

**Governing Iowa's public
universities and special schools**

University of Iowa
Iowa State University
University of Northern Iowa
Iowa School for the Deaf
Iowa Braille and Sight Saving School
Lakeside Laboratory Regents Resource Center
Northwest Iowa Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center



Bruce Rastetter, President, *Alden*
Katie Mulholland, President Pro Tem, *Marion*
Sherry Bates, *Scranton*
Patricia Cownie, *Des Moines*
Milt Dakovich, *Waterloo*
Rachael Johnson, *Sioux City*
Larry McKibben, *Marshalltown*
Michael Richards, *West Des Moines*
Subhash Sahai, *Webster City*

Robert Donley, Executive Director

August 30, 2016

The Honorable Terry E. Branstad, Governor
State of Iowa
State Capitol Building
Des Moines, IA 50319

Dear Governor Branstad:

This letter provides information about the meeting of the Board of Regents on September 7-8 in the Main Lounge of the Memorial Union on the campus of the University of Iowa.

The meeting materials are available on the Regents website at the following address:

<http://www.iowaregents.edu/meetings/upcoming-meetings-and-agendas/>

Audio streaming of the meeting may be accessed through the Board of Regents website. I am available at any time to answer questions about the meeting materials or any other matter.

The Property and Facilities committee, chaired by Regent Dakovich, will meet at 2 p.m. on September 7. The committee will consider the five-year state-funded capital plans. The FY 2018-FY 2022 five-year period totals \$486.9 million in capital appropriations or academic revenue bond funding, with \$99.6 million in private/other funds. This includes a capital request of \$65.9 million for FY 2018. More detail is available in P&F item 2.

The committee will also consider the five-year institutional roads program (P&F item 3). This includes capital projects totaling \$10.1 million for calendar years 2017 through 2021, including \$2 million for calendar year 2017. Funds for improvements and maintenance of the roads and streets at the Regent institutions and other State agencies are provided annually by the State Parks and Institutional Roads Program, which is administered by the Iowa Department of Transportation.

The committee will review the register of capital improvement transactions for the University of Iowa (P&F item 3). The first project to consider is permission to proceed with project planning for an expansion of the Iowa River Landing medical office building. This expansion would be located on the same parcel of land and directly south of the existing Iowa River Landing facility. The additional space would be sized to accommodate up to 200,000 annual clinic visits. The project budget is approximately \$100 million and would be funded by hospital revenue bonds, gifts and university hospital building usage funds.

The second project is a request to proceed with project planning for a new clubhouse and support facility at Finkbine golf course. The replacement facility would be approximately 20,000 square feet on two levels. The project budget of between \$8 and \$10 million would be funded by athletic department gifts.

The third project is a request to proceed with project planning for expansion and renovation of the existing MRI suite in the John Colloton Pavilion. The scope of work includes reconfiguration of the entire suite to create separate safety zones, transitional areas for patients, and space to install additional equipment. The project budget of approximately \$5.4 million would be funded by university hospitals building usage funds. Gifts and hospital revenue bonds may also be used to finance the project.

The fourth project is a request to proceed with project planning for the relocation and expansion of the Interprofessional Center for Procedural Skills and Simulation. The project would create additional 22,000 gross square feet of space, with a budget of \$20 million that would be funded by university hospitals building usage funds. Gifts and hospital revenue bonds may also be used to finance the project.

The fifth project is a request to approve the schematic design and project description and budget for the renovation of the John W. Eckstein Medical Research Building. This project would modernize approximately 56,000 square feet of laboratory, support space and offices throughout five floors of the building. The project budget of \$9.1 million would be funded by building renewal funds and treasurer's temporary investment income.

The sixth project is a request to approve the schematic design and project description and budget for the renovation of the Russell and Ann Gerdin Athletic Learning Center. This project would remodel the three-story, 28,240 gross square foot building that houses the student-athlete academic Services program. The project budget of \$6.3 million would be funded by athletics department gifts and earnings.

The seventh project is a request to approve the schematic design and project description and budget for the fit-out of 24,600 gross square feet of space in the lower level the College of Pharmacy building. The project includes pharmaceutical production, office space, mechanical space, support spaces and new equipment. The project budget of \$28.4 million would be funded by treasurer's temporary investment income and College of Pharmacy gifts and earnings.

The committee will also consider the request by the University of Iowa to purchase property at 108 River Street in Iowa City at a purchase price of \$695,000. The university has been leasing this property since 2009 to house university classrooms and offices. This property sits near numerous university arts venues, including the new visual arts building and the new Hancher Auditorium. The university would use treasurer's temporary investment income to purchase the property. More information is available in P&F item 5.

The committee will then consider the register of Iowa State University capital improvement business transactions. The first project is a request to approve the schematic design and revised project description and budget (\$3.5 million) for a remodeling of the veterinary medicine-commons and café, which includes the construction of an addition and a renovation. The project would be funded by College of Veterinary Medicine funds and private giving.

The second project is a request to approve the project description and budget (\$22 million) to install additional chilled water capacity to the north chilled water plant. Completed and future building projects added to the campus have created a significant increased demand for chilled water. The project would be funded by utility revenue bonds and utility infrastructure bonds. More information on both projects is available in P&F item 8.

The Academic and Student Affairs Committee, chaired by President Pro Tem Mulholland, will also meet at 2:00 p.m. Among the items on its agenda, the committee will consider requests for a new academic program at the University of Iowa; receive an external report reviewing the Iowa School for the Deaf; and hear a faculty presentation on freedom of expression.

The full Board is expected to convene in open session at approximately 4:00 p.m. The Audit and Compliance Committee, chaired by Regent McKibben, will hold its meeting at this time. Auditor of State Mosiman will present the FY 2016 state audit plan and review FY 2015 reports of recommendations arising from audits in the Regent enterprise.

Board of Regents Chief Audit Executive Stewart will review numerous internal audits, provide updates on the progress of FY 2016 internal audits, and discuss the FY 2017 internal audit plan.

On Thursday, September 8, the Board will have breakfast with student leaders from the public universities. At 9:00 a.m., the Board will convene in open session. The University of Iowa Hospitals and Clinics Committee will then meet. The committee will receive the operating and financial performance report, as well as hear a faculty presentation on using neurosurgery to understand speech motor control.

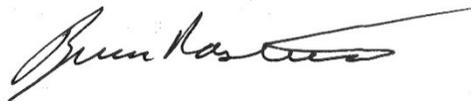
The Board will consider the FY 2018 request for operating appropriations totaling \$656.3 million. This request includes an increase of \$4.6 million for the University of Iowa; \$3.7 million for Iowa State University; and \$4.4 million for the University of Northern Iowa. In conjunction with the principles of the Board's new strategic plan adopted in July, the Board will discuss a two-year budget and tuition model to show the needs of Iowa's public universities. The budget plan that the Board will discuss in September is a dynamic, multi-year plan, so what happens in the first year could affect the second year. More detail is available in agenda item 7.

Other agenda items for consideration by the Board include:

- Receiving reports from the institutional heads at the public universities and special schools.
- Receiving bids for the sale and award of two sets of bonds totaling an estimated \$53.6 million. More detailed information on these bond sales is available in agenda items 10a and 10b.
- Receiving two faculty research presentations. The first is on improving air pollution and weather predictions using big data, while the second is on digital humanities.
- An update on the presidential search at the University of Northern Iowa. More information is available in agenda item 12.

If we can provide additional information, please contact us.

Sincerely,



Bruce L. Rastetter

cc: Lt. Governor Kimberly Reynolds
Members of the Board of Regents, State of Iowa