

Contact: Andrea Anania

MINUTES OF OCTOBER 22-23, 2014, BOARD MEETING

**MAIN LOUNGE, IOWA MEMORIAL UNION
UNIVERSITY OF IOWA
IOWA CITY, IOWA**

Board Members	October 22, 2014	October 23, 2014
Nicole Carroll	Present	Present
Milt Dakovich	Present	Present
Robert Downer	Present	Present
Ruth Harkin	Present	Present
Larry McKibben	Present	Present
Katie Mulholland	Present	Present
Bruce Rastetter	Present	Present
Subhash Sahai	Present	Present
Hannah Walsh	Present	Present

Board Office

Andrea Anania, Jeneane Beck, Brad Berg, Mark Braun, Aimee Claeys, Laura Dickson, Bob Donley, Tom Evans, Diana Gonzalez, Sheila Doyle Koppin, Ann McCarthy, Joe Murphy, Joan Racki, Keith Saunders, Patrice Sayre, Todd Stewart, Ilene Tuttle

Regent Institutions

SUI Sally Mason, Barry Butler, Doug True
Jean Robillard, Ken Fisher, Ken Kates, Debra Schwinn
Patrick Bartoski, Alyssa Billmeyer, Theresa Brennan, Joe Clamon, Daniel Diekema,
Justin Grobe, Loreen Herwaldt, David Johnson, Peter Matthes, Dan Reed, Mark Santillan

ISU Steven Leath, Warren Madden, Jonathan Wickert
Michael Crum, Hilary Kletscher, Sophia Magill

UNI Michael Licari, Michael Hager
Kevin Gartman, Randy Pilkington, Pat Geadelmann

ISD/IBSSS Steven Gettel

Others

Barry Fick, Springsted, Incorporated
Aaron Brower, University of Wisconsin Colleges and Extension (via Zoom)

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.

October 22, 2014

The Property and Facilities Committee met at 1:30 p.m.

The Education and Student Affairs Committee met at 3:00 p.m.

Call to Order for October 22, 2014

President Rastetter called the Board of Regents meeting to order at 4:20 p.m.

Roll Call:

<u>Regent</u>	<u>Carroll</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									

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 RASTETTER, to:

- ▶ Receive the report on Ebola preparations at UIHC;
- ▶ Receive the report of Operational and Financial Performance;
- ▶ Authorize University of Iowa Hospitals and Clinics and the University of Iowa Carver College of Medicine to transfer up to an additional \$30 million to the University of Iowa Health System for the purpose of continuing the development of network activities through itself and its subsidiary companies in support of the clinical, academic, and research programs of the University of Iowa Carver College of Medicine and University of Iowa Hospitals and Clinics.
- ▶ Receive the Strategic Plan Progress Report;
- ▶ Receive the faculty presentation on The Beginning of the End of Preeclampsia; and
- ▶ Receive the report of the University of Iowa Hospitals and Clinics Committee.

<u>Regent</u>	<u>Carroll</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.

Adjourn

President Rastetter adjourned the meeting at 5:30 p.m.

Call to Order for October 23, 2014

President Rastetter called the Board of Regents meeting to order at 9:00 a.m.

Roll Call:

<u>Regent</u>	<u>Carroll</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									

Annual Economic Development and Technology Transfer Report

SUI Vice President for Research and Economic Development Director Dan Reed, ISU Vice President for Economic Development and Business Engagement Michael Crum, and UNI Business and Community Services Executive Director Randy Pilkington appeared before the Board. The group gave a presentation on the universities' economic development collaborative contributions and impact on Iowa.

In response to President Rastetter, Vice President Reed elaborated on venture capital in Iowa and succession plans for businesses in rural areas.

Regent McKibben complimented the presenters on their presentation and collaboration efforts among the universities.

- The Board received the report by GENERAL CONSENT.

University of Wisconsin System Flexible Option Program

President Pro Tem Mulholland announced that the Board would participate in a video conference led by Interim Chancellor of the University of Wisconsin Colleges and University of Wisconsin Extension Dr. Aaron Brower. She then recognized Chief Academic Officer Dr. Diana Gonzalez who introduced Dr. Brower. Dr. Brower highlighted the University of Wisconsin's competency-based, flexible-option program.

In response to questions from Regents, Dr. Brower elaborated on: (1) the length of time it takes students to graduate; (2) student debt; (3) how current programs were selected and long-range plans for expanding to other areas; (4) whether the academic success coaches come from the ranks of faculty or if they are other individuals; (5) the ideal number of students an advisor mentors; (6) how to determine program success; (7) the degree awarded; (8) how breakeven is determined and when to drop a program; (9) student population demographics; and (10) grade point average calculation.

On behalf of the Board, Dr. Gonzalez thanked Dr. Brower for his time and for sharing information on the University of Wisconsin's competency-based, flexible-option program.

- The Board received the report by GENERAL CONSENT.

President Rastetter welcomed and recognized Representative Mary Mascher and Representative Dave Jacoby.

Proposed 2015-2016 Tuition and Fees

Chief Business Officer Patrice Sayre provided an overview of the proposed tuition and mandatory fees for the 2015-2016 academic year.

In response to Regent Downer, Acting President Licari elaborated on the proposed mandatory fee increases at UNI.

President Rastetter recognized University of Iowa Student Government President Patrick Bartoski, Iowa State University Government of the Student Body President Hilary Kletscher, Northern Iowa Student Government President Kevin Gartman, and University of Iowa Graduate and Professional Student Government President Alyssa Billmeyer. The group provided comments on the proposed tuition and fees from the students' perspective. He thanked student leaders for presenting their views, meeting with the Regents at each Board meeting, and for their passion, enthusiasm, and service.

Discussion was held on student debt, a possible tuition freeze, diversity, tuition and mandatory fee differences, and low tuition and high student debt.

The Board Office was asked to gather and provide data to the Board prior to the December meeting on tuition at peer institutions.

President Rastetter recognized President Mason, President Leath, and Acting President Licari for comments on the tuition recommendations.

➤ The Board received the report by GENERAL CONSENT.

Report of the Education and Student Affairs Committee

The Education and Student Affairs Committee met on October 22nd at 3:00 p.m.

- MOVED by MULHOLLAND, SECONDED by HARKIN; to
 - ▶ Approve the minutes of the September 11, 2014, Committee meeting;
 - ▶ Receive the report of the University of Wisconsin Flexible Option Program;
 - ▶ Receive the Fall 2014 Enrollment Report;
 - ▶ Receive the presentation from the University of Iowa: "University of Iowa's Use of MAP-Works for Student Success";
 - ▶ Approve the request from the University of Iowa to create a new institute: Iowa Institute of Public Health Research and Policy;
 - ▶ Approve the request from the University of Iowa for a new program: Master of Science Program in Health Policy;
 - ▶ Approve the request from the University of Northern Iowa to reinstate a program: Master of Arts Program in Art Education;
 - ▶ Approve the request from Iowa State University to terminate a program: Master of Arts and Ph.D. Programs in History of Technology and Science;
 - ▶ Approve the request for the following program name changes:
 - ▶ Iowa State University: From Ph.D. Program in Agricultural History and Rural Studies to Ph.D. Program in Rural, Agricultural, Technological, and Environmental History;
 - ▶ Iowa State University: From Master of Science and Ph.D. Programs in Genetics to Master of Science and Ph.D. Programs in Genetics and Genomics; and
 - ▶ University of Northern Iowa: From Doctor of Technology Program to Doctor of Industrial Technology Program;
 - ▶ Approve the request from Iowa State University for a department name change: From Department of Integrated Studio Arts to Department of Art and Visual Culture;
 - ▶ Approve the proposed revisions to the Iowa State University 2014-2015 General Catalog;
 - ▶ Receive the update on collaboration with Iowa Community Colleges;
 - ▶ Receive the update of the 2014 Education and Student Affairs Committee Work Plan; and
 - ▶ Receive the report of the Education and Student Affairs Committee.

Regent Harkin said she liked: (1) Dr. Brower's presentation and hoped that the Education and Student Affairs Committee will discuss alternative education in the Iowa system; and (2) SU's presentation on the use of MAP-Works for Student Success.

<u>Regent</u>	<u>Carroll</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.

Resolution for the Sale and Award of \$24,560,000 Academic Building Revenue Bonds, Series S.U.I. 2014A

Policy and Operations Officer Joan Racki introduced Barry Fick from Springsted, Incorporated, the Board's financial advisor.

Barry Fick 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 3.005%.

- MOVED by CARROLL, SECONDED by DAKOVICH, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$24,560,000 Academic Building Revenue Bonds, Series S.U.I. 2014A, for the purpose of paying a portion of the costs of building, repairing, replacing, reconstructing and equipping flood damaged buildings and facilities on the campus of The State University of Iowa, funding a reserve fund, and paying costs of issuance.

<u>Regent</u>	<u>Carroll</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.

Proposed Bond Issuance Schedule for Calendar Year 2015

Policy and Operations Officer Joan Racki provided a brief overview of the proposed bond issuance schedule and reported total savings of nearly \$50 million from refunding bonds since 2001.

- MOVED by MCKIBBEN, SECONDED by HARKIN, to:
 - ▶ Establish a schedule for the issuance of bonds for calendar year 2015 as detailed in the memorandum; and
 - ▶ Adopt a resolution authorizing the Executive Director to fix the date or dates for the sale of Academic Building Revenue Bonds, refunding bonds, and other sales as may be authorized as a component of a Board approved financing plan for an identified capital project.

<u>Regent</u>	<u>Carroll</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

- MOVED by MULHOLLAND, SECONDED by DOWNER, to approve and receive the following CONSENT AGENDA items:

Approve:

- ▶ Minutes of September 9-10, 2014, Board Meeting
- ▶ Minutes of October 2, 2014, Board Meeting
- ▶ Calendar Year 2016 Board Meeting Schedule
- ▶ University of Iowa Equipment Purchase
- ▶ Revisions to the Board of Regents Policy Manual – Chapter 9

Receive:

- ▶ Interagency Cooperation Plan Annual Report
- ▶ Iowa Public Radio Annual Report and Strategic Plan Update
- ▶ Comprehensive Fiscal Report for FY 2014

<u>Regent</u>	<u>Carroll</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:

- ▶ Said he and former Regent David Miles met with members of the Legislative Fiscal Committee (LFC) to discuss the new performance-based funding model. He thanked David Miles for chairing the performance-based funding model committee, presenting the new funding model to the LFC, and responding to questions;
 - ▶ Thanked Auditor of State Mary Mosiman for presenting a report to the LFC on cash and cash equivalents at the three universities;
 - ▶ Said the Board looks forward to the next legislative session and stressed the importance of partnering with the legislature.
- The Board received the report by GENERAL CONSENT.

Reports from Institutional Heads

President Rastetter recognized President Mason for a report on recent activities at the University of Iowa.

- MOVED by CARROLL, SECONDED by DOWNER, to approve the following resolution:
- ▶ WHEREAS, Doug True began his career with the Board of Regents in 1985 when he was appointed Director of Business and Finance in the Board Office by Executive Director Wayne Richey. He attended his first meeting of the Board of Regents in February 1985 and quickly gained the respect of the Regents and institutional officials; and
 - ▶ WHEREAS, Doug left the Board Office in June 1988 to take the position of Treasurer at the University of Iowa. Board President Marvin Pomerantz congratulated him on his appointment at a Board meeting and told Doug he would be a valuable asset to the University, and the Board appreciated his hard work; and
 - ▶ WHEREAS, Doug assumed the position of Vice President for Finance and Operations in 1991, and, in 2005, the position of Senior Vice President for Finance and Operations. During this time he saw:
 - ▶ Tuition increase from \$370 per year in 1967 when he was a UI undergraduate majoring in Chemistry to the \$6,678 it is today;
 - ▶ Unprecedented growth in capital construction;
 - ▶ University-wide budget grow from \$977 million in 1991 to \$3.5 billion in 2015;
 - ▶ General University budget grow from \$268 million (66% state appropriations) in 1991 to \$700 million (33% state appropriations) in 2015;
 - ▶ University of Iowa headcount enrollment increase from 27,881 in Fall 1991 to 31,387 in Fall 2014; and
 - ▶ University of Iowa headcount employment increase from 22,253 in 1991 to 27,106 in 2014; and
 - ▶ WHEREAS, the Board is especially grateful to Doug for the leadership shown during the major floods affecting the University community and the subsequent relief and recovery efforts, and
 - ▶ WHEREAS, Doug served four University presidents and three interim/acting presidents; worked with seven executive directors and eight Board presidents; and
- NOW THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to Doug True, for his expertise, integrity and dedication to State of Iowa, to the Board of Regents, and to the University of Iowa upon his retirement.

MOTION APPROVED UNANIMOUSLY.

President Rastetter recognized President Leath, Acting President Michael Licari, and Superintendent Gettel for a report on recent activities at their respective institutions.

- The Board received the reports by GENERAL CONSENT.

Executive Director Bob Donley recognized Policy and Operations Officer Marcia Brunson for 30 years of service to the state of Iowa and to the Board of Regents.

Proposed 2015-2016 Common and University/Program Specific Fees

Policy and Operations Analyst Andrea Anania provided an overview of the proposed changes to common and university/program specific fees for the 2015-2016 academic year.

- MOVED by SAHAI, SECONDED by DAKOVICH, to receive the report and authorize the Executive Director to file the notice of intent to amend the Iowa Administrative Rules for the University of Northern Iowa to increase application fees for Graduate/Professional Domestic and International students as detailed in the memorandum.

<u>Regent</u>	<u>Carroll</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.

Report of the Property and Facilities Committee

The Property and Facilities Committee met on October 22, 2014 at 1:30 p.m.

- MOVED by DAKOVICH, SECONDED by MCKIBBEN, to:
 - ▶ Receive the report on University agreements/relationships with local public entities and approve the first reading of a proposed Board policy on Payments in Lieu of Taxes (PILOTs);
 - ▶ Approve the Register of the University of Iowa Capital Improvement Business Transactions as detailed in the revised memorandum;
 - ▶ Approve the demolition of the City of Iowa City former water plant;
 - ▶ Approve the Register of Iowa State University Capital Improvement Business Transactions as detailed in the revised memorandum;
 - ▶ Approve the two lease amendments with Svoboda Rentals LLC for the benefit of University of Iowa, and one easement with ISC Advanced Technologies and two easements with Iowa Network Services for the benefit of Iowa State University;
 - ▶ Receive the University of Iowa update of flood recovery status; and
 - ▶ Receive the report of the Property and Facilities Committee.

<u>Regent</u>	<u>Carroll</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.

TIER Update

Regent McKibben welcomed TIER Transformation Project Manager Mark Braun. Project Manager Braun gave an update on TIER activities since the October 2nd Board meeting when Deloitte Consulting presented eight business cases.

President Mason, President Leath, and Acting President Licari provided comments on the TIER process. Regent McKibben thanked the presidents for their leadership.

President Rastetter said Board action is scheduled for the November 14th telephonic meeting.

- The Board received the update by GENERAL CONSENT.

Strategic Plan Progress Report

Chief Academic Officer Dr. Diana Gonzalez gave an overview of the strategic plan progress and recognized Provost Barry Butler, Provost Jonathan Wickert, Acting President and Interim Executive Vice President and Provost Michael Licari, and Superintendent Gettel for updates on their respective institutions' strategic plans.

- The Board received the presentation by GENERAL CONSENT.

Federal Relations Report

President Rastetter recognized SUI Director of Federal Relations Peter Matthes, ISU Assistant Director of Federal Relations Sophia Magill, and UNI Special Assistant to the President for Governmental Relations Pat Gadelmann. The group provided an oral report on federal relations activities.

In response to a question from Executive Director Donley, Pat Gadelmann elaborated on Title IV funding.

- The Board received the presentation by GENERAL CONSENT.

Faculty Presentation "College of Dentistry Office of Iowa Practice Opportunities"

President Rastetter recognized Provost Barry Butler who introduced College of Dentistry Dean Dr. David Johnson. Dr. Johnson highlighted the Iowa Practice Opportunities Office in the College of Dentistry and Dental Clinics.

In response to Regent Sahai, Dean Johnson spoke about the trend of dentistry schools and graduates over the last 10 years in the United States.

- The Board received the presentation by GENERAL CONSENT.

CLOSED SESSION

- MOVED by DAKOVICH, SECONDED by WALSH, to enter into closed session pursuant to Iowa Code sections 20.17(3) and 21.5(1)(c) to discuss collective bargaining strategy and strategy with counsel in matters that are presently in litigation or where litigation is imminent and disclosure would likely prejudice or disadvantage the position of the Board.

Regent	Carroll	Dakovich	Downer	Harkin	McKibben	Mulholland	Rastetter	Sahai	Walsh
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 3:40 p.m.

The Board reconvened in open session at 4:43 p.m.

Adjourn

President Rastetter adjourned the meeting at 4:45 p.m.