

**BOARD OF REGENTS MEETING
RIVERCENTER / ADLER THEATER – DAVENPORT, IOWA
AUGUST 3-4, 2005**

Board Members

August 3, 2005

August 4, 2005

Amir Arbisser	Present	Present
Mary Ellen Becker	Present	Present
Tom Bedell	Present	Absent
Robert Downer	Present	Present
Michael Gartner	Present	Present
Ruth Harkin	Present	Present
Jenny Rokes	Present	Arrived @ 10:50 a.m.
Rose Vasquez	Present	Present
Teresa Wahlert	Present	Present

Staff Members

Andrea Anania, Susan Anderson, Dianna Baker, Barb Boose, Mark Braun, Marcia Brunson, Pam Elliott Cain, Sheila Doyle, Tom Evans, Tony Girardi, Diana Gonzalez, Deb Hendrickson, Gregory Nichols, Joan Racki, Dianne Smith, and Gary Steinke

Regent Institutions

SUI David Skorton, Bob Bowsby, Stacey Cyphert, Anthony DeFurio, Michael Hogan, Donna Katen-Bahensky, Rod Lehnertz, Ann Madden Rice, Jane Meyer, Jean Robillard, Dick See, Todd Stewart, Dr. Joseph Smucker, Doug True

ISU Gregory Geoffroy, Benjamin Allen, James Bloedel, Mark Grief, Warren Madden

UNI Robert Koob, Cliff Chancey, Tom Schellhardt

ISD Jeanne Prickett, Jim Heuer

IBS Jeananne Schild, Luann Woodward

Others

Tom Baldwin, Baldwin White Architects	Steve Mahler, Ellenzweig and Associates
Ed Bittle, Ahlers Law Firm	David Vaudt, Auditor of State
David Black, Flad and Associates	Roger Worm, OPN Architects
Barry Fick, Springsted, Inc.	

The corresponding docket memorandum for each agenda item is available on the Board of Regents web site: www.state.ia.us/educate/regents.

Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.

**BOARD OF REGENTS MEETING
RIVERCENTER / ADLER THEATER – DAVENPORT, IOWA
AUGUST 3, 2005**

President Gartner called the meeting of the Board of Regents, State of Iowa, to order at 9:15 a.m. on August 3, 2005.

MOVED by BECKER, SECONDED by ARBISSER

That the Board enter into closed session, pursuant to Iowa Code, Section 21.5(1)(i), to review the performance of employees who have requested the session be held in executive session, and pursuant to Iowa Code, Section 21.5(1)(c) to discuss strategy with counsel in a matter where litigation is imminent and its disclosure would likely prejudice or disadvantage the Board's position in that litigation.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x		x	x	x	x	x
Nay									
Absent				x					

The Board recessed from closed session at 4:40 p.m.

**BOARD OF REGENTS MEETING
RIVERCENTER / ADLER THEATER – DAVENPORT, IOWA
AUGUST 4, 2005**

**Board of Regents, State of Iowa
as the Board of Trustees
Minutes
August 4, 2005
RiverCenter / Adler Theater
Davenport, Iowa**

Members

Amir Arbisser	Jenny Rokes (absent)	President Michael Gartner (ex officio)
Mary Ellen Becke	Rose Vasquez	President Pro Tem Robert Downer (ex officio)
Tom Bedell (absent)	Teresa Wahlert	
Ruth Harkin		

The Board of Regents, as Board of Trustees for the University of Iowa Hospitals and Clinics, convened at 8:30 a.m.

Draft Outline of Trustees' Annual Working Plan

The UIHC presented and discussed its draft outline of the annual work plan through June 2006. Regent Downer requested a presentation on Otolaryngology, Ophthalmology and Orthopedic Surgery during the next year.

Director's Report

The UIHC presented the most current national rankings, recruitment efforts and market share. Additionally, a strategic planning update was provided by the UIHC and the College of Medicine. Regent Arbisser requested participation by the SUI College of Business on the Clinical Trial Task Force. Regent Wahlert requested integration of the economic impact of clinical trials in the Board's report to the General Assembly on Economic Development.

Operating and Financial Performance Report through May 2005

The UIHC presented data about its operation and finances through May 2005. Regent Gartner requested that future charts tracking comparative accounts receivable information include budget information.

Purchases Services Agreement

The UIHC and the College of Medicine presented information regarding the agreement between the UIHC and the College of Medicine for the purchase of services. Additional information was provided about discussions to rework the existing contract.

Medicaid Update, including IowaCare Program

The UIHC presented information about the first month's activity of the IowaCare Program and federal activity on Medicaid. The UIHC will continue to track data and present information to the Board.

Holden Comprehensive Cancer Center

The UIHC presented information about the activities and efforts of the Holden Comprehensive Cancer Center. Regent Wahlert requested information on the areas of the Center that were not discussed due to the short time available for the presentation, and on how much funding would be needed to bring the College of Medicine faculty up to the 50th percentile.

The Board of Regents, as Board of Trustees for the University of Iowa Hospitals and Clinics, adjourned at 10:05 a.m.

State Representative Cindy Winckler from Davenport was introduced and welcomed the Board of Regents to Davenport.

The open session of the Board convened at 12:05 p.m.

Consent Agenda

- a. Minutes of the meeting of June 13-14, 2005
- b. Institutional Personnel Transactions
- c. Revision to Policy Manual – Final Reading (Duties and Responsibilities of Property and Facilities Committee)
- d. Revision to Policy Manual – Final Reading (Mileage/Meals)
- e. Revisions to Policy Manual – Chapters 1,2,3,9
- f. Associated Bond Contracts
- g. College of Design Computer Lease Program (ISU)
- h. Honorary Doctorate Degree: Swaminathan (ISU)
- i. Honorary Doctorate Degree: Spanier (ISU)
- j. Ratification of Appointments by the President
- k. Appointment of Lakeside Laboratory Executive Director/Director of Academics and Research

MOVED by WAHLERT, SECONDED by DOWNER that the Consent Agenda be approved, except for item e which was removed. MOTION APPROVED UNANIMOUSLY

Preliminary Legislative Priorities for 2006

MOVED by BECKER, SECONDED by HARKIN to adopt the proposed Regent priorities for the 2006 legislative session. MOTION APPROVED UNANIMOUSLY

Final FY 2006 University Budgets

MOVED by ARBISSER, SECONDED by BECKER to approve the FY 2006 Regent universities budgets as presented. MOTION APPROVED UNANIMOUSLY

Report of the Economic Development Committee

Regent Harkin, Chair, reported on actions of the Economic Development Committee during its August 3, 2005, meeting.

The Committee postponed voting on the Grow Iowa Values Fund appropriations proposals until the September meeting.

REPORT RECEIVED

Report of the Property and Facilities Committee

Regent Arbisser, Chair, reported on actions of the Property and Facilities Committee during its August 4, 2005, meeting.

MOVED by ROKES, SECONDED by WAHLERT to approve the institutional agreements, leases and easements. MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

MOVED by ROKES, SECONDED by DOWNER to approve the Five-Year Institutional Roads Program. MOTION APPROVED UNANIMOUSLY

After discussion, the Committee postponed a decision to change the Board's naming policy and requested that a committee be assembled to examine financing the operations and maintenance costs of new facilities regardless of sources for the construction funds.

MOVED by ARBISSER, SECONDED by ROKES

To approve:

- The University of Iowa capital register, including permission to proceed with project planning for the College of Public Health Academic Building.
- The Iowa State University capital register, including the demolition of the 1959 addition to Coover Hall, and the schematic design for Phases 1 and 2 of the Coover Hall Addition and Renovation project with the understanding that this approval will constitute final Board approval and authorization to proceed with Phase 1 construction.
- The University of Northern Iowa capital register, including permission to proceed with project planning for the Russell Hall Renovation project, and the schematic design and project description and budget (\$11,000,000) for the Science Buildings Renovation – Phase 1 project with the understanding that approval for the Science Buildings Renovation will constitute final Board approval and authorization to proceed with construction.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

Report of the Audit and Compliance Committee

Regent Wahlert, Chair, reported on actions of the Audit and Compliance Committee during its August 4, 2005, meeting.

The Committee deferred discussion on the Claims Activity Report and the FY 2006 Internal Audit Plan until the November 2005 meeting, and requested more information and clarification on several internal audit reports.

REPORT RECEIVED

Resolutions for Sale, Award and Issuance of Athletic Facilities Revenue Bonds, Series S.U.I. 2005A and S.U.I. 2005B

MOVED by DOWNER, SECONDED by ARBISSER to adopt:

A resolution providing for the sale and award of \$25,000,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2005A and \$15,000,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2005B, (Taxable), and approving and authorizing the agreement of such sale and award.

A resolution authorizing the issuance of Athletic Facilities Revenue Bonds, Series S.U.I. 2005A, in the amount of \$25,000,000, and Athletic Facilities Revenue Bonds, Series S.U.I. 2005B (Taxable), in the amount of \$15,000,000, for the purpose of improving, remodeling, repairing, furnishing, equipping, and building additions to Kinnick Stadium, funding a debt service reserve fund, and paying the costs of issuance.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

Preliminary Resolution for the Sale of up to \$13,000,000 Academic Building Revenue Bonds, Series U.N.I. 2005

MOVED by ROKES, SECONDED by ARBISSER to adopt:

A resolution authorizing the Acting Executive Director to fix the date or dates for the sale of up to \$13,000,000 Academic Building Revenue Bonds, Series U.N.I. 2005, and declaring an official intent under Treasury Regulation 1.150-2 to issue debt to reimburse the University of Northern Iowa for certain original expenditures paid in connection with the Project.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

Resolution Authorizing the Acting Executive Director to Effect the Issuance of not to exceed \$14,000,000 SUI Facilities Corporation Revenue Bonds, Series 2005.

MOVED by ROKES, SECONDED by ARBISSER to adopt:

A resolution authorizing the Acting Executive Director to take any and all action deemed necessary to effect the issuance of not to exceed an aggregate principal amount of \$14,000,000 University of Iowa Facilities Corporation Revenue Bonds (Old Capitol Town Center), Series 2005.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

Employee Appeal

MOVED by DOWNER, SECONDED by ARBISSER

To deny the employee's request for an evidentiary hearing and to deny the appeal and affirm the institution's final decision.

MOTION APPROVED UNANIMOUSLY

Other Business

MOVED by BECKER, SECONDED by ARBISSER

- The Board directs the chair of the Iowa Lakeside Laboratory Coordinating Committee, in consultation with the chair of the Education and Student Affairs Committee, to appoint a task force and lead a process for reviewing and updating the Lakeside Laboratory strategic plan.
- The strategic plan shall include a process which promotes collaboration among the three Regent universities, the northwest Iowa communities, area community colleges and private colleges, as well as other state and community agencies for the purpose of sharing economic development capabilities with the citizens of northwest Iowa and Lakeside Laboratory.
- To achieve widespread collaboration in this effort, the Board of Regents directs the three Regent university presidents to create opportunities within their respective university communities to support and enhance this outreach endeavor.
- The Lakeside Laboratory task force shall present its final report, including recommendations, at the June 2006 Education and Student Affairs Committee meeting.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

MOVED by DOWNER, SECONDED by ARBISSER

WHEREAS, Gregory S. Nichols was appointed Executive Director of the Board of Regents in February 2002;

WHEREAS, Mr. Nichols brought to the Board a deep belief in the transformative power of education and considerable public policy expertise acquired during his distinguished career as a policy advisor to Iowa Governor Thomas Vilsack and as a staff member of the Iowa Senate;

WHEREAS, during his tenure on the Board staff, Mr. Nichols has worked to help the Board and its institutions navigate considerable challenges and changes, including significant reductions in state appropriations and numerous transitions in Board membership;

WHEREAS, Mr. Nichols has been a leading advocate for the Board's partnership plan for transformation and excellence, an innovative, multi-year approach to ensuring affordable, high-quality, higher education for Iowans, adequate state funding for the Regent universities, and continued effective stewardship of resources;

WHEREAS, Mr. Nichols led the Board Office staff, one of the nation's smallest and most productive among governing boards in developing the Board's 2004-2009 strategic plan, implementing new administrative efficiencies and pursuing best practices in Board governance and operations;

WHEREAS, Mr. Nichols will continue his leadership and contributions to ensuring high-quality educational opportunities for all Iowans in his new endeavors at Iowa State University;

NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Mr. Nichols for his strong leadership, expertise, and educational policy and abiding commitment to Iowans; and

BE IT FURTHER RESOLVED that the Board commends Mr. Nichols' extraordinary service and contributions to the Board of Regents, its institutions, students and families, and Iowans statewide.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

Greg Nichols expressed thanks to current and past Board members and stated that he looked forward to new challenges and opportunities.

MOVED by WAHLERT, SECONDED by ARBISSER

To recognize a very good year at the University of Iowa and adjust the annual base salary of President Skorton by 3.0%; also to recognize a year of excellence at both Iowa State University and the University of Northern Iowa, and adjust the annual base salary of President Geoffroy and President Koob by 5.0%.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

MOVED by WAHLERT, SECONDED by ARBISSER

To amend the compensation package of Iowa State University President Geoffroy. Iowa State University will contribute \$5,000 per month to a deferred compensation plan, effective July 1, 2005, until the beginning of January 2011. In order to collect any opportunity from this plan, President Geoffroy must remain as President of Iowa State University until at least the beginning of 2011. President Geoffroy's estate will receive a pro rata share of the plan should an event occur.

MOTION APPROVED by ROLL CALL

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x		x	x	x	x	x	x
Nay									
Absent			x						

The meeting of the Board of Regents, State of Iowa, adjourned at 12:55 p.m. on August 4, 2005.

The next meeting is set for September 14-15 at the University of Northern Iowa.