

Contact: Andrea Anania

MINUTES OF JULY 18, 2016, TELEPHONIC BOARD MEETING

**ALUMNI CENTER, REIMAN BALLROOM
IOWA STATE UNIVERSITY
AMES, IOWA**

Board Members	July 18, 2016
Sherry Bates	Present
Patty Cownie	Via Phone
Milt Dakovich	Present
Rachael Johnson	Present
Larry McKibben	Present
Katie Mulholland	Present
Bruce Rastetter	Present
Michael Richards	Via Phone
Subhash Sahai	Absent

Board Office

Andrea Anania, Brock Ascher, Brad Berg, Mark Braun, Mary Braun, Aimee Claeys, Laura Dickson, Bob Donley, Diana Gonzalez, Josh Lehman, Joe Murphy, John Nash, Keith Saunders, Todd Stewart (via phone)

Regent Institutions

SUI Bruce Harreld, Barry Butler, Rod Lehnertz (all via phone)

ISU Steven Leath, Jonathan Wickert, Kate Gregory

UNI Jim Wohlpart, Michael Hager

ISD/IBSSS Steven Gettel, Mike Morgan (both via phone)

Others

Barry Fick, Springsted Incorporated

The corresponding memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934. Audio of the meeting is also available on the web site.

Call to Order for July 18, 2016

President Rastetter called the Board of Regents meeting to order at 1:03 p.m.

Roll Call:

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Present	x		x	x	x	x	x	x*	
Absent		x*							x

*Via phone

CONSENT AGENDA

➤ MOVED by DAKOVICH, SECONDED by JOHNSON, to approve and receive the following CONSENT AGENDA items:

- ▶ Minutes of June 8-9, 2016, Board Meeting
- ▶ Personnel Appointments
- ▶ 2016/2017 Board Meeting Schedule
- ▶ Equipment Purchase – Iowa State University
- ▶ Adoption of Amendments to Iowa Administrative Code 681 – Chapter 13
- ▶ FY 2015 Unit Cost of Instruction
- ▶ Appointment of Chief Negotiator and Spokesperson

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x		x	x	x	x	x	x	
Absent		x							x

MOTION APPROVED by ROLL CALL.

Board President Report

➤ MOVED by RASTETTER, SECONDED by MULHOLLAND, to approve the following compensation changes for FY 2017:

- ▶ SUPERINTENDENT OF SPECIAL SCHOOLS STEVE GETTEL:
 - ◆ Award the performance incentive of \$7,500 resulting from his FY 2016 evaluation; and
 - ◆ Increase his base salary 2.5% from \$185,400 to \$190,035.
- ▶ EXECUTIVE DIRECTOR ROBERT DONLEY:
 - ◆ Award the performance incentive of \$8,000 resulting from his FY 2016 evaluation.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x		x	x	x	x	x	x	
Absent		x							x

MOTION APPROVED by ROLL CALL.

Proposed Fall FY 2017 Tuition Increase

Chief Operating Officer Mark Braun said the proposed Fall FY 2017 tuition increase is unchanged from the request presented to the Board in June.

Regent Cownie acknowledged the difficult decision to raise tuition, noting that the Regents have no choice.

- President Rastetter read the following MOTION: Approve the proposed increase to tuition and related fees for the 2016-2017 academic year as outlined in the agenda item.
- MOVED by MCKIBBEN, SECONDED by DAKOVICH, to amend the motion to increase resident undergraduate tuition by \$250 and all other proposed tuition increases and related fees for the 2016-2017 academic year as outlined in the agenda item.

Regent McKibben commented on the timing of tuition increase proposals, maintaining quality at the universities, and finding compromise as we move forward.

Regent Johnson elaborated on how dwindling state support necessitates raising tuition and asked the Board and the institutions to take a deep, analytical look at the way in which tuition is set in order to keep costs predictable and sustainable for all Iowans.

Regent Mulholland agreed with the previous comments and said finding a predictable tuition model is essential.

President Rastetter commented on how the public universities are dependent on Iowa's economy for support as well as the challenge of when the legislature discusses the state budget as it relates to when the Regents discuss tuition.

➤ **ROLL CALL VOTE on the MOTION AS AMENDED.**

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

**Note: Related-fees also include Common and University/Program Specific Fees as further identified in Agenda Item 6 on the December 2015 docket.*

Board of Regents Policy Manual

Chief Operating Officer Mark Braun highlighted changes to the policy manual since its first presentation to the Board at the June meeting.

President Pro Tem Mulholland expressed appreciation to everyone who worked on updating the policy manual.

➤ **MOVED by BATES, SECONDED by COWNIE, to approve the proposed changes to the Board of Regents Policy Manual as outlined in the agenda item.**

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

FY 2017 Budgets – Universities, Iowa Public Radio and Board Office

President Leath, President Harreld, and Interim President Wohlpart commented on their respective university's proposed FY 2017 budgets.

➤ **MOVED by DAKOVICH, SECONDED by MULHOLLAND, to approve the budgets as outlined in the agenda item.**

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Approval of the 2016-2021 Board of Regents Strategic Plan

Chief Academic Officer Dr. Diana Gonzalez thanked everyone who participated in developing the proposed Board of Regents 2016-2021 Strategic Plan and discussed the next steps.

Regent Bates gave positive feedback on the document and President Pro Tem Mulholland acknowledged the input of many people and the team effort.

- MOVED by BATES, SECONDED by JOHNSON, to approve the Board of Regents 2016-2021 Strategic Plan.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Approval of Iowa State University's 2017-2022 Strategic Plan

Chief Academic Officer Dr. Diana Gonzalez gave a brief overview of the development of Iowa State University's 2017-2022 Strategic Plan.

- MOVED by COWNIE, SECONDED by MCKIBBEN, to approve Iowa State University's 2017-2022 Strategic Plan.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Approval of the Special Schools' 2016-2021 Strategic Plan

Chief Academic Officer Dr. Diana Gonzalez gave a brief overview of the development of the Special Schools' 2016-2021 Strategic Plan.

- MOVED by JOHNSON, SECONDED by BATES, to approve the Special Schools' 2016-2021 Strategic Plan.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Iowa State University – The Knoll Modification Project

Assistant Director of Facilities John Nash introduced ISU Senior Vice President of University Services Kate Gregory and gave an overview of the The Knoll Modification Project.

- MOVED by MCKIBBEN, SECONDED by DAKOVICH, to approve the revised project description and budget (\$730,998) for The Knoll Modification Project.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Bond Sales

Policy and Operations Officer Brad Berg introduced Barry Fick from Springsted, Incorporated, the Board's municipal advisor.

SALE AND AWARD OF \$23,640,000 ACADEMIC BUILDING REVENUE REFUNDING BONDS, SERIES S.U.I. 2016A

Barry Fick reported that: (1) six bids were received; (2) the winning bid was submitted by Piper Jaffray; and (3) the true interest cost was 1.91%.

- MOVED by BATES, SECONDED by DAKOVICH, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$23,640,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 2016A, for the purpose of advance refunding the \$25,000,000 Academic Building Revenue Bonds, Series S.U.I. 2008, and paying costs of issuance.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

SALE AND AWARD OF \$23,160,000 ACADEMIC BUILDING REVENUE REFUNDING BONDS, SERIES I.S.U. 2016

Barry Fick reported that: (1) six bids were received; (2) the winning bid was submitted by Piper Jaffray; and (3) the true interest cost was 2.40%.

- MOVED by MCKIBBEN, SECONDED by JOHNSON, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$23,160,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2016, for the purpose of advance refunding the \$25,000,000 Academic Building Revenue Bonds, Series I.S.U. 2008, and paying costs of issuance.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

SALE AND AWARD OF \$12,460,000 ACADEMIC BUILDING REVENUE REFUNDING BONDS, SERIES U.N.I. 2016A

Barry Fick reported that: (1) five bids were received; (2) the winning bid was submitted by Robert W. Baird & Co.; and (3) the true interest cost was 2.52%.

- MOVED by DAKOVICH, SECONDED by BATES, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$12,460,000 Academic Building Revenue Refunding Bonds, Series U.N.I. 2016A, for the purpose of advance refunding the \$12,000,000 Academic Building Revenue Bonds, Series U.N.I. 2008, and paying costs of issuance.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Report of the Academic and Student Affairs Committee

The Academic and Student Affairs Committee met at 1:00 p.m. on July 6, 2016.

- MOVED by MULHOLLAND, SECONDED by DAKOVICH, to:
 - ▶ Approve the request by Iowa State University to establish a new Bachelor of Science Program in Entrepreneurship;
 - ▶ Approve the request by the University of Northern Iowa to establish a new Master of Business Administration Program in Shanghai, China;
 - ▶ Approve the request by the University of Northern Iowa to award an honorary Doctor of Humane Letters degree to James Albert Leach;
 - ▶ Approve the request by the University of Iowa to award an honorary Doctor of Humane Letters degree to Robert James Waller;
 - ▶ Approve the request by the University of Northern Iowa to award an honorary Doctor of Humane Letters degree to Constantine “Deno” William Curris;
 - ▶ (1) Approve the Regional Study Centers funding allocations for 2016-2017; and (2) direct the Board Office to notify, in writing, the General Assembly and the Legislative Services Agency of funds allocated to the Regional Study Centers as specified in HF 304, Sec. 8;
 - ◆ \$187,234 for the Southwest Iowa Regents Resource Center (Council Bluffs);
 - ◆ \$96,114 for the Northwest Iowa Regents Resource Center (Sioux City); and
 - ◆ \$500 for the Quad Cities Graduate Center (Quad Cities).
 - ▶ Receive the Iowa State University Music Program Accreditation Report;
 - ▶ Receive the Iowa State University Industrial Technology Agriculture Systems Technology Accreditation Report;
 - ▶ Receive the Iowa State University Hospitality Management Program Accreditation Report;
 - ▶ Receive the Iowa State University Financial Planning Program Accreditation Report;
 - ▶ Receive the Iowa State University Higher Learning Commission Accreditation Report;
 - ▶ Receive the Iowa State University Clinical Faculty Policy;
 - ▶ Receive the update from the University of Iowa on program offerings at Iowa Center for Higher Education for the Fall of 2016;
 - ▶ Receive the 2016 Academic and Student Affairs Committee work plan; and
 - ▶ Receive the report of the Academic and Student Affairs Committee.

<u>Regent</u>	<u>Bates</u>	<u>Cownie</u>	<u>Dakovich</u>	<u>Johnson</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Richards</u>	<u>Sahai</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Adjourn

President Rastetter adjourned the meeting at 2:12 p.m.