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**From:** Koppin, Sheila Doyle [BOARD]  
**Sent:** Thursday, January 27, 2011 11:32 AM  
**To:** Donley, Robert [BOARD]; Brunson, Marcia R [BOARD]; Sayre, Patrice [BOARD]; Smith, Dianne [BOARD]; Bonnie Campbell; Craig Lang; Dave Miles; Jack Evans; Johnson, Greta A; 'mgartner@iowacubs.com'; Rose Vasquez ; jboeyink@governorbranstad2010.com; margaret.hough@iowa.gov; Robert Downer (bobd@meardonlaw.com); Ruth Harkin (ruth.harkin@cox.net)  
**Subject:** Board of Regents Meeting, February 2-3, 2011  
**Importance:** High



February 2011  
letter.pdf

*Sheila Doyle  
Regent Communication Officer  
Board of Regents, State of Iowa  
11260 Aurora Avenue  
Urbandale, IA 50322  
(515) 281-3332*

**Governing Iowa's public  
universities and special schools**

University of Iowa  
Iowa State University  
University of Northern Iowa  
Iowa School for the Deaf  
Iowa Braille and Sight Saving School  
Lakeside Lab Regents Resource Center  
Quad-Cities Graduate Center  
Southwest Iowa Regents Resource Center  
Tri-State Graduate Center



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STATE OF IOWA

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Robert Donley, *Executive Director*

January 27, 2011

The Honorable Terry Branstad, Governor  
State of Iowa  
State Capitol Building  
Des Moines, IA 50319

Dear Governor Branstad:

This letter provides information about the meeting of the Board of Regents on February 2-3, 2011, at the University of Iowa. The meeting materials are available on the Regent website at the following address:

[www.regents.iowa.gov/Meetings/DocketMemos/agendaitems.html](http://www.regents.iowa.gov/Meetings/DocketMemos/agendaitems.html)

I am available at any time to answer questions about the meeting materials or any other matter.

Audio streaming for the meeting may be accessed through the Board of Regents website.

The Board will conduct mid-year evaluations of the institutional heads and executive director on the first day of the meeting. In accordance with the Iowa Code, each individual has requested the evaluation take place in closed session.

University of Iowa Hospitals and Clinics Committee chaired by Regent Downer will review year to date financial performance presented by Chief Executive Officer Ken Kates and Chief Financial Officer Ken Fisher. Hospital personnel will review major facility renewal and expansion needs which include the construction of a new children's hospital. The estimated \$270.8 million facility scheduled for completion in 2015 will be funded through hospital funds, UIHC revenue bonds and hospital gift funds. More detail about the hospital's capital plans may be found as an attachment to the UIHC agenda item agenda item beginning on page 17.

The Audit/Compliance and Investment Committee chaired by President Pro Tem Evans will review a number of internal audit reports.

Board agenda items to be considered by the Board on the second day include:

**Annual Diversity Report.** The Board will receive the annual diversity report which includes the affirmative report, the minority and women educators enhancement report and the affirmative cost report. These reports required by state statute will be forwarded to the General Assembly. The affirmative report indicates that minority employment overall at the Regent institutions is 9.8%.

**Facilities Governance Report.** As required by Board policy, the Board will receive the annual facilities governance report which presents a broad overview of the facilities at each of the Regent institutions and the condition of these facilities. Academic/research/administrative (general fund) facilities at the Regent institutions total approximately 17.8 million gross square feet of the total 36.5 million gross square feet.

The FY 2011 replacement value of all Regent facilities is estimated at \$14.3 billion of which \$7.4 billion is the replacement value for academic/research/administrative facilities. The Regent institutions have a total of 4,446 on-campus acres and 616 off-campus acres, excluding farm acreage. The amount of deferred maintenance reported for Fall 2010 is \$528.4 (3.8% higher than that reported in the previous year). More detail on Regent facilities may be found in Agenda Item #6q.

**Distance Education.** The Board will receive the FY 2010 report on distance education. The report indicates that 37,881 students (an increase of 11% over the prior year) participated in credit courses and programs through distance education offered in 583 communities in all 99 Iowa counties. The courses are delivered in formats such as off-campus classes, guided independent study, ICN, World Wide Web, and other digital, electronic, and print media. More detail on the distance education programs at the Regent institutions may be found in Agenda Item #7.

The Board will receive a presentation by Dr. Don Norris on "Transforming Learning, Employability, and Entrepreneurship". Dr. Norris will focus on the Board's strategic plan initiative regarding the expansion of Iowa's ability to access our institutions via distance education programs. The presentation is underwritten by the Lumina Foundation and HCM Strategists.

**Proposed Academic and Administrative Fees for 2011-2012 Academic Year.** The Board will consider numerous miscellaneous fees for the next academic year. These fees are divided into two categories – academic fees and administrative fees. Academic fees relate to specific programs taken by students such as instrument fees for dental students and private music lessons. Examples of administrative fees are check fees and late payment fees. In accordance with Iowa Code §262.9(18), presiding officers of student government organizations on each campus have been notified of these fees changes. The Board will take action on the fee changes at its March meeting. The fees are detailed in Agenda Item #10.

**Register of Capital Improvement Business Transactions – University of Iowa.** As a follow-up to the presentation by the University of Iowa Hospitals and Clinics on the first day of the meeting, the Board will consider approval of the schematic design, project description and budget (\$270.8 million) for the construction of the new Children's Hospital. In addition, the Board is asked to approve authorizing the sale of up to \$190 million in hospital revenue bonds for the construction of the hospital.

The Board is also asked to approve project planning for the Community-Based Primary Care Clinic in North Liberty. In December, the Board approved the purchase of approximately 40 acres in North Liberty. The proposed clinic would be the first development on the property. The clinic will provide for team-based, integrated operating model for patient care, create a

model environment for ambulatory care training and generate growth to support UIHC's education/training mission.

The Board is also asked to consider approval of the Family Medicine Center – Hawkeye Campus. This facility located west of the hospital complex would replace the family care center located on the lower level of the Pomerantz Family Pavilion and would provide a state-of-the-art clinical environment to enhance the delivery of comprehensive primary care services.

More detail on these University of Iowa capital projects along with location maps may be found in Agenda Item #11.

**University of Iowa Property Purchase.** The Board will be asked to consider approval of the purchase of MidwestOne Bank located near downtown Iowa City at a purchase price of \$4.6 million plus actual relocation costs and actual business interruption costs. The property is in a key location near campus in an area that has been designated for the construction of a new School of Music facility and recital halls replacing flood damaged facilities. More specifics on this property purchase and location maps may be found in Agenda Item #12.

**Register of Capital Improvement Business Transactions – Iowa State University.** The university is requesting the Board consider approval of the project description and budget for HVAC improvement to the Laboratory Animal Resources facility in the College of Veterinary Medicine. The \$4.4 million project would be funded primarily by a National Institute of Health American Recovery and Reinvestment Act grant. The university is also requesting consideration of a revised budget (a \$780,000 increase) for the Willow Hall project. With the increased budget, funded by dormitory system funds, a fire suppression system and new energy efficient windows would be installed and precast concrete wall panels would be repaired.

**Register of Capital Improvement Business Transactions – University of Northern Iowa.** The Board is asked to consider approval of schematic design, project description and budget (\$26.3 million) and financing plan for Phase 2a of the apartment housing project. The project would provide for construction of 78 apartments (246 beds) with single bedrooms in a mix of four, two and studio apartments. The project would be funded by proceeds from the sale of dormitory revenue bonds (\$22.0 million) and residence system funds (\$4.2 million). More details along with location maps may be found in Agenda Item #14.

**Private College Grow Iowa Value Fund (GIVF) Projects.** House File 809, passed by the 2005 Session of the Iowa General Assembly, appropriated \$5 million annually to the Board of Regents for capacity-building infrastructure in areas related to economic development. The legislation directed the Board to award funds for economic development purposes to Iowa independent colleges and universities. In the first three years, \$200,000 was awarded for such projects. Due to overall budget difficulty experienced by the state, total GIVF funding to the Board has been reduced. FY 2011 GIVF appropriation was reduced to \$3.8 million allowing for \$152,000 available for grants to private colleges. Four proposals were submitted and reviewed by an evaluation team of the Iowa Association of Independent Colleges and Universities. Two projects are recommended for funding. A proposal by Luther College is recommended for full funding (\$40,000). Luther College would provide matching funds of \$89,044 for the proposed project which would provide funds for research to develop new classes of corn-based plastics derived from corn cobs, corn starch, and corn oil. The second project from Drake University would be partially funded at \$112,000. Drake University had requested \$150,000 to expand technical capability of the pharmacogenomics laboratory. In 2008, Drake received a \$60,000 GIVF grant to establish the laboratory. The request was for \$150,000 but due to funding limitations \$112,000 will be provided.

**Annual Report of Student Retention and Graduation Rates.** This report is in two parts – the first part addresses graduation and retention rates for first-time, full-time freshmen and transfer students. The second part provides the annual update of enrollment and graduation of women and minorities from STEM (science, technology, engineering and mathematics) programs at Regent universities. The report indicates that 83% of the students in the past 10 entering classes returned for the second year of studies. Iowa one-year retention rates have consistently exceeded the national averages. The one-year retention rate for the entering class of 2009 at Regent universities was 85.6% compared to the national average of 78.6% for all public four-year colleges.

In 2008, HF 2679 directed the Board to conduct a mathematics and science collaborative study to college data and report on the number of women and minorities enrolled in STEM programs, make recommendations on programming to increase those numbers and provide annual updates to the Board. Minority enrollment increased from 9.0% in 2009 to 9.3% in 2010 and enrollments of women increased by 5.5% to 37% of STEM majors in 2010. More specifics on graduation and retention rates and the STEM program may be found in Agenda Item #21.

**Interinstitutional Cooperation Task Force.** The task force established by the Board in February 2010 will report on three academic areas that have been examined for interinstitutional cooperation. These areas are distance education, study abroad, and recruitment and retention of Iowa minority students. Agenda Item #23 outlines the goals for each of these areas and progress to date on achieving the goals.

**Presentations.** The Board will hear two presentations. The first presentation will be from Dr. Peter Orazem, professor of economics at Iowa State University. Dr. Orazem will discuss ISU's alumni survey and focus on factors about alumni – the courses they took and their majors that led to a higher probability they will stay in Iowa, become entrepreneurs and create jobs in Iowa.

The second presentation will be by Dr. Mary Losch, professor of Psychology and assistant director of the Center for Social and Behavioral Research at the University of Northern Iowa. Dr. Losch will provide an overview of a five-year multi-site multidisciplinary program of projects aimed at reducing unintended pregnancies in Iowa.

The Board is expected to consider tuition and mandatory fees for the 2011-2012 academic year. Materials related to this agenda item will be provided prior to the meeting.

If we can provide additional information, please contact us.

Sincerely,



David W. Miles

cc: Lt. Governor Kimberly Reynolds  
Members of the Board of Regents, State of Iowa