehnertz gave an update on the status of current major projects.

Pat Hall acknowledged complexity of the projects and the progress made to date, thanked SUI for their hard work over the last five years, and reported no issues with the projects or money expended.

Vice President True updated the Board on current and potential appeals.

- The Board received the update by GENERAL CONSENT.

- MOVED by MULHOLLAND, SECONDED by WALSH, to include, as a part of the minutes, the following comments (presented during lunch) on behalf of retiring Regents Evans and Miles.

MOTION APPROVED UNANIMOUSLY.

- ▶ Comments given by President Mason:

"I am very pleased and proud to say a few words today in honor of Jack Evans as we thank him for his six years of service to the Board of Regents, State of Iowa.

Jack came to the Board with extensive financial expertise and a deep background of service to many financial and philanthropic organizations.

With his experience as President of the Hall-Perrine Foundation of Cedar Rapids, his past leadership with SCI Financial Group, and important roles with such businesses and organizations as Gazette Communications, Nuveen Institutional Advisory Corporation, Priority One, United Fire Group, the Iowa College Foundation, the United Way of East Central Iowa, Alliant Energy, the Federal Reserve Bank of Chicago, and several more, Jack Evans brought to the Board of Regents a perspective marked by strong business acumen and a devotion to public service.

As a member of the Board, Jack was put to the test by two of our Regents institutions' greatest challenges in their history: the Great Recession of 2007-2008 and the Flood of 2008, which impacted the University of Iowa campus so profoundly.

Through these crises—and many other challenges the Board and our institutions have faced, as well as the opportunities that came before us—Jack has brought to the table an even hand, time-tested wisdom, and invaluable expertise.

For me personally and for the University of Iowa, Jack has been a remarkable partner as we have pursued critical flood recovery funding.

And as all of our institutions have completed strategic reviews to strengthen the efficiency of our operations in the wake of the global financial crisis, Jack has provided us with the kind of wisdom, insight, and support that have made us leaner and stronger organizations.

The Regents institutions are in sound financial shape and conduct their business with sound financial practices. Jack has had a significant hand in making sure that is and remains so, and it is entirely appropriate that he has represented our universities and special schools so well to the Iowa Business Council, as well as many other organizations.

Jack, the commitment of our public universities and special schools to the people of Iowa is stronger than ever.

Today, we express our deep gratitude to you for the vision, expertise, and leadership that have strengthened and enhanced that dedication to the citizens of our state over the past six years.

And we offer you our best wishes for continued success as you bring your talents to the many other businesses and organizations that will no doubt benefit from your knowledge and insight in the years to come."

- ▶ Comments given by President Pro Tem Rastetter:

“David Miles was appointed to the Board of Regents on May 1, 2007. During his six-year term, he served for three and one-half years as the Board’s 16th President.

I have been impressed with David’s leadership and service on the Board both from an outside perspective, and as a fellow Board member. I feel very fortunate to have had the opportunity to serve with David for the past two years.

David’s accomplishments during his six year term are quite remarkable:

- ◆ *He demonstrated tremendous leadership in response to the devastating and historic flooding at the University of Iowa in the summer of 2008.*
- ◆ *Under his leadership, the Board guided Iowa’s public universities and special schools through difficult and uncertain financial times resulting from the global financial crisis and an accompanying and substantial decrease in state appropriations.*

In this process, David successfully directed the institutions to do more with less as they completed comprehensive, strategic reviews that strengthened the efficiency of their operations.

- ◆ *And all of this occurred as David emphasized access and affordability of Iowa’s public universities for all students, especially for all eligible Iowans regardless of financial need.*

Under David’s leadership, the Board approved moderate tuition increases, averaging only 4.6%, as it carefully balanced its commitment to the affordability of Iowa’s Public Universities with its commitment to preserving their outstanding quality.

- ◆ *David also emphasized the link between Iowa’s public universities and special schools and the many ways they impact, and their potential for greater impact, on Iowa’s current and future economy.*
- ◆ *Also under David’s leadership, the Board oversaw the strategic transformation of the educational delivery model at the Iowa Braille and Sight Saving School and preserved the specialized and high quality services of the Iowa School for the Deaf despite significant budget cuts.*

David, thank you for the leadership and strategic vision you brought to the Board of Regents and shared with Iowa’s public universities and special schools. Your accomplishments on the Board have had a permanent, positive impact on our institutions not only for our current students but for future generations of students, as well.”

Presentations by Nonrepresented Faculty and Staff on FY 2014 Salary Issues

The following people made presentations on budget planning and salary policies for FY 2014:

- ▶ University of Iowa Faculty Member and Endowed Chair Linda Snetselaar;
- ▶ Regents Inter-Institutional Supervisory and Confidential Advisory Council Chair Joshua Smith;
- ▶ University of Iowa Staff Council President Randy Nessler;
- ▶ Iowa State University Faculty Senate President Suzanne Hendrich;
- ▶ Iowa State University Professional and Scientific Council President David Orman; and
- ▶ University of Northern Iowa Professional and Scientific Staff Council President Mark Rowe-Barth

See attachments to the memorandum for written statements provided by Iowa School for the Deaf faculty; Iowa State University Professional and Scientific Council; Iowa State University Faculty Senate; and University of Northern Iowa Professional and Scientific Council.

- The Board received the presentations by GENERAL CONSENT.

Faculty Presentation at the University of Northern Iowa: “Advertising Campaign Development”

UNI Provost Gloria Gibson introduced College of Business Administration Instructor of Marketing Matthew Wilson. Instructor Wilson reported on current efforts in advertising and marketing at UNI and introduced public relations major Tyler Sharp, who gave his perspective as a student.

- The Board received the presentation by GENERAL CONSENT.

Closed Session

- MOVED by CARROLL, SECONDED by WALSH, to enter into closed session pursuant to Iowa Code §21.5(1)(c) to discuss strategy with counsel in matters where litigation is imminent and disclosure would likely prejudice or disadvantage the position of the Board.

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

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 2:40 p.m.

The Board reconvened in open session at 2:52 p.m.

Adjourn

President Lang adjourned the meeting at 2:53 p.m.