

**Contact: Andrea Anania**

**BOARD OF REGENTS, STATE OF IOWA  
TELEPHONIC MEETING  
ISU ALUMNI CENTER, THIRD FLOOR  
UELNER EXECUTIVE BOARD ROOM  
IOWA STATE UNIVERSITY  
AMES, IOWA**

**MINUTES OF DECEMBER 10, 2009**

**Board Members**

Bonnie Campbell  
Robert Downer  
Jack Evans  
Michael Gartner  
Ruth Harkin  
Greta Johnson  
Craig Lang  
David Miles  
Rose Vasquez

**December 10, 2009**

Via phone  
Via phone  
Via phone  
Via phone  
Via phone  
Via phone  
Via phone  
Present at host site  
Via phone

**Staff Members**

Via phone: Andrea Anania, Brad Berg, Marcia Brunson, Aimee Clayton, Tim Cook, Sheila Doyle, Joe Murphy, Todd Stewart

Present at Host Site: Andy Baumert, Bob Donley, Tom Evans, Diana Gonzalez, Joan Racki, Patrice Sayre, Ilene Tuttle

**Regent Institutions Connected**

University of Iowa  
Iowa State University  
University of Northern Iowa  
Iowa School for the Deaf  
Iowa Braille and Sight Saving School

**Others**

Barry Fick, Springsted Incorporated  
Mark Brubaker, Wilshire Consulting (via phone)  
Mike Dudkowski, Wilshire Consulting

The corresponding docket 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.

**President Miles called the Board of Regents meeting to order at 11:02 a.m. on December 10, 2009.**

**Roll Call:**

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Present	x*	x*	x*	x*	x*	x*		x	x*
Absent							x*		

\* via phone

The Audit/Compliance and Investment Committee met at this time. Regent Lang joined via phone during the Committee meeting.

The Board reconvened in full session at 11:25 a.m.

**Board Receipt of Committee Report**

- MOVED by EVANS, SECONDED by HARKIN, to receive the Audit/Compliance and Investment Committee report.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x		x	x	x	x	
Absent				x					x

MOTION APPROVED by ROLL CALL.

*Regent Gartner re-joined the meeting.*

**Consent Agenda**

- ♦ Minutes of October 29, 2009, Board Meeting
- ♦ Conflict of Interest Vendors (removed and voted on separately)
- ♦ University of Iowa Equipment Purchases
- ♦ Request to Establish A New Center at the University of Northern Iowa – Center for Disability Studies in Literacy, Language, and Learning
- ♦ Professional Development Assignment Requests for FY 2011 (removed and voted on separately)
- ♦ 2011 Meeting Dates
- ♦ Revisions to the Board of Regents Policy Manual Chapter 4  
General Counsel Tom Evans provided a brief overview on Policy Manual Sections 4.05A, 4.05B, and 4.05C at Regent Gartner’s request.
- ♦ Revisions to the Board of Regents Policy Manual Chapter 7
- ♦ Update on the Articulation Efforts and Activities Implemented by the Community Colleges and the Institutions of Higher Education Governed by the Board of Regents
- ♦ Comprehensive Fiscal Report for FY 2009
- ♦ Report of Crime Statistics at the Universities for the Quarter Ending September 30, 2009
- MOVED by EVANS, SECONDED by DOWNER, to approve the Consent Agenda with the exception of Conflict of Interest Vendors and Professional Development Assignment Requests for FY 2011.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Consent Agenda – Conflict of Interest Vendors**

- MOVED by LANG, SECONDED by JOHNSON, to approve the Conflict of Interest Vendors.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x		x	x	x	x	x	x	x
Abstain		x							

MOTION APPROVED by ROLL CALL.

**Consent Agenda – Professional Development Assignment Requests for FY 2011**

President Miles reported that he asked the institutions to revisit the professional development assignment requests for FY 2011 to assure they are core and essential to quality at this challenging time.

President Miles requested the Board's authority to allow him to approve the FY 2011 professional development assignments. President Pro Tem Evans moved and Regent Lang seconded a motion to authorize President Miles to approve the FY 2011 professional development assignments.

Regent Harkin asked if this could be delayed until the February meeting. The University Presidents agreed that planning becomes problematic the longer decisions are delayed.

Regent Harkin asked for the number of professional development assignments requested for FY 2011. President Mason reported 56 at SUI; President Geoffroy reported 37 at ISU; and President Allen reported 18 at UNI.

Regent Gartner asked if President Miles is requesting to reserve the right to reject any particular assignment or if he would approve or deny them as a whole. President Miles said he is asking to approve or deny as a whole.

Regent Gartner said he would prefer that this issue be delayed until February, but would support the authorization of President Miles to approve the requests.

Regent Vasquez called for the question.

- MOVED by EVANS, SECONDED by LANG, to authorize President Miles to approve the institutions' FY 2011 professional development assignments.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x*	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

\*Voted Aye, but preferred that it be delayed until the February 2010 Board meeting.

*Note: As authorized by Board action on December 10, 2009, President Miles approved on December 23, 2009, the professional development assignment requests for FY 2011 as reflected in the revised docket memorandum (2e).*

**Proposed Spring FY 2010 Surcharge**

Chief Business Officer Patrice Sayre provided a brief overview on the proposed Spring FY 2010 Surcharge memorandum. She said that since the memorandum's release, Governor Culver and the American Federation of State, County and Municipal Employees (AFSCME) negotiated furlough days, and Governor Culver's consultant, Public Works LLC, made further efficiency recommendations.

Regent Gartner asked for clarification on whether furlough dollars are an additional expense to the universities. Ms. Sayre said the intention at this time is for those dollars to revert back to the state, but no final answer has been determined. President Miles reported that it is still being sorted out, and said the focus is whether the proposed \$100 surcharge is appropriate.

Statement from President Miles:

*"As we noted at the last meeting when this was first discussed, this is certainly nothing that any Regent favors. We know that it creates an additional burden for our students. However, we have had good dialog with student leadership on campuses about this and we believe that the sacrifice has been, continues to be, and will be shared across all elements of the institutions. In the scope of things as I have said before, I believe this is a regrettable but reasonable sacrifice to ask of our students for the spring semester."*

- MOVED by DOWNER, SECONDED by EVANS, to approve a temporary surcharge of \$100 per full-time student effective for the Spring semester of FY 2010.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x				x	x	x
Nay				x	x	x			

MOTION APPROVED by ROLL CALL.

**Status Report on University of Iowa Flood-Related Capital Projects**

Vice President Doug True provided a status report on the University of Iowa's flood-related capital projects and provided the anticipated dates on which Art Building West and the Iowa Memorial Union lower level are scheduled to be reoccupied. In response to an inquiry from Regent Downer regarding the status of site selection for the Art Building East replacement project, Vice President True indicated he anticipated bringing the selection of the architectural team for the project to the Board at its February 2010 meeting.

- MOVED by HARKIN, SECONDED by LANG, to approve the status report.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Register of University of Northern Iowa Capital Improvement Business Transactions**

Vice President Tom Schellhardt provided a brief overview on the significant damage to the facilities and grounds at the University of Northern Iowa due to a severe storm on July 10, 2009.

- MOVED by EVANS, SECONDED by HARKIN, to approve the University of Northern Iowa's request for permission to proceed with project planning, including the engineering selection process, for the **UNI-Dome Repair and Replacement** project.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Institutional Agreements, Leases and Easements**

Joan Racki provided a brief overview on the memorandum.

- MOVED by DOWNER, SECONDED by GARTNER, to approve one agreement amendment for the benefit of Iowa State University, subject to approval of the final document by the Board Office and Attorney General's Office.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x		x	x	x
Absent						x			

MOTION APPROVED by ROLL CALL.

**Sale and Award of \$25,000,000 Telecommunications Facilities Revenue Bonds, Series SUI 2009**

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

Mr. Fick reported that: (1) two bids were received; (2) the winning bid was submitted by Wells Fargo Advisors, with Edward D. Jones as a co-manager; (3) the true interest rate was 4.0398%; (4) maturities range from 2012 to 2036; and (5) the credit ratings were Aa2 and AA by Moody's and Standard and Poor's, respectively.

President Pro Tem Evans asked if these bonds are double exempt. Mr. Fick said yes.

- MOVED by LANG, SECONDED by EVANS, to approve A Resolution providing for the sale, award and authorizing the issuance of Telecommunications Facilities Revenue Bonds, Series S.U.I. 2009, in the amount of \$25,000,000 to defray costs of constructing, equipping, installing, and extending certain improvements to the Telecommunications System of The State University of Iowa, funding a debt service reserve fund, and paying the costs of issuance.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Sale and Award of \$27,025,000 Academic Building Revenue Flood Anticipation Project Notes, Series SUI 2009**

Mr. Fick reported that: (1) two bids were received; (2) the winning bid was submitted by Piper Jaffray and Company; (3) the true interest rate was 2.0887%; (3) they will be replaced with permanent financing previously authorized by the legislature at maturity, which is January 1, 2013; and (5) the credit ratings from Moody's and Standard & Poor's were at the very top of their short-term ratings.

- MOVED by EVANS, SECONDED by HARKIN, to approve A resolution providing for the sale, award and authorizing the issuance and securing the payment of \$27,025,000 Academic Building Revenue Flood Anticipation Project Notes, Series S.U.I. 2009, to defray costs of building, repairing, replacing, reconstructing and equipping flood damaged facilities at The State University of Iowa, funding capitalized interest and paying costs of issuance.

<u>Regent</u>	<u>Campbell</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Patrice Sayre gave an informational update on Public Works, LLC, the consultant hired by Governor Culver to look for cost efficiencies.

President Miles said the institutions and the Board are working diligently to reduce costs. He said he looked forward to the work ahead to identify every cost saving and improve the institutions that benefit the citizens of Iowa.

Regent Harkin asked if a timetable had been set for the efficiencies to be enacted. Chief Business Officer Sayre said there was nothing in the report at this time. Regent Harkin asked if the next Board meeting could include discussion on it. President Miles thought more information on the timeline would be available by then.

On behalf of the Board, President Pro Tem Evans wished SUI Coach Kirk Ferentz and ISU Coach Paul Rhoads good luck in their bowl football games.

President Miles thanked the Board and adjourned the meeting at 12:01 p.m.