

**MINUTES
BOARD OF REGENTS, STATE OF IOWA
APRIL 18, 2005**

ITEM 1. CALL TO ORDER

The Board of Regents, State of Iowa, met by telephonic conference on April 18, 2005. President Pro Tempore Robert Downer called the special meeting of the Board of Regents to order at 12:00 pm.

ITEMS 2, 3. ATTENDANCE, ESTABLISHMENT OF QUORUM, INTRODUCTION OF PARTICIPANTS AT ALL SITES

Introductions of attendees at the several sites were made. President Downer determined that all Regents were in attendance. He outlined ground rules for the meeting by asking that speakers identify themselves before making comment.

Regents present. Amir Arbisser, Mary Ellen Becker, Tom Bedell*, Robert Downer, Michael Gartner, Ruth Harkin, Owen Newlin, Jenny Rokes, Rose Vasquez, Teresa Wahlert.

Institutional and Other Representation on the call. University of Iowa: Steve Parrott
Iowa State University: Warren Madden

University of Northern Iowa: President Robert Koob; Tom Schellhardt; Patricia Gadelmann; Jim O'Connor

Iowa School for the Deaf: Superintendent Jeanne Prickett; Jim Heuer; Tizz Connell

Iowa Braille and Sight Saving School: Superintendent Dennis Thurman; Michael Hooley; Luann Woodward

Regent Office Staff: Executive Director Greg Nichols; Gary Steinke; Pam Elliott Cain; Tom Evans; Joan Racki; Deb Hendrickson; Dianna Baker; Sheila Doyle; Susan Anderson; Marcia Brunson; Tony Girardi; Diana Gonzalez; Barb Boose.

President Downer began the meeting with news that the state of Iowa March general receipts, received earlier in the day, had increased by 6.1% over March 2004. All components outpaced REC projections.

ITEM 4. NOMINATION AND ELECTION OF PRESIDENT, BOARD OF REGENTS, STATE OF IOWA

President Downer opened the floor for nominations and election for the President of the Board of Regents, State of Iowa, to fill the unexpired term ending April 30, 2006. He asked for agreement among other board members to allow him to place one name in nomination for the presidency. No objections were raised from any member of the board.

MOTION	President Downer placed Regent Michael Gartner's name in nomination for the President of the Board of Regents, State of Iowa. Regent Rokes seconded the nomination. No further nominations were made. A voice vote was taken. MOTION CARRIED UNANIMOUSLY.
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President Pro Tempore Downer congratulated and extended full support to Regent Gartner in his leadership role. In addition, he thanked fellow Regents, Board office staff, Regent institution administrators, faculty and students for assistance afforded to him the past three months.

President Gartner thanked colleagues on the Board of Regents for the confidence shown to him by their vote. He indicated pleasure in the knowledge that Regent Downer would continue as President Pro Tempore and in anticipation of working with all others on the board. President Gartner stated that he came away from the April 16, 2005, Board retreat realizing time is of the essence for the Board of Regents to be proactive agents of thoughtful change and not simply caretakers. He stated the transformation plan that is underway must be broadened and speeded up. To that end, it would be imperative to aid and abet the presidents and special school superintendents as they lead their institutions to educate lowans of all ages (on and off campuses); innovate in the classrooms and laboratories; and, participate in all aspects of leadership, economic development, policy, and culture in Iowa. President Gartner noted the importance of working closely with K-12 school districts, the community colleges, and other educational institutions, in order to enhance the process of life-long learning. He stressed the need to utilize best practice and innovation. He charged the Regents to outthink and outwork others to ensure that Regent universities excel so the state might prosper, and he pledged his commitment and that of the full board to that end. President Gartner noted his plans to meet with individual Regents in the coming weeks to receive assessments on various issues, priorities and processes for the coming year.

ITEM 5. CONSIDERATION OF REGENTS POLICY MANUAL CHANGES TO CHAPTER 1, RELATED TO BOARD COMMITTEES

President Gartner noted the next agenda item was consideration of changes to Chapter 1 of the Regents policy manual related to board committees. Executive Director Greg Nichols provided a description of the policy changes embodied in the proposal which were discussed at the Retreat. The three significant changes include:

- Add the President Pro Tempore as an ex-officio non-voting member of each standing committee, similar to the current policy relative to the President [1.05 addition].
- Eliminate the University of Iowa Hospital and Clinics Committee and insert language in the policy manual to outline the role and responsibilities of the board as trustees of UIHC. Should the modification be agreed to, Regents will convene as trustees of the hospital during segments of regularly scheduled board meetings, inwas past practice, for oversight and guidance activities for the hospital [1.05 deletion, 1.03 addition].
- Create a standing committee on Property and Facilities to provide policy direction and more focused Board oversight to issues in these important areas of fiduciary responsibility [1.05 addition].

Mr. Nichols stated that the net effect of the POLICY changes would be for six standing committees (as previous) providing policy, direction and oversight. He noted an editing oversight in the advance meeting materials stating that each committee would consist of five voting members. This should be corrected to read four voting members with the President and President Pro Tempore serving as non-voting members [1.05(c)]. Committees would continue to be treated as open meetings with six Regents present.

MOTION	<p>Regent Downer moved adoption of the board policy manual rule changes. Regent Becker seconded the motion. A roll call vote was taken. All Regents voted in the affirmative.</p> <p>MOTION CARRIED UNANIMOUSLY.</p>
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President Gartner announced chairs of the six standing committees and expressed appreciation for their willingness to serve. Regents will be contacted regarding preferences to fill the remaining committee slots.

Audit and Compliance = Regent Wahlert
 Economic Development = Regent Harkin
 Education and Student Affairs = Regent Becker
 Facilities and Property = Regent Arbisser
 Human Resources = Regent Vasquez
 Investment = Regent Bedell

MOTION	<p>As there was no other business to come before the board, President Gartner called for a motion to adjourn. Regent Arbisser moved, and Regent Becker seconded, a motion to adjourn the meeting. A voice vote was taken.</p> <p>MOTION CARRIED UNANIMOUSLY.</p>
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The meeting adjourned at 12:18 pm.

* Although participating in the meeting, Regent Tom Bedell did not cast votes during the telephonic call. Regent Bedell's term of office will begin May 1, 2005.



 Gregory S. Nichols, Executive Director

Attachments: Agenda materials

MEMORANDUM

TO: BOARD OF REGENTS
FROM: GREG NICHOLS
DATE: APRIL 14, 2005
RE: ELECTION OF THE PRESIDENT OF THE BOARD OF REGENTS

RECOMMENDED ACTION:

Elect a President of the Board to fill the unexpired term in that office which ends April 30, 2006.

EXECUTIVE SUMMARY:

Board policy and recent practice provides for election of a President and a President Pro Tempore for simultaneous 2-year terms beginning on May 1 of even numbered years.

In 2004, Regent John Forsyth was elected to the position of President for a term ending April 30, 2006, and served in that position until his resignation from the Board on January 20, 2005.

Board policy also provides that on a temporary basis, the President Pro Tempore, in the absence of the President, assumes the duties of Board President.

Regent Robert Downer, who was elected President Pro Tempore in 2004, has thereby served as Board President, on an interim or temporary basis, since January 20, 2005.

Board policy further provides that the Board is to select a new President, to fill the unexpired term, if the position is permanently vacated by the individual previously selected by the Board.

That selection is the recommended action at the special telephonic meeting scheduled for April 18, 2005.

BACKGROUND INFORMATION:

Nominations for the position of President will be called for by the presiding officer, and may be made by any Regent present.

If the Regents select another member as the new President, Regent Downer will automatically resume his post as President Pro Tempore, and there will be no need for further nominations or elections.

The term of the newly-elected Board President will begin immediately upon election to serve through April 30, 2006.

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MEMORANDUM

TO: BOARD OF REGENTS

FROM: GREG NICHOLS

DATE: APRIL 14, 2005

RE: PROPOSED MODIFICATION OF BOARD POLICY MANUAL ON COMMITTEES

RECOMMENDED ACTION:

Waive an additional reading and adopt, effective immediately, modifications in Board policy regarding Chapter 1 standing committees and membership thereof.

EXECUTIVE SUMMARY:

Board policy adopted in 2004 created six standing committees of the Board, providing an overview of the issues of focus expected from each, and providing for appointment of members by the President, subject to Board ratification. Additionally, the policy made the President an ex-officio non-voting member of all standing committees.

The changes proposed in the policy for the coming year, if adopted at the special Regents meeting on April 18, 2005, can be implemented quickly and become effective for the Board and Board committees at the next regularly scheduled meetings on May 4-5, 2005. The standing committees for the coming year would include: Audit and Compliance, Economic Development, Education and Student Affairs, Facilities and Property, Human Resources, and Investment.

Significant modifications of the policy include the following.

- Adding the President Pro Tempore as an ex-officio non-voting member of each standing committee, similar to the current policy relative to the President.
[1.05 addition]
- Eliminating the University of Iowa Hospital and Clinics committee with language added elsewhere to make clear that oversight and guidance of the UIHC is the responsibility of the Board of Regents in their statutory capacity as UIHC trustees.
[1.05 deletion, 1.03 addition]

- Creating a new standing committee on Property and Facilities, to provide policy direction and more focused Board oversight to issues in these important areas of fiduciary responsibility.
[1.05 addition]

BACKGROUND INFORMATION:

The policy changes relative to committees are designed to provide a framework for Board action in the coming year. They are brought forward at this time to allow, if approved, for the newly-elected President to make early appointments to the designated standing committees for the coming year, and allow implementation beginning with the next regularly scheduled Board meeting May 4-5, 2005.

The proposed change relative to the President Pro Tempore is designed to provide for the President Pro Tempore to serve in a similar status to the President on committees, and also to allow for more Board members to serve in key roles and as voting members or chairpersons on the various standing committees.

It is proposed that the UIHC Committee be eliminated. The Board would return to a system of regular meetings of the full Board in their role as trustees of the UIHC, instead of delegating that function to a committee, a model used by the Board prior to 2004.

Relative to the Property and Facilities Committee, this subject area is one of ongoing interest and concern to Regents, and indeed to higher education governing boards around the nation. Many other states utilize such a committee to provide greater focus on policy direction and governance oversight in this area.

1.03 Governance

The Board of Regents, State of Iowa, has broad statutory authority, as outlined in Iowa Code Chapter 262, to exercise all the powers necessary and convenient for the effective administration of its office and the institutions under its control. As provided by law, the Board both governs and coordinates the operations of the Regent institutions.

A. Statement on Governance

The Board of Regents, State of Iowa, by statute, governs Iowa's three state universities -- the State University of Iowa, Iowa State University, and the University of Northern Iowa -- and the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. The Board, pursuant to this authority, establishes the missions, adopts strategic plans, makes educational policy, appoints presidents and other institutional officials, reviews and approves budgets for submission to the Governor and General Assembly, establishes and oversees annual operating budgets and personnel policies, pursues public policy and budget priorities, reviews and approves academic programs, and adjudicates disputes. The staff of the Board, headed by the Executive Director, is located in Urbandale. Board staff provide support for the Board, including review and analysis of all budget and policy proposals, and preparation of recommendations to the Board.

B. The Board will convene in their statutory role as Trustees of the University of Iowa Hospital and Clinics as often as necessary to perform their appropriate role in providing fiduciary guidance, oversight and governance. The areas of the Board's governance include but are not limited to the following.

- Evaluation and approval of UIHC strategic plans, policies, procedures, bylaws, and accreditation issues.
- Providing guidance to and oversight of UIHC administration.
- Providing guidance to and oversight of the management, budget, financial resources, and operations of the UIHC enterprise.
- Making decisions concerning proposed budgets, capital plans, and bonding and other financing needs of the UIHC.
- Review of information regarding UIHC interactions with related parties, such as with the University of Iowa and the University of Iowa College of Medicine.”

1.05 Board of Regents Committee

a. Appointment and Authority of Committees

The Board of Regents has six standing committees, as identified in subsection d. Their purpose is to support the mission and goals of the Board. While these committees are considered to be working groups of the Board, any actions or votes taken by the Board's committees do not constitute action or approval by the full Board of Regents. Standing committee appointments and designation of committee chairs are made by the Board president, subject to ratification by the Board of Regents.

The President of the Board may also recommend that the Board create time-limited ad hoc committees or a task force to undertake a specific mission. Appointment of members and chairs of such ad hoc committees and task forces is also subject to ratification by the Board.

b. General Committee Responsibilities

Each committee, within its designated area of jurisdiction, is responsible for the following activities:

1. Preparing an annual committee plan that defines the scope of the committee work, establishes benchmarks, and identifies performance indicators of committee progress
2. Gathering information on issues and policies pertinent to the committee's work, which may include directing the work and considering the reports of special and interinstitutional committees of the Board of Regents
3. Developing short-term and long-term recommendations to the Board of Regents after thoughtful consideration of relevant issues and policies
4. Regularly reporting to the Board of Regents regarding the status of the Committee's assignments and accomplishments

c. Operation of the Committees

Each committee shall consist of at least ~~four~~ five voting Board members and two ex-officio non-voting members. The President of the Board and President Pro Tempore of the Board shall serve as ex officio, non-voting members ~~member~~ of all standing committees. In order to conduct business, a quorum of the committee must be in attendance. A quorum of a committee consists of a majority of the ~~appointed~~ committee members. Each committee of the Board of Regents shall follow Roberts Rules of Order and shall meet in open session as required by law. This includes:

1. Providing appropriate public notice of committee meetings
2. Providing the basis and rationale of decisions
3. Recording the decisions of the committee
4. Keeping minutes that include:
 - a. the date, time, and meeting place
 - b. the members present
 - c. the action taken at each meeting
 - d. the results of each vote taken
 - e. information sufficient to indicate the vote of each member present

Generally committee minutes shall be available for public inspection, except for those portions of the minutes that are otherwise exempt from inspection pursuant to state or federal law.

d. Standing Committees of the Board of Regents

The Board of Regents' standing committees, and their responsibilities, are as follows:

Audit & Compliance Committee. This committee is primarily responsible for:

- Receiving and reviewing information about internal and external audit functions related to the operation of all Regent institutions
- Oversight of security planning across the Regent enterprise
- Evaluating the annual audit plans proposed by internal auditors, with emphasis on financial control systems, mitigation of major risks, operational efficiencies, and compliance matters
- Reviewing all reports prepared by internal auditors of the Regent institutions
- Assuring continued evaluation, improvement, and adherence to all Board and institutional policies, procedures, and practices
- Facilitating an open avenue of communication among the independent auditors, state auditors, financial and senior management, internal auditors, the Committee, and the Board of Regents

- Reviewing a summary of claims and/or pending lawsuits filed against the Regents and/or a Regent institution

Investment Committee. This committee is primarily responsible for:

- Ensuring the preservation of principal, sufficient liquidity for anticipated needs, and maintenance of purchasing power of investable assets
- Monitoring institutional investment and treasury management practices and performance
- Reviewing investment reports
- Ensuring compliance with Board investment policy
- Developing the broad investment strategy to be followed and the general limitations on the discretion granted to internal and external investment managers
- Making recommendations to the Regents on the hiring, retention, and review of investment advisors and managers

Education and Student Affairs Committee. This committee is primarily responsible for:

- Providing oversight and policy recommendations related to
 - academic affairs
 - student life and academic achievement
 - diversity in educational endeavors
 - intercollegiate athletics
- Monitoring and developing appropriate responses to state, regional and national policy initiatives regarding higher and special education
- Establishing positive, collaborative relationships with other education sectors
- Directing the work of special Board committees, such as the Council of Provosts, the 2 + 2 Council, and the ad hoc Radio Station Planning group, each of which will initially report their findings and recommendations to the Education Committee

Economic Development Committee. This committee is primarily responsible for:

- Providing oversight and advice on economic development initiatives and activities involving the Regent institutions or Regent enterprise
- Providing oversight and direction for accomplishing the statutory mandates defined in Chapter 262B of the Iowa Code, “Commercialization of University Based Research”

- Identifying opportunities to promote the value of Regent institutions in research, outreach, and economic growth
- Prioritizing potential new initiatives
- Directing the work of the Regent Interinstitutional Committee on Economic Development and Technology Transfer

Human Resources Committee. This committee is primarily responsible for:

- Evaluating and providing oversight concerning compensation and benefit issues
- Assessing and making recommendations on matters related to employee relations at the Regent institutions, including collective bargaining
- Providing advice and gathering information concerning evaluation systems
- Providing information and options for Board self-evaluations and training
- Providing oversight and making recommendations regarding affirmative action and diversity in the workplace
- Directing the work of the Interinstitutional Committee on Affirmative Action and Equal Opportunity

~~University of Iowa Hospitals and Clinics Executive Board Committee.~~ This committee is responsible for serving as the primary governance and oversight vehicle for the UIHC by:

- ~~• Evaluating and making recommendations on UIHC strategic plans, policies, procedures, bylaws, and accreditation issues~~
- ~~• Providing guidance to the UIHC administration~~
- ~~• Providing oversight concerning the management, budget, financial resources, and operations of the UIHC enterprise~~
- ~~• Assessing and making recommendations to the Board of Regents concerning proposed budget increases, capital plans, and bonding needs of the UIHC~~
- ~~• Reviewing information regarding UIHC interactions with related parties, such as those with the University of Iowa and the University of Iowa College of Medicine~~

Property and Facilities Committee. Receiving, reviewing and making recommendations to the Board regarding institutional requests for approval of:

- The purchase and sale of property including any necessary financing;
- The disposal, transfer and sale of buildings; and
- Leases and easements.

Receiving, reviewing and commenting upon institutional long-range development plans for the campus in total or specific areas and master plans for specific campus enterprises, such as residence systems, student service facilities and utilities.

Receiving and making recommendations to the Board on all institutional capital register items, except for UIHC items.

Receiving the Facilities Governance Report and the Institutional Roads program and special reports regarding property and facilities, including those on the status of major capital projects and annual capital plans, and Five Year Building Programs, including capital appropriations requests, except for UIHC.

Monitoring institutional design guidelines and space standards and developing Board standards, as appropriate.

Evaluating the financing for construction, and operation and maintenance of capital projects.

Examining current processes for bidding and award of construction contracts and possible alternative construction delivery systems.

Monitoring capital issues including fire and environmental safety and deferred maintenance deficiencies, and energy conservation opportunities.

Reviewing and making recommendations regarding the duties of the Board, Board Office and institutions for capital improvement projects.

Fostering interinstitutional cooperation and coordination among the institutions in facilities management.

H:Minutes/_____ April 18 05 Telephonic