

From: Koppin, Sheila Doyle [BOARD]
Sent: Tuesday, July 24, 2012 1:03 PM
To: 'Carroll, Nicole'; Craig Lang; 'Downer, Robert'; 'Harkin, Ruth'; Jack Evans; Johnson, Greta A; 'Mulholland, Katie'; 'Rastetter, Bruce'
Cc: Donley, Robert [BOARD]; 'Joe Murphy'
Subject: Requests from Iowa Citizens for Community Improvement

Regents,

Attached for your information are two pieces of correspondence from Iowa Citizens for Community Improvement (CCI) requesting a hearing at the August Board of Regents meeting. Also attached are the Executive Director's response to each request.

Hannah Furfaro at the Ames Trib has called our office for information on CCI's requests and our responses. We are proposing to forward the attached documents to Hannah later this afternoon.

Please let us know if you have any questions or concerns. Thank you.

Sheila

Sheila Doyle Koppin
Regent Communication Officer
Board of Regents, State of Iowa
11260 Aurora Avenue
Urbandale, IA 50322
(515) 281-3332
www.regents.iowa.gov
Twitter @IowaRegents



Iowa
Citizens for
Community
Improvement

We talk. We act. We get it done.

2001 Forest Avenue
Des Moines, IA 50311
ph 515.282.0484
fx 515.283.0031
www.iowaccci.org

July 4, 2012

Robert Donley
Executive Director, Iowa Board of Regents
11260 Aurora Avenue
Urbandale, IA 50322

Mr. Robert Donley:

Iowa Citizens for Community Improvement (Iowa CCI) members request an in-person hearing before the Iowa Board of Regents at its August 2-3 meeting in Cedar Falls, Iowa to argue that President Pro-Tem Bruce Rastetter has violated the Regents' "Conflict of Interest Policy – Duty of Loyalty" and must resign or be removed from the board immediately.

Bruce Rastetter abused his role as a regent and public servant to seek a partnership between his corporation, AgriSol Energy, and Iowa State University – a regents institution – for a project in Tanzania that could have netted him millions of dollars in profit while forcibly evicting thousands of refugees from their land. His decision to put his own personal financial gain ahead of the common good and the public welfare reflect poorly on the state of Iowa and come at the loss of public trust in the integrity of state government.

Rastetter's actions violate the Iowa Board of Regents "Conflict of Interest Policy - Duty of Loyalty". Specifically, Rastetter:

- Failed to disclose a conflict of interest to the board in a timely manner, and only did so after he was exposed in the public by an independent human rights think tank and the mainstream media;
- Failed to develop an appropriate and acceptable management plan after he did disclose his conflict of interest;
- Failed to recuse himself from participating in matters related to his conflict of interest in a timely manner; and
- Continues to operate his private business ventures in an immoral and unethical way. Doing so while serving the public as a regent is another black eye to the international reputation of the state of Iowa.

We request one hour on the regents agenda during your August 2-3 meeting to testify, lay out our case, and deliver substantial written documentation evidencing our complaint.

Your immediately attention and reply to this query is appreciated,

Hugh Espey
Executive Director, Iowa Citizens for Community Improvement

Enclosure

The Iowa Board of Regents "Conflict of Interest Policy – Duty of Loyalty" states:

4.40 Conflict of Interest Policy – Duty of Loyalty

The Board of Regents, State of Iowa ("Board"), recognizes that members of the Board, employees of the Board, and employees of institutions governed by the Board, are required to comply with Iowa Code § 68B.2A: Conflicts of Interest. To further enhance the credibility and accountability of the Board, the Board requires that all Regents and institutional officials promote at all times the best interests of the Board and its institutions consistent with policies, rules, regulations, and laws governing the Board, academic institutions, and academic freedom. The duty of loyalty requires Regents to exercise their powers and duties in the interests of the Board and its institutions and not in the Regent's own interest or in the interest of another person or organization. Regents and institutional officials must endeavor to remain free from the influence of, or appearance of, any conflicting interest in acting on behalf of the Board or a Regent institution. Actual or potential conflicts of interest for a Regent or institutional official may arise from the interests of the individual or the individual's spouse, significant other, or a family member. Such interests may include, but are not limited to, employment, ownership of, or service on, the board of directors of an organization that has or may have relationships with the Board or a Regent institution.

Each Regent shall disclose on an annual basis any interests that may create an actual, potential or perceived conflict of interest and shall supplement the disclosure as new interests may appear. A management plan shall be developed for disclosed conflicts. For some interests, disclosure alone may be sufficient. Others may require recusal from participation on certain matters, or, in very unusual situations, divestiture of the interest or resignation from a conflicting position.



**Iowa
Citizens for
Community
Improvement**

We talk. We act. We get it done.

2001 Forest Avenue
Des Moines, IA 50311
ph 515.282.0484
fx 515.283.0031
www.lowacci.org

June 19, 2012

Iowa Citizens for Community Improvement Ethics Complaint against Bruce Rastetter

EXECUTIVE SUMMARY

Iowa Citizens for Community Improvement (Iowa CCI) members are filing a conflict of interest complaint against Iowa Board of Regents member Bruce Rastetter because he abused his role as a regent and public servant to seek a partnership between his company, AgriSol Energy, and Iowa State University – a regents institution - for a project in Tanzania that could have netted him millions of dollars in profit while forcibly evicting thousands of refugees from their land.

Rastetter's decision to put his own personal financial gain ahead of the common good and the public welfare reflect poorly on the state of Iowa and come at the loss of public trust in the integrity of state government. **Rastetter's actions violate Iowa Code 68B.2A, the additional provisions of the Iowa Board of Regents Conflict of Interest Policy, and relevant administrative code. Iowa CCI members demand Rastetter resign from the Board of Regents immediately. If he will not do so voluntarily, we call on the Branstad Administration and the Iowa Ethics and Campaign Disclosure Board to remove him from office.**

AgriSol investors like Rastetter stood to make as much as \$300 million a year from the forcible eviction of subsistence farmers from refugee camps in Tanzania, leasing the newly vacant land from the government at 25 cents an acre, and exporting the vertically integrated, industrial model of corporate agribusiness from Iowa to Tanzania – all duty and tax free.

But Rastetter and his venture capitalist business partners could never get away with such a blatant land-grab scheme without the cover that the involvement of a land grant college like Iowa State University could provide. **International credibility of this neoliberal corporate land grab hinged on the reputation and support of Iowa State University.** Rather than promptly disclose and manage his conflict of interest when he began his term May 1, 2011, as required by regent ethics policy and state law, Rastetter:

- **Falsified an April 24, 2012 financial disclosure statement to the Iowa Ethics and Campaign Disclosure Board.** Rastetter misrepresented himself as just another family farmer, and omitted nearly all information about his vast wealth, current job duties, and investment income from corporations like AgriSol, Summit Group, and Hawkeye Energy.
- **Filed late paperwork after his involvement was discovered.** Rastetter only disclosed his conflict of interest to the Board of Regents on June 17, 2011, six weeks after his term

began, and only after news articles in the *Des Moines Register* were published outing his involvement in the land grab project.

- **Cut a check on May 18, 2011 for \$13,379.82 to Iowa State University officials for an all-expenses paid trip to Tanzania.** After he began his term on the board of regents, Rastetter continued to pull out all the stops to bring Iowa State University on board with the land grab project, including paying for ISU students and faculty to fly to Tanzania and paying for all their meals and lodging.
- **Continued to work closely with top Iowa State University officials like associate dean David Acker throughout the summer of 2011 on the project, long after he started his regent term.** Rastetter worked to bring the Tanzanian Minister of Agriculture to Iowa, continued to communicate with university officials about fundraising for programs – including a multi-million dollar grant from the U.S. Department of Agriculture, and brainstormed ways to essentially cover-up the conflict of interest after the scandal broke.
- **Used a \$1.75 million endowment to ISU in 2007 to fund a “Rastetter Chair of Agricultural Entrepreneurship” that could move the AgriSol/ISU partnership deal inside university circles.** Kevin Kimle, the professor Rastetter funded, was deeply involved in the Tanzania project and later argued that his office should not be prevented from working with AgriSol’s for-profit arm despite ISU officials cynically stating that ISU must only be involved on the non-profit side in order to distract the public’s attention away from examining the corporate financial interests at play in Tanzania.
- **Only recused himself from the project due to a conflict of interest on September 13, 2011, long after he was caught red-handed and the joint public-private partnership proposal was dead in the water.**

Emails originally obtained by the Associated Press and later released to the public by Iowa CCI members show that Rastetter and top ISU officials like Acker were deep into discussions about the project as early as 2009. Everyone knew Rastetter was the playmaker on this deal. Yet after Rastetter was appointed to the Board of Regents, they kept negotiating for months without batting an eye. Even after the scandal came out in the open, neither Rastetter nor Racker gave any indication that they will take accountability for their actions. Email conversations after the project hits newspapers focus on how to contain the fallout from the public outrage and salvage what’s left of the plan, rather than accept responsibility for their behavior. Acker even asked Rastetter for a five-year funding commitment after the scandal broke.

Iowa CCI members reiterate our demand that Rastetter either remove himself from office or be removed by Governor Branstad or the Iowa Ethics and Campaign Disclosure Board. We furthermore demand that a full public investigation into Iowa State University’s role in this farce be conducted by the appropriate agencies immediately.

DEFINITIONS

Iowa Code 68B.32A, Chapter 6 – "EXECUTIVE BRANCH ETHICS" Division II)states:

351—6.8(68B) Misuse of public property.

Iowa Code section 68B.32A (13) directs the board to establish rules relating to the misuse of public property by officials, employees, and candidates for statewide office.

6.8(1) Definition of public property.

"Public property" means any real or personal property owned or controlled by the state of Iowa including but not limited to buildings, facilities, equipment, supplies, funds, records, files, and materials.

6.8(2) Prohibited uses.

The following are deemed to be the misuse of public property by an official, employee, or candidate for statewide office:

a. Using public property to engage in an outside employment or activity that leads to an unacceptable conflict of interest as prohibited in Iowa Code section 68B.2A(1)"a."

c. Using public property for personal financial gain. This prohibition does not apply to the receipt of lawful compensation for the performance of official state duties.

d. Using public property for a personal benefit to the detriment of the state.

And Chapter 7 – "Personal Financial Disclosure" states:

7.5(3) Failure to file true statement.

It shall be considered a violation of Iowa Code section 68B.35 for an individual holding a designated position in the executive branch to file a disclosure statement containing false or fraudulent information. Complaints concerning the filing of a false or fraudulent disclosure statement shall be handled by the procedures in Iowa Code section 68B.32B. If it is determined after a contested case proceeding that a false or fraudulent disclosure statement was filed, the board may impose any of the actions under Iowa Code section 68B.32D.

The Iowa Board of Regents' Ethics Policy states:

4.40 Conflict of Interest Policy – Duty of Loyalty

The Board of Regents, State of Iowa ("Board"), recognizes that members of the Board, employees of the Board, and employees of institutions governed by the Board, are required to comply with Iowa Code § 68B.2A: Conflicts of Interest. To further enhance the credibility and accountability of the Board, the Board requires that all Regents and institutional officials promote at all times the best interests of the Board and its institutions consistent with policies, rules, regulations, and laws governing the Board, academic institutions, and academic freedom. The duty of loyalty requires Regents to exercise their powers and duties in the interests of the Board and its institutions and not in the Regent's own interest or in the interest of another person or organization. Regents and institutional officials must endeavor to remain free from the influence of, or appearance of, any conflicting interest in acting on behalf of the Board or a Regent institution. Such interests may include, but are not limited to, employment, ownership of, or service on, the board of directors of an organization that has or may have relationships with the Board or a Regent institution.

BODY OF EVIDENCE

The four concerns outlined below summarize Iowa CCI's belief that Bruce Rastetter's private ownership stake in Summit Group and AgriSol represents a conflict of interest with his public duties as a member of the Iowa Board of Regents.

1.) Bruce Rastetter, as the president and CEO of Summit Group, Inc., and AgriSol Energy LLC; a corporation whose business practices he has tried to partially subsidize through Iowa State University, using influence and power he has obtained as a Regent.

As detailed in emails recently released, and included with our complaint, Bruce Rastetter knowingly engaged in business activities which conflicted with his role as a regent. After being appointed in February 2011 and taking office May 1, Rastetter waited until June 17 to disclose his financial interests in the Tanzania project, and until September 13 to formally recuse himself from discussions regarding Iowa State University's involvement in the Tanzania AgriSol deal. It was at that same time that details emerged from ISU Dean Wendy Wintersteen that ISU would limit itself to an advisory capacity on the project. During that timeframe, Rastetter signed checks on behalf of AgriSol LLC to cover expenses incurred by Iowa State University, with the understanding that Iowa State would have an ongoing role in the project. After reports by Dan Rather Reports in last September, public outcry led to the ultimate withdrawal of ISU from the project, being stated in multiple news outlets in February of 2012.

This behavior is clearly *"Using public property to engage in an outside employment or activity that leads to an unacceptable conflict of interest as prohibited in Iowa Code section 68B.2A(1)"a.*" and should require Rastetter to be terminated from the Board of Regents.

2.) Bruce Rastetter, as the president and CEO of Summit Group, Inc., and AgriSol Energy LLC; stood to personally benefit financially from Iowa State's participation in AgriSol's Tanzania deal, including but not limited to; legitimizing the project for outside funders and the international community, securing a \$4-10 million grant with the U.S. Department of Agriculture (USDA), and providing research and best practices through university staff and students.

Mr. Rastetter currently serves as CEO of Summit Group. The Summit Group is an umbrella corporation that owns Summit Farms (all of Rastetter's farms around Alden), Summit Ag Fund (an investment fund that buys farmland), and AgriSol Energy. Rastetter is also managing director of AgriSol. The Tanzania project was organized under the auspices of AgriSol Energy Tanzania, a joint venture between AgriSol Energy and a Tanzanian company called Serengeti Advisors. A Dubai-based hedge fund named Pharos Global Agricultural Fund is also involved in the project. Rastetter is CEO of this fund.

AgriSol LLC served as a primary venture for the Summit group from which Rastetter stood to profit if successful. Rastetter was attempting to use the university to legitimize the project, secure more funding from the USDA, and to have University staff, support, and students would guarantee wider funder participation and ensure profits. This action is clearly *"Using public*

property for personal financial gain,” and should require that Rastetter be terminated from the Board.

3.) Rastetter’s actions as the president and CEO of Summit Group, Inc., and AgriSol Energy LLC and simultaneously serving as a Regent is a detriment to the mission of the Board of Regents, and to the State of Iowa.

Bruce Rastetter donated more than \$160,000 to Gov. Branstad’s re-election campaign, according to the Center for Money in State Politics, presumably because he supports Branstad’s corporate agenda to de-regulate, privatize, and cut state government.

After the election, Branstad appointed big-moneyed political donors and others with documented ties to the corporate factory farm industry to key positions inside his administration, including not only Bruce Rastetter, but also Roger Lande (DNR Director), Brent Rastetter (Environmental Protection Commission), Debi Durham (Dept. of Economic Development), and Chuck Gipp (Deputy DNR Director).

Branstad’s appointment of Bruce Rastetter to the Board of Regents – in conjunction with his other nominations listed above – undermines Iowans’ trust in government and Iowa CCI members consider it a deliberate attack on the democratic process itself. Rastetter can no longer credibly serve the public as a Regent at the same time he continues in his private role as the CEO of Summit Group and AgriSol LLC. Doing so will only continue to damage public confidence in the integrity of the Board of Regents and create the appearance of unethical conduct.

Rastetter’s behavior and actions placing his own financial interest ahead of his role as a Regent clearly *“using public property for a personal benefit to the detriment of the state”* and as such he should be terminated from the Board.

4.) Rastetter filed a fraudulent Personal Financial Disclosure statement with the Ethics board to hide his interest and investment in Summit Group, AgriSol LLC, and possibly other financial interests including Hawkeye Energy Holdings.

Rastetter has filed the appropriate forms with the Iowa Ethics and Campaign Disclosure Board, his Personal Financial Disclosure statement. However this statement lists his occupation simply as Farming/Self Employed. As the Summit Group website proudly reports, Rastetter is the CEO of Summit Group, managing director of AgriSol, and CEO of Dubai-based hedge fund Pharos Global Agricultural Fund. None of this is reported on his financial disclosure statement. Furthermore, he does not list potential income in the amount of more than \$1000 from previous ventures such as Hawkeye Energy Holdings.

From the code: *It shall be considered a violation of Iowa Code section 68B.35 for an individual holding a designated position in the executive branch to file a disclosure statement containing false or fraudulent information.* Rastetter knowingly misrepresented financial disclosure statements, and as such should be terminated immediately from the Board.

CONCLUSION

A citizen oversight board, such as the Board of Regents, is based on the idea that board members bring valuable information and experience with them when they are appointed. This information and experience is then used to develop state policy that serves the public interest and the common good. There is little public trust that Rastetter will use his experience to foster or support the development of policy that will enhance the quality of life for Iowans by maintaining the educational quality, accessibility, and public service activities of Iowa's Universities. He has already proven that he will put his own financial interests ahead of those of everyday Iowans.

Some might say this inevitable conflict is normal for a member of a citizen oversight board. Iowa CCI members cannot simply accept conflicts of interest as a normal way of life for citizen oversight boards like the Board of Regents. State government must be held to a higher standard than that. Iowans are sick and tired of big corporations and the few individuals who benefit from this form of agribusiness having an undue influence on policy development for the entire state.

Members of citizen oversight boards such as the Board of Regents should act on behalf of the general public, and should conduct themselves in such a way that instills trust and confidence in the board. Regents must avoid even the appearance of unethical conduct.

Rastetter, in spite of knowing that his behavior was a conflict of interest, continued to use his regents position to wield influence with ISU officials. This behavior is clearly *"Using public property to engage in an outside employment or activity that leads to an unacceptable conflict of interest as prohibited in Iowa Code section 68B.2A(1)"a.*" and should require Rastetter to be terminated from the Board of Regents.

AgriSol LLC served as a primary venture for the Summit group from which Rastetter stood to profit if successful. Rastetter was attempting to use the university to legitimize the project, secure more funding from the USDA (as outlined in attached emails), and to have University staff, support, and students would guarantee wider funder participation and ensure profits. This action is clearly *"Using public property for personal financial gain"* and should require that Rastetter be terminated from the Board.

Rastetter's behavior and actions placing his own financial interest ahead of his role as a Regent clearly *"using public property for a personal benefit to the detriment of the state"* and as such he should be terminated from the Board.

Rastetter knowingly misrepresented financial disclosure statements, in spite of policy stating: *It shall be considered a violation of Iowa Code section 68B.35 for an individual holding a designated position in the executive branch to file a disclosure statement containing false or fraudulent information* and as such should be terminated immediately from the Board.

Bruce Rastetter's public service on the Board of Regents while he serves in his private role as the owner and president of Summit Group, Inc. and AgriSol LLC has diminished public confidence in the integrity of the Board of Regents and has created the appearance of unethical

conduct. Recently released emails from Rastetter concerning his private financial interests at Summit and AgriSol show his collusion and pressuring of Iowa State officials to commit to working on private projects in Tanzania show a clear cut abuse of power and conflict of interest. Furthermore, by not disclosing his financial interests in these companies, he has attempted to hide or deceive Iowans of his true intentions.

By taking these actions, Rastetter chose to put his own financial self-interest ahead of the interests of everyday Iowans and the educational quality of Iowa's public universities. Bruce Rastetter must either resign from the Board of Regents or resign as president and CEO of the Summit Group, and sell his ownership stake in the company.

*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 Lab Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center
Tri-State Graduate Center



**BOARD OF
REGENTS**
STATE OF IOWA

Craig A. Lang, President, *Brooklyn*
Bruce L. Rastetter, Pro Tem, *Alden*
Nicole C. Carroll, *Carroll*
Robert N. Downer, *Iowa City*
Jack B. Evans, *Cedar Rapids*
Ruth R. Harkin, *Cumming*
Greta A. Johnson, *Le Mars*
David W. Miles, *Dallas Center*
Katie S. Mulholland, *Marion*

Robert Donley, *Executive Director*

July 16, 2012

David Goodner
Community Organizer
Iowa Citizens for Community Improvement
2001 Forest Avenue
Des Moines, Iowa 50311

RE: Request for Hearing

Dear Mr. Goodner:

This is to acknowledge receipt of your July 4, 2012 communications on behalf of Iowa Citizens for Community Improvement wherein your members have requested an "in-person hearing before the Iowa Board of Regents at its August 2-3 meeting in Cedar falls, Iowa to argue that President Pro-Tem Bruce Rastetter has violated the Regents 'Conflict of Interest Policy – Duty of Loyalty' and must resign or be removed from the Board immediately."

The Board of Regents Policy Manual § 2.07 **Presentations to and Hearings Before Board**, provides:

"Any person may request to make a written or oral presentation to the Board. All such requests must be in writing and state the specific subject to be discussed and the reasons why a personal appearance is necessary. The Executive Director will determine, in his/her discretion, whether a request is to be granted and whether such a request for oral presentation is relevant to the business before the Board. Requests for hearing must be accompanied by any supporting documentation that the petitioner wishes the Board to consider. If a request is granted, fifteen copies of each document to be considered must be submitted to the Board Office at least seven days prior to the Board meeting."

It is my understanding that your organization has filed a complaint with the Iowa Ethics & Campaign Disclosure Board under chapter 68B regarding the same issues raised in your letter and request for hearing with the Board of Regents.

Accordingly, I am denying your organization's request for a hearing before the Board of Regents.

Sincerely,

Robert Donley
Executive Director
Board of Regents, State of Iowa

Cc: Regents



**Iowa
Citizens for
Community
Improvement**

We talk. We act. We get it done.

RECEIVED
JUL 19 2012
**BOARD OF REGENTS
STATE OF IOWA**

2001 Forest Avenue
Des Moines, IA 50311
ph 515.282.0484
fx 515.283.0031
www.iowacci.org

July 19, 2012

Robert Donley
Executive Director, Iowa Board of Regents
11260 Aurora Avenue
Urbandale, IA 50322

Mr. Robert Donley:

Iowa Citizens for Community Improvement (CCI) has received your letter of July 16, 2012, wherein you stated:

“It is my understanding that your organization has filed a complaint with the Iowa Ethics and Campaign Disclosure Board under chapter 68B regarding the same issues raised in your letter and request for hearing with the Board of Regents.

Accordingly, I am denying your organization’s request for a hearing before the Board of Regents.”

You are correct that CCI members have filed a complaint with the IECDB. You are also correct that this complaint alleges that Bruce Rastetter violated chapter 68B of the Iowa Code. However, our original July 4 letter to you requested one hour on the agenda of the next meeting of the Board of Regents regarding not chapter 68B, but §4.40 of the Iowa Board of Regents Policy Manual (“Conflict of Interest Policy – Duty of Loyalty”).

As our original letter stated, we believe Regent Rastetter violated §4.40 in the following ways:

- He failed to disclose a conflict of interest to the Board in a timely manner, and only did so after he was exposed in the public by an independent human rights think tank and the mainstream media.
- He failed to develop an appropriate and acceptable management plan after he did disclose his conflict of interest.
- He failed to recuse himself from participating in matters related to his conflict of interest in a timely manner.
- He continues to operate his private business ventures in an immoral and unethical way. Doing so while serving the public as a regent is another black eye to the international reputation of the state of Iowa.

According to Megan Tooker, Executive Director of the Iowa Ethics and Campaign Disclosure Board, that office has no authority to enforce the Policy Manual of the Board of Regents. Therefore, we reiterate our request for one hour on the agenda of the August 2-3 meeting of the Board of Regents, in order to testify, lay out our case, and deliver substantial written documentation supporting our complaint regarding §4.40 of the Board of Regents Policy Manual.

A handwritten signature in black ink, appearing to read "Hugh Espey". The signature is written in a cursive style with a long, sweeping tail that extends downwards and to the right.

Hugh Espey

Executive Director, Iowa Citizens for Community Improvement

**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 Lab Regents Resource Center
Quad-Cities Graduate Center
Southwest Iowa Regents Resource Center
Tri-State Graduate Center



**BOARD OF
REGENTS**
STATE OF IOWA

Craig A. Lang, President, *Brooklyn*
Bruce L. Rastetter, Pro Tem, *Alden*
Nicole C. Carroll, *Carroll*
Robert N. Downer, *Iowa City*
Jack B. Evans, *Cedar Rapids*
Ruth R. Harkin, *Cumming*
Greta A. Johnson, *Le Mars*
David W. Miles, *Dallas Center*
Katie S. Mulholland, *Marion*

Robert Donley, *Executive Director*

July 23, 2012

Hugh Espey
Iowa Citizens for Community Improvement
2001 Forest Avenue
Des Moines, Iowa 50311

Re: Request for Hearing

Dear Mr. Espey:

I am writing in regards to your July 19, 2012 renewed request for a hearing before the Board of Regents to discuss allegations that Regent Rastetter has engaged in activity that amounts to a conflict of interest. I denied a similar request on July 16 based on the fact that the organization you represent has filed a formal complaint with the Iowa Ethics and Campaign Disclosure Board in accordance with Iowa Code chapter 68B.

In your most recent request, you've clarified that you are seeking a hearing before the Board to discuss allegations that Regent Rastetter engaged in conduct that violates Regent Policy Manual section 4.40, not to discuss alleged violations of Iowa Code chapter 68B.

After further consideration, I am reaffirming the denial of your request for a hearing before the Board. While I appreciate the distinction between alleged violations of Iowa Code and alleged violations of Regent policies, your complaint to the Board of Regents involves the same facts and circumstances as the complaint you've filed with the Ethics Board. The Ethics Board has been tasked with the responsibility of reviewing alleged conflict of interest violations for all branches of state government. Consequently, the Board of Regents is not the appropriate forum for resolving your concerns.

Sincerely:

Robert Donley
Executive Director