

**Contact: Brock Ascher**

**MINUTES OF NOVEMBER 15-16, 2018, BOARD MEETING**

**SLIFE BALLROOM, COMMONS  
UNIVERSITY OF NORTHERN IOWA  
CEDAR FALLS, IOWA**

<b>Board Members</b>	<b>November 15, 2018</b>	<b>November 16, 2018</b>
Michael Richards, President	Present	Present
Patty Cownie, President Pro Tem	Present	Present
Sherry Bates	Present	Present
Nancy Boettger	Present	Present
Milt Dakovich	Present	Present
Nancy Dunkel	Absent	Present
Rachael Johnson	Present	Present
Jim Lindenmayer	Present	Present
Larry McKibben	Present	Present

**Board Office**

Brock Ascher, Kristin Bauer, Brad Berg, Rachel Boon, Mark Braun, Mary Braun, Aimee Claeys, Tim Cook, Laura Dickson, Ann Goff, Josh Lehman, John Nash, Jason Pontius, Keith Saunders, Patrice Sayre.

<b>SUI</b>	<b>ISU</b>	<b>UNI</b>	<b>ISD</b>
Bruce Harreld	Wendy Wintersteen	Mark Nook	Steve Gettel
Sue Curry	Jonathan Wickert	Jim Wohlpart	John Cool
Rod Lehnertz	Pam Cain	Michael Hager	Mark Huss
Brooks Jackson	David Spalding	Randy Pilkington	
Marie Kerbeshian			
Todd Pettys			

**Guests**

Bob Kressig, Iowa House of Representatives  
Dr. Sheryl Bailey, Springstead  
Doug Oest, Marquette  
Dave Smith, Marquette  
Mark Wiederspan, Iowa College Student Aid Commission

The corresponding memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.iowaregents.edu>. 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 website.

**November 15, 2018**

*The Investment and Finance Committee met at 11 a.m.*

**Call to Order for November 15, 2018**

President Richards called the meeting to order at 12:30 p.m.

**Roll Call:**

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Present	x	x	x	x		x	x	x	x
Absent					x				

**Public Comment**

President Richards noted that public comment on issues that come before the Board is an important part of the Board's deliberations and welcomed the following presenters:

- Brenna Wolfe, UNI student, read a letter on behalf students at the University of Iowa who urged the Board to table the decision to close the UI Labor Center.
- Kelli Harrison, Region 4 Community Action Program Coordinator for the United Auto Workers, spoke regarding the UI Labor Center.
- Jaycie Vos, Special Collections Coordinator and University Archivist at the UNI Rod Library, spoke regarding the UI Labor Center.
- Shelly Staker, Iowa State Education Association representative, spoke regarding the UI Labor Center.
- Skylar Wessely, MAL Steward at the Iowa Postal Workers Union, spoke regarding the UI Labor Center.

The Board received the comments by GENERAL CONSENT.

President Richards recognized Representative Bob Kressig, who was in attendance.

**Sale and Award of \$28,965,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2018A**

Policy and Operations Officer Brad Berg introduced Dr. Sheryl Bailey from Springsted, Inc., the Board's municipal advisor. Dr. Bailey reported that (1) eight bids were received; (2) the winning bid was submitted by Wells Fargo Bank; and (3) the true interest cost was 3.50%.

- ✓ MOVED by JOHNSON, SECONDED by DAKOVICH, to approve a resolution providing for the sale and authorizing the issuance of Athletic Facilities Revenue Bonds, Series S.U.I. 2018A, in the amount of \$28,965,000 (estimated) for the purpose of improving, remodeling, repairing, furnishing, equipping, and building additions to Kinnick Stadium, funding a debt service reserve fund, and paying costs of issuance.

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Aye	x	x	x	x		x	x	x	x
Absent					x				

MOTION APPROVED by ROLL CALL.

**Tuition and Resource Discussion**

President Richards recognized Brad Berg, Board Policy and Operations Officer, who presented key revenue reports to the Board. He noted that 65 percent of the current Regents budget is provided by tuition revenues, with state appropriations funding 30 percent. Berg also noted that the percentage of Iowa's reduction in state support per student since 2008 ranks near the top of the national list, while its percentage increase in tuition and fees ranks near the bottom.

President Richards read the following statement:

*As the governing board of Iowa's public universities, we get to see firsthand the impact that the University of Iowa, Iowa State University and the University of Northern Iowa have on their students, families, communities and the state as a whole. Iowans should be extremely proud of the work done every day on their behalf at these three great universities.*

*Our founders were wise in how they developed Iowa's public universities. Unlike many states, our universities do not have multiple campuses, but they do each have specific missions. Those that came before us chose to focus their efforts on making each university strong and impactful instead of spreading the resources out to smaller localized campuses. By focusing their efforts, Iowa's public universities are among the best in the nation. Iowa students can attend any of our three universities and get as good an education – if not better – as they can anywhere in the nation.*

*The Board's core mission, above all else, is to maintain the quality of education provided by our public universities, and keeping them affordable and accessible for every Iowa student that wants to attend.*

*To that end, we have been studying the funding of the universities for the last several years. We have held numerous public meetings where we have received input for the Board to consider as we try to come up with the best approach to managing our resources.*

*One key theme we heard in our discussions and meetings with students, family & legislators has been: predictability. A key aspect of this is being predictable on tuition, so that students and families can plan accordingly. Predictability also includes what we request the taxpayers to support, and the expectation that the universities will strive to reallocate and become more efficient every year.*

*These three primary areas – tuition, state appropriations, and reallocations – need to work in concert to support our universities. In addition, we also expect the universities to remain innovative with their financial and capital resources. We expect them to look for additional opportunities to leverage our physical and intellectual assets in new ways. We want them to look at other creative initiatives that have been implemented across the country and determine if they will work here in Iowa.*

*Our conversations and analysis have led us to one fundamental conclusion: We cannot look at the three primary areas of funding individually; we must look at them collectively. Each is interdependent on the other and we cannot talk about one without affecting the others.*

*When we presented our state appropriation request in September for the state budget, the presidents not only talked about the request for student financial aid, but also began the conversation about the total resources required to maintain and strengthen our universities. Each talked about their internal reallocations in conjunction with the state appropriation request.*

*This brings us back to our conversation about tuition.*

*Another key theme from our analysis and conversation was differentiation of resident undergraduate tuition. In the past, all the universities were treated the same. Clearly, they are not the same. Each one is unique; they have different missions with different focuses and programs. Over the last several years, the Board began taking steps to differentiate programs at each university but kept the same undergraduate tuition rate for all three universities.*

*This practice led to much discussion during and following the Tuition Task Force meetings about different resident tuition rates. When comparing resident undergraduate rates, the University of Iowa and Iowa State University are considerably lower than comparable universities. Conversely, we learned that the University of Northern Iowa needs to be more competitive in pricing in comparison to other Midwest comprehensive universities, which will help UNI attract more students.*

*Clearly, one size does not fit all anymore.*

*As I referenced earlier, the three areas of funding need to work in concert. The lynchpin of these three is state appropriations. In September, we made our state appropriations request, and we know our estimated university savings and reallocations.*

*Predictable tuition is the last piece needed to complete the puzzle.*

*First, we are going to continue the practice in which the Board does a first reading of tuition in April with a second and final reading in June. In the past, tuition was set in the fall or winter before the Board had enough information about the state budget. When our appropriation request was not fully funded, we had to make mid fiscal year reductions, this led to additional tuition increases after it had already been set. This was confusing to families, students, and Iowans. This is not how we want to treat Iowa students and families. We will set tuition once.*

*Second, we cannot continue to treat the institutions the same. For UNI, if the state fully funds their request we will begin to take steps to make them more competitively priced with other Midwest comprehensive universities. The degree and the amount will be determined by their appropriation.*

*Third, as I stated last spring, for the University of Iowa and Iowa State University, we will set guardrails around their base resident undergraduate tuition rate increase. If the state fully funds the appropriation request, the base resident undergraduate rate increase will be 3 percent. If the state provides no additional funding, the base undergraduate rate increase*

*will be 3 percent plus the projected Higher Education Price Index (or HEPI). For this current fiscal year, HEPI is projected to be 2 percent. If the state partially funds our appropriations request, the base undergraduate rate will be somewhere within the defined range.*

*Those are the “outside guardrails” we will be working with for tuition going forward.*

*We believe this model provides tuition predictability for students and their families moving forward. It is our intention to follow this approach for the next 5 years. Obviously, unforeseen circumstances could cause us to re-evaluate.*

*I would like to end the same way I started. Our founders were wise in how they developed Iowa’s public universities and we intend to continue their efforts going forward. Iowans should be extremely proud of the work done every day at these three great universities.*

*Thank you.*

Regent Boettger thanked President Richards for his explanation of the situation and noted that the Board’s “guardrails” approach would provide predictability for Iowans.

Regent McKibben noted that he was strongly supportive of the Board reading tuition proposals in April and June, rather than in the fall as happened in previous years.

Regent Johnson supported the statement, noting that knowing the level of state appropriations prior to reading tuition makes sense and will benefit the universities.

Regent Lindenmayer commended the leadership at the three universities for keeping tuition low and asked what percent of Regents students received need-based financial aid.

Regent Bates stated that raising tuition is one of the things about being a Regent that gives her the most pause.

Regent Cownie stated how important it was for the Regents to continue to work with the legislature.

### **Fall Enrollment Report**

President Richards recognized Jason Pontius, Board Associate Chief Academic Officer, who presented to the Board. Pontius noted that college enrollment is down across the nation and has been for the past six years, but noted the decline was not equal across all levels and that perhaps enrollment was simply returning to normal after the post-2008-recession jump.

### **Presentation: Condition of Higher Education in Iowa**

President Richard recognized Rachel Boon, Board Chief Academic Officer, who introduced Mark Wiederspan, Executive Research Officer at the Iowa College Student Aid Commission. Wiederspan presented the Condition of Higher Education in Iowa 2018, which described demographics, college readiness and success, and financial aid and student debt in the state.

The Board received the presentation by GENERAL CONSENT.

*The Audit and Compliance Committee met at 1:55 p.m.  
The University of Iowa Hospitals and Clinics Committee met at 2:06 p.m.*

**Closed Session**

- ✓ MOVED by BATES, SECONDED by DAKOVICH, to enter into closed session for the following reasons: In accordance with Iowa Code section 20.17.3 to discuss collective bargaining strategy with counsel and institutional representatives; In accordance with Iowa Code section 21.5.1.c to discuss strategy with counsel in matters that are presently in litigation or where litigation is imminent and premature disclosure would likely prejudice or disadvantage the position of the Board; and In accordance with Iowa Code section 21.5.1.a to review confidential records in the matter of an employee appeal.

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Aye	x	x	x	x		x	x	x	x
Absent					x				

MOTION APPROVED by ROLL CALL.

*The Board convened in closed session at 3:06 p.m.  
The Board reconvened in open session at 4:04 p.m.*

- ✓ MOVED by JOHNSON, SECONDED by BATES, to deny the appeal and affirm the final institutional decision in the matter of the appeal of Employee A.

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Aye	x	x	x	x		x	x	x	x
Absent					x				

MOTION APPROVED by ROLL CALL.

**Adjourn**

President Richards adjourned the meeting at 4:05 p.m.

**November 16, 2018**

*The Academic Affairs Committee met at 9:12 a.m.  
The Campus and Student Affairs Committee met at 9:45 a.m.  
The Property and Facilities Committee met at 10:40 a.m.*

**Call to Order for November 16, 2018**

President Richards called the meeting to order at 11:11 a.m.

**Roll Call:**

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Present	x	x	x	x	x	x	x	x	x
Absent									

**Consent Agenda**

- ✓ MOVED by MCKIBBEN, SECONDED by DUNKEL, to approve and receive the following CONSENT AGENDA items:
  - a) Minutes of September 12-13 Board Meeting
  - b) Meeting of November 15, 2018 Investment and Finance Committee
  - c) Meeting of September 12, 2018 Academic Affairs Committee
  - d) Meeting of September 12, 2018 Audit and Compliance Committee
  - e) Meeting of November 16, 2018 Property and Facilities Committee
  - f) Personnel Appointments
  - g) Policy Manual Revisions - Chapter 2.3
  - h) Interagency Cooperation Plan Annual Report
  - i) Request for Professional Development Assignments, 2019-2020
  - j) Request for Honorary Degrees at the University of Iowa
  - k) University of Iowa Proposed Naming

	Bates	Boettger	Cownie	Dakovich	Dunkel	Johnson	Lindenmayer	McKibben	Richards
Aye	x	x	x	x	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

**Reports from Institutional Heads**

President Nook, Superintendent Gettel, President Wintersteen and President Harreld gave reports on recent activities at their respective institutions. President Richards publicly congratulated Superintendent Gettel for receiving the William H. English Leadership Award, presented annually to one educational administrator in the United States by the Council of Schools and Services for the Blind.

The Board received the reports by GENERAL CONSENT.

**Economic Development and Technology Transfer**

President Richards recognized Mary Braun, Board State Relations Officer for UNI. Braun introduced Marie Kerbeshian, assistant VP and executive director for the University of Iowa Research Foundation; David Spalding, interim VP for economic development and industry

relations at ISU; and Randy Pilkington, director of business and community services at UNI, to present to the Board.

The Board received the reports by GENERAL CONSENT.

**Presentation: Freedom of Expression at Universities.**

President Richards stated the following:

*Freedom of expression and the first amendment to the constitution is a bedrock principle of the United States. The freedom applies everywhere, including on our campuses. Iowa public universities do and must continue to allow for freedom of speech. The right to express differing views on any issue is paramount. Our universities will continue to support the expression of all viewpoints.*

President Richards recognized Board Chief Academic Officer Rachel Boon, who introduced Professor Toddy Pettys, H. Blair and Joan V. White chair in civil litigation at the University of Iowa College of Law, to present.

The Board received the report by GENERAL CONSENT.

**Strategic Plan Progress Updates**

Superintendent Gettel, UNI Provost Jim Wohlpart, ISU Provost Jonathan Wickert, UI Interim Provost Sue Curry, and Board Chief Academic Officer Rachel Boon presented strategic plan progress updates for their respective institutions.

The Board received the reports by GENERAL CONSENT.

**Adjourn**

President Richards noted that the December, 2018 meeting was canceled and adjourned the meeting at 2:50 p.m.