

April 23, 2015

The Property and Facilities Committee met at 9:00 a.m.

The Education and Student Affairs Committee met at 9:00 a.m.

Call to Order for April 23, 2015

President Rastetter called the Board of Regents meeting to order at 10:40 a.m.

Roll Call:

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Present	x	x	x	x	x	x	x	x	x
Absent									

Audit/Compliance and Investment Committee

The Audit/Compliance and Investment Committee met at this time.

Board Receipt of Committee Report

➤ MOVED by MCKIBBEN, SECONDED by WALSH, to:

- ▶ Receive the state audit reports for the fiscal year ended June 30, 2014;
- ▶ Receive the University financial reports for the fiscal year ended June 30, 2014;
- ▶ Receive the Report of Recommendations to Iowa State University of Science and Technology on a Review of Selected General and Application Controls over the Student Financial Aid System;
- ▶ Receive the Report on Special Investigation of the University of Northern Iowa International Dance Theatre;
- ▶ Receive the original and follow-up internal audit reports issued;
- ▶ Receive the external audit reports for the fiscal year ended June 30, 2014, for Iowa Public Radio, the Quad-Cities Graduate Study Center, and Tri-State Graduate Center; and
- ▶ Receive the report of the Audit/Compliance and Investment Committee.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

University of Iowa Hospitals and Clinics Committee

The University of Iowa Hospitals and Clinics Committee met at this time.

Board Receipt of Committee Report

➤ MOVED by DOWNER, SECONDED by HARKIN, to:

- ▶ Approve the minutes of the March 11, 2015, Committee meeting;
- ▶ Receive the report of Operational and Financial Performance;
- ▶ Approve the FY 2016 Operating Budget with a 6% rate increase effective July 1, 2015; and
- ▶ Receive the report of the University of Iowa Hospitals and Clinics Committee.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

University of Iowa Presidential Search Update

Presidential Search Committee Chair Dr. Jean Robillard provided an update to the Board on the status of the University of Iowa presidential search.

Dr. Robillard reported on recent meetings with various constituencies to gather input on qualities desired in the next president and responded to a question from Regent Sahai on whether certain qualifications stood out over others.

Regent Sahai requested at least four final candidates be brought to the Board.

- The Board received the update by GENERAL CONSENT

Sale and Award of \$30,000,000 Dormitory Revenue Bonds, Series I.S.U. 2015

Policy and Operations Officer Joan Racki introduced Mark LeMay from Springsted, Incorporated, the Board's municipal advisor.

Mark LeMay provided the Board with a summary of rating agency upgrades by both Moody's and Standard & Poor's on the bonds for Iowa State University.

Mark LeMay reported that: (1) seven bids were received; (2) the winning bid was submitted by Robert W. Baird & Co.; and (3) the true interest cost was 3.09%.

- MOVED by DAKOVICH, SECONDED by MULHOLLAND, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$30,000,000 Dormitory Revenue Bonds, Series I.S.U. 2015, for the purpose of paying a portion of the costs of constructing and equipping a new residence hall for student housing (Buchanan Residence Hall – Building #2 project) and other improvements to the system, including the Friley Dining Renovation at Iowa State University of Science and Technology, funding a debt service reserve fund, and paying costs of issuance.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

CONSENT AGENDA

- ▶ Minutes of March 11, 2015, Board Meeting
- ▶ Allocation of Mandatory Student Fees for 2015-2016 Academic Year
- ▶ Approval of University Parking for FY 2016
- ▶ Annual Report on Competition with Private Enterprise
- ▶ University of Iowa Equipment Purchases
- ▶ Personnel Appointments
- ▶ Adoption of Amendments to Iowa Administrative Code 681 – Chapter 1
- ▶ Northeast Regional Academy
- ▶ Appointments to Committees, Boards, and Commissions
- MOVED by MCKIBBEN, SECONDED by MULHOLLAND, to approve items on the CONSENT AGENDA.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Board President Report

President Rastetter:

- MOVED by SAHAI, SECONDED by BATES, to approve the resolutions for outgoing Regents Downer, Harkin, and Walsh. MOTION PASSED UNANIMOUSLY; Regents Downer, Harkin, and Walsh abstained from their own resolutions.

REGENT DOWNER

WHEREAS, Robert N. Downer was appointed to the Board of Regents by Governor Vilsack effective May 1, 2003; and reappointed by Governor Culver effective May 1, 2009. His twelve-year term on the Board will end April 30, 2015; and

WHEREAS, Regent Downer, a long-time supporter of the University of Iowa having received both his undergraduate and Juris Doctorate degrees from the University of Iowa, became a strong advocate for all the institutions governed by the Board during his years on the Board; and

WHEREAS, during his tenure as a Regent, the Board considered many significant public policy issues and capital projects including the \$292 million Children's Hospital and construction of significant academic buildings and residence halls on all three campuses; and

WHEREAS, during his time on the Board, the institutions were guided through massive flood and storm recovery efforts; and

WHEREAS, while Regent Downer was on the Board, access and affordability of Iowa's Public Universities for all students, especially for all eligible Iowans, were emphasized. Significant progress continues to be made in terms of enrollment growth, graduation rates, online distance education, research funding including an unprecedented three-year freeze of undergraduate resident tuition; and

WHEREAS, during his twelve years as a Regent, the Board guided Iowa's Public Universities and Special Schools through uncertain financial times which saw substantial decreases in state appropriations and successfully directed the institutions to do more with less as they completed comprehensive, strategic reviews strengthening the efficiency of their operations and continuing with the current enterprise-wide efficiency study; and

WHEREAS, during his tenure on the Board, six searches for institutional heads were conducted with the searches culminating in the selections of exceptional individuals to lead the institutions; and

WHEREAS, Regent Downer served as the President Pro Tempore, Acting President as well as Chair of the University of Iowa Hospitals and Clinics Committee for eight years; is current chair of the Audit/Compliance and Investment Committee; and represented the Board on the University of Iowa Research Foundation; and served on a three-person advisory committee charged with the review of institutional sexual assault and sexual misconduct policies which lead to the comprehensive overhaul of those policies; and

WHEREAS, Regent Downer is a Commissioner on the Midwestern Higher Education Compact serving as Chair from 2010 to 2011 and currently serves on the MHEC Executive Committee; and

NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Regent Downer for his expertise and dedication and presents to him this plaque in honor of his extraordinary service and contributions to the Board of Regents, its institutions, students, families, and all Iowans.

REGENT HARKIN

WHEREAS, Ruth R. Harkin was appointed to the Board of Regents by Governor Vilsack effective February 16, 2005, and was reappointed by Governor Culver effective May 1, 2009. Her current term will end April 30, 2015; and

WHEREAS, during her tenure, the Board considered many significant public policy issues and capital projects including the \$292 million Children's Hospital and construction of significant academic buildings and residence halls on all three campuses; and

WHEREAS, during her time as a Regent, the institutions were guided through massive flood and storm recovery efforts; and

WHEREAS, while Regent Harkin was on the Board, access and affordability of Iowa's Public Universities for all students, especially for all eligible Iowans, were emphasized. Significant progress continues to be made in terms of enrollment growth, graduation rates, online distance education, research funding including an unprecedented three-year freeze of undergraduate resident tuition; and

WHEREAS, during her ten years as a Regent, the Board guided Iowa's Public Universities and Special Schools through uncertain financial times which saw substantial decreases in state appropriations and successfully directed the institutions to do more with less as they completed comprehensive, strategic reviews strengthening the efficiency of their operations and continuing with the current enterprise-wide efficiency study; and

WHEREAS, during her tenure on the Board, six searches for institutional heads were conducted with the searches culminating in the selections of exceptional individuals to lead the institutions; and

WHEREAS, Regent Harkin served as the Chair of the Economic Development Committee and as Vice Chair of the Education and Student Affairs Committee; and served on a three-person advisory committee charged with the review of institutional sexual assault and sexual misconduct policies which lead to the comprehensive overhaul of those policies; and

NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Regent Harkin for her expertise and dedication and presents to her this plaque in honor of her extraordinary service and contributions to the Board of Regents, its institutions, students, families, and all Iowans.

REGENT WALSH

WHEREAS, Hannah M. Walsh was appointed to the Board of Regents by Governor Branstad effective November 30, 2012. Her term on the Board will end April 30, 2015; and

WHEREAS, Regent Walsh, a student at the University of Iowa, will graduate in May 2015 with a degree in Political Science and a certificate in American Sign Language and Deaf Studies and is enrolled in the University of Iowa's College of Education for graduate studies; and

WHEREAS, during her tenure, the Board considered many significant public policy issues including:

- ▶ Initiation of an enterprise-wide efficiency study;
- ▶ Approval of a performance-based funding model; and
- ▶ Initiation of tuition freezes for three years; and

WHEREAS, Regent Walsh was a leader to students in their advocacy for Iowa's public universities and was instrumental in the success of Regents Day at the Capitol during her term on the Board; and

WHEREAS, Regent Walsh served on the Board during the searches for Steven Leath, President of Iowa State University, and Steve Gettel, Superintendent of the Special Schools; and

WHEREAS, Regent Walsh represented the Board on the Iowa College Student Aid Commission and the Iowa School for the Deaf Foundation; and

NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Regent Walsh for her expertise and dedication and presents to her this plaque in honor of her extraordinary service and contributions to the Board of Regents, its institutions, students, families, and all Iowans.

Reports from Institutional Heads

President Rastetter recognized Superintendent Gettel, President Leath, President Ruud, and President Mason for a report on recent activities at their respective institutions.

Regent Walsh expressed gratitude to Governor Branstad, Lieutenant Governor Reynolds, and President Mason for the opportunity to serve as a Regent, and to student leaders and Board members for their help and mentoring.

- The Board received the reports by GENERAL CONSENT.

Report of the Property and Facilities Committee

The Property and Facilities Committee was held at 9:00 a.m. on April 23rd.

- MOVED by DAKOVICH, SECONDED by MCKIBBEN, to:
 - ▶ Approve the project description and budget (\$15.8 million) for the **Power Plant – Air Regulation Compliance** project for the benefit of the University of Iowa;
 - ▶ Approve the actions detailed on page one of the docket memorandum for the **Lawther Hall Renovation** project for the benefit of the University of Northern Iowa;
 - ▶ Approve one lease with IRL Properties, LC and one lease amendment with CS-1 LLC for the benefit of the University of Iowa, and one lease with Lauren D. Olson and Patricia A. Bush for the benefit of Iowa State University, subject to approval of the final documents by the Board Office and Attorney General’s Office. (The lease with IRL Properties LC replaces the lease approved by the Board in August 2014; it is not an additional lease.);
 - ▶ Receive the update on the University of Iowa Flood Recovery Status;
 - ▶ Approve the request by Iowa State University to name the Jack Trice Stadium end zone club as the Sukup End Zone Club in honor of the Sukup family of Sheffield, Iowa; and
 - ▶ Receive the report of the Property and Facilities Committee.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Regent Downer said facilities on the campuses had been badly neglected for many years and noted efforts in recent years to build new facilities and make badly-needed renovations. He urged the Board to renovate Seashore Hall at the University of Iowa, which was built in 1929, and stressed the importance of the building.

Report of the Education and Student Affairs Committee

The Education and Student Affairs Committee was held at 9:00 a.m. on April 23rd.

- MOVED by MULHOLLAND, SECONDED by HARKIN, to:
 - ▶ Approve the Minutes of the March 11, 2015, Education and Student Affairs Committee meeting;
 - ▶ Receive the presentation at the Iowa School for the Deaf: “Iowa Educational Services for the Blind and Visually Impaired – Standards of Practice for Literacy and Mathematics”;
 - ▶ Approve the faculty tenure and promotion recommendations for the 2015-2016 academic year and receive the report on faculty tenure for 2014-2015;
 - ▶ Receive the Annual Report of Student Retention and Graduation Rates;
 - ▶ Receive the Annual Student Financial Aid Report;
 - ▶ Approve the request for new programs at the University of Iowa: Bachelor of Arts and Bachelor of Science Programs in Public Health;
 - ▶ Approve the request for a department name change at the University of Iowa: from Department of Psychology to Department of Psychological and Brain Sciences;
 - ▶ Receive the 2015 Education and Student Affairs Committee Work Plan; and
 - ▶ Receive the report of the Education and Student Affairs Committee.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Approval of Residence System Proposed Rates and Transfers for 2015-2016 Academic Year

Policy and Operations Officer Brad Berg said this is the second reading of the proposed rates and transfers and no changes have been made since the first reading at the March Board meeting.

- MOVED by BATES, SECONDED by SAHAI, to approve:
 - ▶ The universities' academic year 2015-2016 proposed rates for all residence halls, apartments, and board options as detailed in Attachments A, B, and C in the memorandum; and
 - ▶ Transfers from each university's department of residence system funds to the improvement funds as follows:
 - ◆ University of Iowa \$9,211,135
 - ◆ Iowa State University \$11,870,000
 - ◆ University of Northern Iowa \$1,170,000

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Presentations by Nonrepresented Faculty and Staff on FY 2016 Salary Issues

Policy and Operations Officer Marcia Brunson introduced the following people, who made presentations to the Board on budget planning and salary policies for FY 2016:

- ▶ Charles Wieland, President, University of Iowa Staff Council
- ▶ Christina Bohannon, Vice President, University of Iowa Faculty Senate
- ▶ Kevin Schalinske, President, ISU Faculty Senate
- ▶ Amy Harris-Tehan, President, ISU Professional and Scientific Staff Council
- ▶ Joshua Smith, Chair, Regents Interinstitutional Supervisory and Confidential Council (representing Regent Merit System supervisory and confidential staff)

Written statements were provided by the University of Northern Iowa Professional and Scientific Council (Attachment A in the memorandum) and the Iowa State Professional and Scientific Council (Attachment B in the memorandum.)

Regent McKibben thanked the group for supporting the TIER project and university personnel for working on developing a long-term vision.

President Rastetter: (1) acknowledged the stress of the last year, in particular the TIER study and proposed funding model change; (2) thanked the group for their positive reaction and advocacy; and (3) stressed the Board's commitment to having savings reinvested in the universities.

- The Board received the presentations by GENERAL CONSENT.

TIER Update

Regent McKibben, TIER Transformation Project Manager Mark Braun, and ISU Associate Vice President / Chief of Staff Miles Lackey provided an update on recent TIER activities since the March 11, 2015, Board meeting.

- The Board received the update by GENERAL CONSENT.

Faculty Presentation at the Iowa School for the Deaf: “Transition Success”

ISD Superintendent Gettel introduced 4-PLUS Program instructor Kristi Wills and ISD students Vince Fox and Demarcus Thomas.

Students Vince Fox and Demarcus Thomas shared their own personal success stories. Instructor Kristi Wills explained the 4-PLUS Program and how it helps ISD’s students to successfully transition into independent life.

Regent Walsh thanked everyone for their presentations and President Rastetter encouraged ISD to keep up the good work.

- The Board received the presentation by GENERAL CONSENT.

Closed Session

- MOVED by DOWNER, SECONDED by WALSH, to enter into closed session (pursuant to Iowa Code §279.15) to conduct a private hearing in the matter of a teacher termination.

<u>Regent</u>	<u>Bates</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 3:30 p.m.

The Board reconvened in open session at 6:15 p.m.

Adjourn

The meeting adjourned at 6:15 p.m.