

**Contact: Andrea Anania**

**MINUTES of MAY 3-4, 2006  
BOARD OF REGENTS, STATE OF IOWA  
GALLAGHER-BLUEDORN PERFORMING ARTS CENTER  
CEDAR FALLS, IOWA**

<b>Board Members</b>	<b>May 3, 2006</b>	<b>May 4, 2006</b>
Amir Arbisser	Present	Present
Mary Ellen Becker	Present	Present
Tom Bedell	Present	Present
Robert Downer	Present	Present
Michael Gartner	Present	Present
Ruth Harkin	Present	Present
Jenny Rokes	Present	Absent
Rose Vasquez	Present	Present
Teresa Wahlert	Present	Present

**Staff Members**

Andrea Anania, Susan Anderson, Andy Baumert, Brad Berg, Marcia Brunson, Pam Elliott Cain, Sheila Doyle, Tom Evans, Diana Gonzalez, Emiliano Lerda, Joan Racki, Gary Steinke, Todd Stewart, Ilene Tuttle

**Regent Institutions**

- SUI David Skorton, Bob Bowsby, Sue Buckley, Anthony DeFurio, Mary Greer, Meredith Hay, Michael Hogan, Jane Meyer, Phil Jones, Donna Katen-Bahensky, Jessica McAllister, Peter McElligott, Jean Robillard, John Staley, Von Stange, Katherine Tachau, Doug True, Matt Walz
- ISU Gregory Geoffroy, Benjamin Allen, John Brighton, Warren Madden, Gregory Palermo, Dan Woodin
- UNI Robert Koob, Seth Bockelman, Matt Cole, Rick Hartzell, Carla Kelley, James Lubker, Randy Pilkington, Tom Schellhardt, John Vallentine, Maureen Collins-Williams
- ISD Jeanne Prickett, Jim Heuer
- IBSSS Jeananne Schild, Luann Woodward

**Others**

Ed Bittle, Ahlers & Cooney, P.C.  
Barry Fick, Springsted, Incorporated  
Barbara Shepard, Regents Interinstitutional Supervisory and Confidential Council (RISCAC)  
Larry Gritton, Gritton Associates

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents web site: [www.state.ia.us/educate/regents](http://www.state.ia.us/educate/regents).

Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.

President Gartner called the meeting to order at 10:00 a.m. on May 3, 2006.

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**ECONOMIC DEVELOPMENT COMMITTEE  
May 3, 2006, Minutes**

**Committee Members**

Ruth Harkin, Chair	Jenny Rokes	President Michael Gartner (ex officio)
Tom Bedell	Teresa Wahlert	President Pro Tem Robert Downer (ex officio)

**University Grow Iowa Values Fund Projects – Status Reports**

Meredith Hay (SUI), John Brighton (ISU), and Randy Pilkington (UNI) provided progress reports on Grow Iowa Values Fund (GIVF) projects. Chair Harkin requested another update on GIVF projects at the June 2006 meeting. Regent Wahlert requested that Regents staff provide an update regarding GIVF projects funded at the University of Dubuque at the June 2006 meeting.

**Research Infrastructure and Commercialization Funding Initiative – Status Report**

Andy Baumert reported on the status of current economic development legislation. He stated that pending legislation provides the Regents \$20 million and creates a Technology and Commercialization Resources Organization (TCRO) to review projects submitted for funding. Chair Harkin reported that she has had preliminary discussions with university research officers about developing a proposal solicitation and review process that could be used for projects if the funding related to the Battelle Foundation recommendations is approved by the Iowa Legislature. Chair Harkin stated her intent for the Committee to consider and approve a funding procedure at the June 2006 meeting. Regent Becker requested that the Board of Regents arrange for a dinner meeting with non-Regent members of the TCRO when they are named.

**Highlighted Project Report: MyEntreNet - UNI**

Randy Pilkington (UNI); Maureen Collins-Williams (Director, UNI Regional Business Center/SBDC); and Larry Gritton (President, Gritton Associates) reported on UNI's MyEntre.Net rural development program. Regent Bedell requested that a meeting be arranged with MyEntre.Net program directors and Iowa Department of Economic Development staff. Executive Director Gary Steinke asked Ms. Collins-Williams to prepare a one-page description of the program for distribution to legislators.

**Chair Report to the Full Board**

- Regent Harkin, Chair, reported on the Economic Development Committee's discussion during its May 3, 2006, meeting and the full Board received the report by GENERAL CONSENT.
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**AUDIT AND COMPLIANCE COMMITTEE**  
**May 3, 2006, Minutes**

**Committee Members**

Teresa Wahlert, Chair	Ruth Harkin	President Michael Gartner (ex officio)
Mary Ellen Becker	Rose Vasquez	President Pro Tem Robert Downer (ex officio)

Internal Audit Director Todd Stewart acknowledged and thanked Carla Kelly, lead UNI auditor, for supervising and mentoring accounting students. He reported that students are a good resource for UNI and that they receive valuable training and experience.

**Internal Audit Reports**

Mr. Stewart discussed the internal audit reports presented this month.

- The Committee received the reports by GENERAL CONSENT.

**Internal Audit Planning**

Mr. Stewart reported on the process for developing the internal audit plan for FY 2007 and asked for input from the Committee. Chair Wahlert requested that an enterprise-wide audit be performed on grant writing and asked for any input from the full Board.

Mr. Stewart indicated that auditors will be looking at risk factors including control environment, financial activity, compliance issues, universities' policies, state law, and the complexity and sensitivity of operations. He reported audit emphasis would be enterprise wide, risk assessments would be performed at each university, and a plan would be presented for approval at the August 2006 meeting.

Chair Wahlert and President Gartner thanked Mr. Stewart for his efforts during his first year as Internal Audit Director.

**Chair Report to the Full Board**

- Regent Wahlert, Chair, reported on the Audit and Compliance Committee's discussion during its May 3, 2006, meeting and the full Board received the report by GENERAL CONSENT.
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**BOARD OF REGENTS, STATE OF IOWA  
May 3, 2006, Minutes**

**Athletic Facilities Revenue Bonds, Series S.U.I. 2006 and S.U.I. 2006A**

Barry Fick of Springsted, Incorporated, the Board's financial advisor, reported that four bids were received. He stated that the winning bid was submitted by A.G. Edwards & Sons, Incorporated, and included co-managers Citigroup Global Markets, Inc.; Piper Jaffray & Co.; Edward D. Jones & Company; RBC Capital Markets; Robert W. Baird & Company, Incorporated; Wells Fargo Brokerage Services, LLC; Bear, Stearns & Co., Inc; UBS Financial Services Inc.; and several member firms. Mr. Fick reported that the bonds had a true interest cost of 4.59% and that the rates were very favorable.

- MOVED by WAHLERT, SECONDED by DOWNER to adopt:

A Resolution providing for the sale and authorizing the issuance of Athletic Facilities Revenue Bonds, Series S.U.I. 2006, in the amount of \$27,500,000, for the purpose of improving, remodeling, repairing, furnishing, equipping, and building additions to Kinnick Stadium, funding a debt service reserve fund, and paying the costs of issuance. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x		x	x	x	x		x	x
Nay									
Not Voting		x							
Absent							x		

- MOVED by HARKIN, SECONDED by ARBISSER to adopt:

A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$25,500,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2006A. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x		x	x	x	x		x	x
Nay									
Not Voting		x							
Absent							x		

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**PROPERTY AND FACILITIES COMMITTEE**  
**May 3, 2006, Minutes**

**Committee Members**

Amir Arbisser, Chair	Jenny Rokes (absent)	President Michael Gartner (ex officio)
Tom Bedell	Teresa Wahlert	President Pro Tem Robert Downer (ex officio)

**Institutional Agreements, Leases and Agreements**

- The Committee recommended Board approval of the leases.

**University of Iowa Department of Athletics Overview of Anticipated Facilities Improvements**

Athletic Director Bob Bowsby outlined five proposed future projects, as identified in the agenda item, to address the University's athletic facility needs.

1. Boat House Practice Facility (\$3 million)
  2. Carver-Hawkeye Arena (\$15 million - \$33 million) – Mr. Bowsby stated that the renovations outlined in the agenda item are not critical, but in the next 25 to 35 years the University will need to either reinvest in Carver-Hawkeye Arena or construct a new facility. Since the Arena has been well maintained and is very functional, and given the cost of constructing a new facility, renovation of the Arena is the University's preferred approach.
  3. Jacobson Athletic Building (less than \$2 million)
  4. Field House (less than \$1 million)
  5. Finkbine Golf Course Clubhouse (\$1 million - \$2 million)
- The Committee recommended that the Board receive the report on prospective capital projects to support intercollegiate athletics at the University of Iowa.

**University of Iowa Naming Request**

Mr. Bowsby outlined the University's request to name the new press box facility at Kinnick Stadium after Paul Brechler, the University Athletic Director from 1947 to 1960.

- The Committee recommended Board approval for the naming of the new press box facility at Kinnick Stadium as the Paul W. Brechler Press Box.

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

Vice President Doug True addressed the **Rowing Team Boat House** project, indicating that the University is working actively with Iowa City officials in anticipation of possible community recreation interest in the project and possible involvement by the city in providing the land for the facility. Regent Arbisser cited a partnership between the City of Moline, Illinois, and the Moline Rowing Club for development of a similar facility. Mr. True explained that the University has reviewed similar relationships at other Big 10 Schools; he indicated the University plans to continue to study good examples.

Doug True; Von Stange, Director, Residence Services; and Phil Jones, Vice President, Student Services, outlined the **Burge Hall Addition** project, explaining that the additional beds in this project would not increase the 5,500 bed residence system capacity but would provide substitute capacity. The University needs to proceed with the addition to Burge Hall to provide additional space to accommodate beds that will be lost to major infrastructure projects in other residence halls.

Mr. True explained the University's plan to present details of the project budget and fee structure for the **Campus Recreation and Wellness Center** project with the schematic design at the August 2006 meeting. In response to a request from Regent Becker on the students' wishes for the facility, Matt Walz, Chair of the Recreation Services Committee, and Peter McElligott, Student Body President, spoke of the students' desire for a multi-purpose, versatile facility with a variety of recreation options with possible later evening hours to provide a healthy social outlet for students.

John Staley, Senior Associate Director, UIHC, and Jessica McAllister, administrator of the UIHC Neurosurgery Department, provided an overview of the **UIHC Neurology Clinic Renovation** project and responded to Board members' questions on the rationale for determining the Clinic's additional space and staffing needs.

- The Committee recommended Board approval for the projects on the University of Iowa capital register.

#### **Update on University of Iowa Tornado and Storm Damage**

Mr. True provided an overview of the damage to University property, which included an estimated \$5 million in building damage (primarily to roofs), and \$100,000 in hail damage to approximately 85 vehicles. He reported that the only University building completely destroyed was the Motor Pool building. In response to questions from Regent Becker on a possible reconstruction site, Mr. True explained the University needs to first review the future operations of the Motor Pool and consider the possible enhancement of the Motor Pool's previous site along the Iowa River. He also outlined the Motor Pool's current temporary operations.

- The Committee recommended that the Board receive the University of Iowa's report on the damage incurred from the tornados and storms of April 13, 2006.

#### **Register of Iowa State University Capital Improvement Business Transactions**

Vice President Warren Madden provided an overview of the Chemistry Facilities project (consistent with the information provided to the Board in November 2005), and the revised budget for the Hixson-Lied Student Success Center project. It is anticipated that 25% of the estimated cost of the new chemistry space would be met by private fundraising.

- The Committee recommended Board approval for the projects on the Iowa State University capital register.

#### **Iowa State University Scoreboard Purchase and Financing**

Mr. Madden provided an overview of the proposed new scoreboard for Hilton Coliseum and the financing arrangement. In response to a question from Regent Wahlert, he explained that the minimum guaranteed annual revenue to the University under the new marketing rights agreement with Learfield would be \$2.3 million.

- The Committee recommended Board approval for the purchase from Daktronics, Inc., of a new video scoreboard and related systems for Hilton Coliseum at Iowa State University at a cost of up to \$2.5 million and authorization for the University to enter into a financing agreement for the purchase.

#### **University of Northern Iowa McLeod Center**

Vice President Tom Schellhardt outlined the proposed financing arrangement with Daktronics for the acquisition of a video display system for the McLeod Center. In response to questions from President Gartner, Mr. Schellhardt and Athletic Director Rick Hartzell verified that the existing video equipment in the UNI-Dome would be compatible with the system proposed for the McLeod Center and would be used in the new facility.



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**BOARD OF REGENTS as BOARD OF TRUSTEES of UIHC  
May 3, 2006, Minutes**

**Board of Trustees Members**

Amir Arbisser	Robert Downer (President Pro Tem)	Jenny Rokes
Mary Ellen Becker	Michael Gartner (President)	Rose Vasquez
Tom Bedell	Ruth Harkin	Teresa Wahlert

**Introductory Comments**

President David Skorton acknowledged the status and progress of the Health Sciences Center; recognized the Carver College of Medicine as an international leader in research, patient care, and education; and acknowledged and thanked staff for their efforts.

**Budget Discussion**

Director/CEO Donna Katen-Bahensky discussed the proposed FY 2007 budget; provided examples of accomplishments that UIHC has made over the last two years; and gave a brief update on the case mix index, increased efficiencies and productivity, accounts receivable, Lean Sigma activities, UIHC strategic plan and vision, critical success factors, and the proposed rate increase.

➤ MOVED by BECKER, SECONDED by ARBISSER to:

Approve an 8.0% rate increase for UIHC and reassess the rate in six months pending further information from insurance providers.

MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x				x	
Nay					x	x			x
Abstain							x		

President Gartner requested that Ms. Katen-Bahensky provide information at the June 2006 Board meeting indicating the future impact each percentage point has on reimbursement rates for Blue Cross, Medicare, and commercial payers.

**Partnership Discussion**

Ms. Katen-Bahensky and Dr. Jean Robillard highlighted several UIHC partnership efforts.

**Other**

Ms. Katen-Bahensky and Dr. Jean Robillard gave a brief update on recruitment.

**President Gartner adjourned the meeting at 5:00 p.m.**

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President Gartner called the meeting to order at 9:20 a.m. on May 4, 2006.

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**HUMAN RESOURCES COMMITTEE  
May 4, 2006, Minutes**

**Committee Members**

Rose Vasquez, Chair	Ruth Harkin	President Michael Gartner (ex officio)
Tom Bedell	Jenny Rokes (absent)	President Pro Tem Robert Downer (ex officio)

**Human Resources Committee Revised Work Plan**

Regent Vasquez stated that a report on presidential salary survey information would be added to the agenda for the June meeting.

➤ The Committee accepted the work plan update by GENERAL CONSENT.

**FY 2007 Pay Policies**

The following individuals made presentations to the Committee regarding pay policies for FY 2007:

- ♦ Gregory Palermo, President, Iowa State University Faculty Senate
- ♦ Dan Woodin, President, Iowa State University, Professional and Scientific (P&S) Council
- ♦ Seth Bokelman, President, University of Northern Iowa, P&S Council
- ♦ Mary Greer, President, University of Iowa Staff Council
- ♦ Katherine Tachau, Past President of the University of Iowa Faculty Senate
- ♦ Barbara Shepard, Vice Chair, Regents Interinstitutional Supervisory and Confidential Council (RISCAC)

Dr. Palermo stated that the salary policy should emphasize recruitment and retention of the best faculty and staff. Currently, Iowa State University is at the bottom of its 11-member peer group ranking of faculty salaries. The target is to move to the upper third of the group. Other critical issues that need to be addressed are competitive initial appointment salaries and start-up costs, spousal accommodation, and creating and maintaining a diverse campus environment. He suggested that a competitive salary benchmark database by discipline at peer institutions be compiled and maintained and that tuition increases have to be above the HEPI and cost of living index to move salaries from the bottom. He noted that external obligations such as energy costs have increased dramatically and a temporary surcharge would address this issue in the short term until a long-term strategy could be developed.

President Geoffroy stated that if the legislature had funded the transformation plan, the University would have been able to increase salaries by 4% as initially proposed; and without adequate state funding, the only recourse is to consider other revenue sources to support the operation of the University.

President Skorton stated that while the legislature did not fund the transformation plan in its entirety, he thanked the legislature for the \$11 million in new money for the universities. He also reminded the Board that the institutions continue to reallocate aggressively according to the formula in the transformation plan.

President Gartner stated that last year the institutions received almost \$15 million in new operating money and the three universities reallocated \$25 million instead of the \$20 million proposed by the transformation plan.

President Gartner directed the Board Office and the Universities to develop a plan that would increase academic resources for FY 2007 and present it at the June 2006 Board meeting. He also directed the Board Office to make any necessary changes to logistics for that meeting.

Regent Wahlert stated she would like data on what it would take to move the faculty salaries at the three universities into the top 1/3 or the top quartile of their respective peer groups – both as a short-term fix as well as a long-term assessment.

Regent Vasquez asked that data be provided about faculty salaries by rank and by discipline.

President Geoffroy stated that this information is available through the Association of American Universities. He said that he felt base salaries were competitive at the assistant professor level, but that it was very challenging competing for senior faculty.

Mr. Woodin explained the breadth of areas covered by P&S staff at Iowa State University – all areas of student recruitment, admission, financial aid and counseling; research; administration; information technology; and many other areas of the University. He stated that one of the major concerns of the P&S Council is the movement of staff through the compensation system. Low salary increases have not provided employee salary movement, resulting in compression below the grade midpoints. He stated that priority areas for the Council are restoring the integrity of the classification and compensation system; addressing the compensation compression issue; and professional development for staff.

Mr. Bokelman stated that it has been tradition at the University of Northern Iowa to treat the P&S staff equivalent to the organized faculty for pay increases which has been beneficial to both groups. He stated that the UNI P&S Council would like to see the University's budget for the tuition assistance program increased. Currently, there is a pool of money set aside for the entire institution and then divided among those who apply.

Regent Wahlert asked that the Committee be provided with a description of tuition assistance programs in place at the institutions and at each University's peer group. She stated that it had been her experience that businesses that value education provide programs to pay for it and that there was a strategic value to furthering our employees' education. She would like to assess the benefit enterprise wide.

Ms. Greer stated that the P&S staff at the University of Iowa work side by side with faculty and bargaining unit employees; and that bargaining unit and nonbargaining unit staff who work side by side should be treated the same. Service Employees International Union (SEIU) and American Federation of State, County and Municipal Employees (AFSCME) are guaranteed increases by virtue of their respective collective bargaining agreements. For the coming year, AFSCME is guaranteed an average increase of 5.02% and SEIU, 4.4%. She indicated that there was a cost to staff morale when union employees received higher increases than the nonorganized staff.

Dr. Tachau explained that, when a scientist is lost to another university, the cost to the University of Iowa is much more than the loss of the individual faculty member. Grant funds and expensively trained staff are lost resulting in the loss of future discoveries and patents being credited to another university. She indicated that the University had made some progress on faculty salaries as had the competition.

Ms. Shepard explained that she represents about 1,100 employees in the Regent Merit System who are excluded from AFSCME bargaining units because of the confidential or supervisory nature of their positions. RISCAC provides a communication forum for the staff to discuss areas of mutual concern on each campus. The group also meets with human resources staff from the institutions and the Board Office. She urged the Board to continue the practice of providing a pay policy for this group that is at least equivalent to that negotiated for AFSCME.

Superintendent Jeanne Prickett explained that representatives of faculty and P&S staff at the Iowa School for the Deaf declined the invitation to address the Board. She stated that she was disappointed that the School would not be receiving funding for enhancing teacher salaries. She was appreciative of the 4% increase in state appropriations for the School.

### **Renewal of Phased Retirement Policy**

The Committee was asked to consider renewal of the phased retirement policy with the following modifications:

- ◆ Changing eligibility requirements for Regent Merit System employees from age 60 with 20 years of service to age 57 with 15 years of service which matches that of faculty and P&S staff;
- ◆ Adding an additional year to the benefits incentive; and
- ◆ Allowing participants during the phasing to have access to their TIAA-CREF (or substitute plan) retirement account funds.

The modified policy would be effective from July 1, 2007, through June 30, 2012.

### **Revision to Policy Manual – Recognition of Exceptional Performance**

The Committee was asked to consider, as a first reading, a revision to Chapter 4 of the Regents' Policy Manual which allows the institutions to develop plans to recognize nonorganized P&S staff for exceptional performance.

The revision is proposed as a result of a pilot program at the University of Iowa which was approved for a one-year pilot program. The program has been deemed successful by the University, and the policy manual revision would allow the University to continue the program and allow the other institutions to develop similar programs.

President Geoffroy stated that he would like to see faculty added to the revision so that a program to recognize outstanding faculty could be developed.

Regent Vasquez stated that this was the first reading of the revision and it would be revised for final reading at the next meeting.

### **Career Status Lump Sum Furlough Option – University of Iowa**

The Committee was asked to consider extending the Career Status Lump Sum Furlough Option at the University of Iowa for an additional two-year period and to modify the COBRA contribution from three months to twelve months.

Sue Buckley, Director of Human Resources at the University, explained that the option was only offered to six P&S employees and accepted by two, but was seen as an important management tool to use in a furlough situation. Enhancing the COBRA contribution was felt to be more attractive to staff in a furlough situation.

### **Appeal Process Review**

Susan Anderson provided an update on the review of the Board's appeal processes. She indicated that all the appeals processes would be combined into a new chapter in the Regents' Policy Manual entitled "Appeals to the Board."

### **Chair Report to the Full Board**

Regent Vasquez, Chair, reported on actions of the Human Resources Committee during its May 4, 2006, meeting and the full Board took the following actions:

- MOVED by VASQUEZ, SECONDED BY BEDELL to approve:
  - ◆ Renewal of the Phased Retirement Policy with modifications;
  - ◆ As a first reading, the modified revision to Chapter 4 of the Regents' Policy Manual to allow the institutions to develop programs to recognize exceptional performance by nonorganized faculty and P&S staff; and
  - ◆ Extension of the Career Status Lump Sum Furlough Option at the University of Iowa for an additional two-year period with the modification of increasing the COBRA contribution from three months to 12 months.

MOTION APPROVED UNANIMOUSLY.

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**BOARD OF REGENTS, STATE OF IOWA  
May 4, 2006, Minutes**

**Faculty Reduction in Force – Iowa Braille and Sight Saving School**

Superintendent Jeananne Schild recommended the termination of two teacher contracts and the reduction of one teacher contract due to reorganization. The teachers did not request private hearings before the Board of Regents under Iowa Code §279.

- MOVED by WAHLERT, SECONDED by HARKIN to reduce the number of contracted days in the contract of Carolyn Cimarrusti-Erickson. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x			x
Nay									
Not Voting								x	
Absent							x		

- MOVED by DOWNER, SECONDED by BECKER to terminate the contract of Kelli Soquet. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x			x
Nay									
Not Voting								x	
Absent							x		

- MOVED by DOWNER, SECONDED by HARKIN to terminate the contract of Kristin Schumann. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x			x
Nay									
Not Voting								x	
Absent							x		

**Institutional Strategic Plan Progress Reports**

President Gartner reported that all three universities are making progress on their plans.

**FY 2007 Budget Issues**

Brad Berg reported that the \$11 million in incremental state funding represents only a 1.9% increase, and that the universities will still need to address unavoidable costs such as increased energy charges in addition to salary costs. He stated that the Board Office will work with the universities to develop a plan to increase academic resources and present it at the next Board meeting.

**Legislative Update**

Executive Director Gary Steinke provided an update on the 2006 legislative session. He reported that the Regents received a total of \$20 million in operating funds; \$11 million is new and ongoing funding and \$9 million is a continuation of one-time funding. Mr. Steinke also highlighted other various appropriations.

President Gartner commended Mr. Steinke and State Relations Officers Mark Braun, Andy Baumert, and Keith Saunders for their hard work during the session on behalf of the universities, special schools, and the people of Iowa.

**Presidential Search – University of Iowa – Naming of Search Committee**

Regent Wahlert, Chair of the University of Iowa Presidential Search and Screen Committee, presented a potential list of names for the Committee and reported that a member from the Service Employees International Union (SEIU) group would be selected at a future date.

- MOVED by ARBISSER, SECONDED by BECKER to name the Presidential Search Committee for the University of Iowa and to authorize Chair Wahlert to name an additional member of the committee without further approval by the Board of Regents. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x		x	x
Nay									
Absent							x		

**Consent Agenda**

- ◆ March 20-21, 2006, Minutes
  - ◆ April 3, 2006, Minutes
  - ◆ Institutional Personnel Transactions
  - ◆ Residence System Proposed Rates for 2006-2007 Academic Year
  - ◆ Allocation of Mandatory Student Fees for 2006-2007 Academic Year
  - ◆ Approval of Non-Tuition-Related Miscellaneous Fees for FY 2007
  - ◆ Annual Report on Competition with Private Enterprise
  - ◆ Revisions to the Board of Regents Policy Manual
  - ◆ Amendments to the Iowa Administrative Code
  - ◆ Conflict of Interest Vendors
  - ◆ Calendars
  - ◆ Revisions to Board Meeting Schedule
  - ◆ Annual Governance Report on Faculty Tenure
- MOVED by ARBISSER, SECONDED by WAHLERT to approve the Consent Agenda. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x		x	x
Nay									
Absent							x		

**Appointments to Board Committees and Appointment of President Pro Tempore**

- MOVED by ARBISSER, SECONDED by BEDELL to ratify committee assignments. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x		x	x
Nay									
Absent							x		

**Iowa Rules of Professional Conduct: Consent to Representation**

President Pro Tem Downer explained that Chapter 573 of the Iowa Code, which deals with construction claims on university public improvement projects, indicates that the Board of Regents is a mandatory party on actions to adjudicate who is entitled to retainage of building projects when they are completed. He requested consent for his law firm to represent a client in a matter where the Board of Regents and the University of Iowa are parties. He indicated that he will not personally represent the company and that the Board of Regents will have neither increased nor decreased obligations as a result.

➤ MOVED by BECKER, SECONDED by ARBISSER to:

Give consent for President Pro Tem Downer's law firm to represent a client, pursuant to Iowa Rule of Professional Conduct 32.1.11 (d)(2)(i), in a matter where the Board of Regents and University of Iowa are parties.

MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x		x	x		x	x
Nay									
Absent							x		
Abstain				x					

➤ MOVED by ARBISSER, SECONDED by WAHLERT to enter into closed session pursuant to Iowa Code section 21.5(1)(c) to discuss strategy with counsel in a matter where litigation is imminent and disclosure would be likely to prejudice or disadvantage the Board's position in that litigation; and Iowa Code section 21.5(1)(i) to evaluate the performance of an individual who has requested a closed session. MOTION APPROVED by ROLL CALL:

<u>Regent</u>	<u>Arbisser</u>	<u>Becker</u>	<u>Bedell</u>	<u>Downer</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Rokes</u>	<u>Vasquez</u>	<u>Wahlert</u>
Aye	x	x	x	x	x	x		x	x
Nay									
Absent							x		

**The Board convened in closed session at 11:30 a.m.**

**President Gartner adjourned the meeting at 2:20 p.m.**