

The Board of Regents, State of Iowa, met on Wednesday and Thursday, December 15 and 16, 2004, at Iowa State University, Ames. The following were in attendance:

	<u>December 15</u>	<u>December 16</u>
<u>Members of the Board of Regents, State of Iowa</u>		
Mr. Forsyth, President	All sessions	All sessions
Dr. Arbisser	All sessions	All sessions
Dr. Becker	All sessions	All sessions
Mr. Downer	All sessions	All sessions
Mr. Neil	All sessions	All sessions
Dr. Newlin	All sessions	All sessions
Ms. Nieland	All sessions	Excused at 3:07 p.m.
Ms. Rokes	All sessions	All sessions
Ms. Vasquez	All sessions	Arrived at 9:15 a.m.
<u>Representing the Office of the Board of Regents at the Board Table</u>		
Executive Director Nichols	All sessions	All sessions
Deputy Executive Director Steinke	All sessions	All sessions
Interim Director Bradley	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Evans	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>Representing the State University of Iowa at the Board Table</u>		
President Skorton	All sessions	Excused at 2:57
p.m. Provost Hogan	All sessions	All sessions
Vice President True	All sessions	All sessions
<u>Representing Iowa State University at the Board Table</u>		
President Geoffroy	All sessions	All sessions
Provost Allen	All sessions	All sessions
Vice President Madden	All sessions	All sessions
<u>Representing the University of Northern Iowa at the Board Table</u>		
President Koob	All sessions	All sessions
Provost Podolefsky	All sessions	All sessions
Vice President Schellhardt	All sessions	All sessions
<u>Representing the Iowa School for the Deaf at the Board Table</u>		
Superintendent Prickett	All sessions	Excused at 3:10 p.m.
Director Heuer	All sessions	Excused at 3:10 p.m.
<u>Representing the Iowa Braille and Sight Saving School at the Board Table</u>		
Superintendent Thurman	All sessions	Excused at 3:10 p.m.
Director Woodward	All sessions	Excused at 3:10 p.m.

THE CORRESPONDING DOCKET MEMORANDUM FOR
EACH AGENDA ITEM IS AVAILABLE ON THE
BOARD OF REGENTS WEBSITE AT:

www.state.ia.us/educate/regents

COPIES OF THESE MEMORANDA CAN ALSO BE
OBTAINED FROM THE BOARD OFFICE
BY CALLING 515/281-3934.

BOARD OF REGENTS, STATE OF IOWA

The following business was transacted on Wednesday, December 15, 2004, beginning at 8:05 a.m.

EXECUTIVE SESSION.

Regent Downer stated the Board had need to meet in closed session pursuant to Iowa Code section 21.5(1)(i) at the request of employees whose performance was being considered.

MOTION: Regent Downer moved to enter into closed session. Regent Becker seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Becker, Downer, Forsyth, Neil, Newlin, Nieland, Rokes, Vasquez.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 8:08 a.m. on December 15, 2004, and adjourned therefrom at 1:43 p.m. on that same date.

Upon conclusion of the Executive Session, the following Board Committees met: Investment, Human Resources, and Education and Student Affairs. The reports of the Committee meetings are contained within these minutes, beginning on page 142.

The following business was transacted on Thursday, December 16, 2004, beginning at 9:00 a.m.

MINUTES OF THE NOVEMBER 3-4, 2004, BOARD MEETING.

President Forsyth asked if there were any additions or corrections to the minutes. There were none.

MOTION: Regent Rokes moved to approve the minutes of the November 3-4, 2004, Board of Regents meeting, as written. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

INSTITUTIONAL PERSONNEL TRANSACTIONS.

MOTION: Regent Neil moved to approve personnel transactions, as follows: University of Iowa: Register of Personnel Changes for October 2004. Iowa State University: Register of Personnel Changes for October and November 2004 which included the following reclassifications: Kathleen Jones from Registrar to Assistant Vice President effective October 1, 2004, and Carla Espinoza from Assistant Vice President for Human Resource Services and Director of Equal Opportunity and Diversity to Associate Vice President for Human Resource Services and Director of Equal Opportunity and Diversity effective September 1, 2004. University of Northern Iowa: Register of Personnel Changes for October 2004. Iowa School for the Deaf: Register of Personnel Changes for November 2004. Iowa Braille and Sight Saving School: Register of Personnel Changes for October 2004. Regent Rokes seconded the motion. MOTION CARRIED UNANIMOUSLY.

FINAL APPROVAL OF FY 2006 TUITION.

Executive Director Nichols reviewed the recommended action for base tuition and fees for academic year 2005-2006. He stated that a few changes were required in the graduate and professional areas as a result of the Board's review of the initial proposals, as follows:

- University of Iowa officials provided further justification for the higher percentage increases in resident tuition for both dentistry and law.
- The University of Iowa proposal for the Master's of Business Administration (MBA) was changed to increase both resident and nonresident tuition by the same percentage increase (14%). The change results in an increase of \$1,470 for residents and a \$2,698 increase for nonresidents compared to the original proposal of a \$1,920 increase for residents and a \$2,270 increase for nonresidents.
- The Board-approved peer universities were added to the MBA submission in addition to the Big 10 comparisons.
- The University of Northern Iowa's overall increase in mandatory fees was reduced by \$1 for a mandatory fee increase of 3.9% rather than a 4.1% increase. University officials also changed the mandatory fees requested by its students which significantly reduced the mandatory computer fee and increased the health and student services fee to the original requested levels.
- The chart of Regent university educational funding was updated to show the change in the universities general education revenues if the state appropriates the \$40 million and the Board increases base resident tuition by 4%.
- Part-time tuition and mandatory fees rates were added.

Executive Director Nichols stated the proposals that were unchanged are presented to the Board for final approval. Approval of the revised proposals would occur at the Board's February 3, 2005, meeting.

President Forsyth referred to the table presented in the meeting materials which ranked tuition and fees as a percentage of per capita income. He stated it was clear that Iowa is out of step with surrounding states. With approval of the tuition and fee recommendations, Iowa will get back into balance in its ranking of per capita income and tuition and fees.

Regent Neil noted this was the first time in his tenure on the Board when there was not a room full of students in attendance for the Board's final approval of tuition.

Regent Becker noted that the collaboration with students began a year ago with discussions of how to affect policy.

On behalf of many students, Regent Rokes thanked the Board for the adoption of a more predictable tuition policy.

MOTION:

Regent Arbisser moved to approve the following proposals for 2005-06 academic year tuition and fees, effective with the summer session 2005: (1) Base annual tuition increases: (a) A base annual tuition increase of 4% (projected median of HEPI) for the following categories: Undergraduate resident students at SUI, ISU, and UNI (\$188); Undergraduate nonresident students at ISU (\$576) and UNI (\$481); and Graduate resident students at SUI, ISU, and UNI (\$220) and nonresident students at SUI (\$640), ISU (\$606), and UNI (\$520). (b) A differential base annual tuition increase of 6% for undergraduate nonresident students at SUI (\$922). (2) Selected Graduate and Professional program increases: (a) Dentistry resident of \$2,695 (15.5%) and nonresident of \$3,312 (10.1%). (b) Veterinary Medicine resident students of \$1,648 (16.0%) and nonresident students of \$3,271 (12.0%). (3) In addition to the proposed base tuition increase, changes to mandatory fees that include: a. Proposals for increased mandatory fees at the University of Iowa and Iowa State University; and b. A new career services fee at the University of Iowa. (4) Tuition-related miscellaneous charges and other University of Iowa proposals. (5) Per semester credit hour tuition and mandatory fees. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION:

Regent Neil moved to approve for students entering fall 2005 as requested by the University of Iowa Law resident of \$810 (7.0%) and nonresident of \$1,380 (5.4%). Regent Arbisser seconded the motion. MOTION CARRIED WITH REGENTS DOWNER AND NIELAND ABSTAINING (EACH OF WHOM HAS A CHILD ATTENDING THE LAW SCHOOL).

President Forsyth said it was exceptional that increases in tuition and fees were held at 4%. He noted that the tuition increase was predicated on the Board's public policy agenda for transformational excellence in partnership with the legislature. He said the proposal whereby the universities reallocate \$20 million in their budgets to receive \$40 million in additional state appropriations has been well received by legislators and the Governor.

ECONOMIC DEVELOPMENT AND TECHNOLOGY TRANSFER REPORT.

On behalf of Interim Vice President Decker, President Skorton provided a PowerPoint presentation of the University of Iowa's annual report on economic development and technology transfer. Some projects and achievements mentioned in the presentation included:

- "Consider Iowa" spring break road trip for students to visit Iowa companies.
- "Consider Iowa" internship program with Iowa companies.
- MBA for Professionals and Managers program. The average age of those admitted to the program is 31 years.
- Earnings from intellectual properties was close to \$11 million last year.
- The University had a record number of patent applications in the last year.
- Over 110 individuals have participated in the Biomedical Ventures Group.
- Numerous existing Iowa companies, including Henderson Manufacturing in Manchester and Med-Tech in Orange City, were provided with assistance.
- Technical assistance is provided to Iowa communities, including the "Artist Colony" project in Corning and service on community boards.
- New companies are attracted to Iowa. Numerous Iowa Department of Economic Development recruitment partnerships involve ties to the University of Iowa's strengths.

Vice President Bloedel provided a PowerPoint presentation of Iowa State University's annual report on economic development and technology transfer. Specific projects and highlights included:

- Sponsored funding was at a record \$274.2 million, which represented a 19% increase in FY 2004.
- Infrastructure for research is supported through indirect cost recovery, which has nearly doubled since FY 2000.
- Iowa State University is one of the leading universities in the nation in technology transfer. It is first among all universities in licenses and options executed on its intellectual property and third in licenses and options yielding income. There has been a 27% increase in sales of Iowa State University technologies by Iowa companies.
- The number of patent applications filed continues to increase.
- There has been tremendous growth in the companies and centers affiliated with the Research Park. The Park's leverage factor on the state's investment is 385:1.
- Outreach centers interface with Iowa companies to improve products, solve problems and assist companies in obtaining federal awards.
- Partnerships in developing the state's economy include the New Zealand Initiative which is a high-potential endeavor.
- Sponsored Biotech Mixers have generated over 5,200 interactions among the state's biotechnology companies.

Director Pilkington provided a PowerPoint presentation of the University of Northern Iowa's annual report on economic development and technology transfer. Specific highlights included:

- The University's activities reached every county in the state of Iowa.
- Each state dollar invested leveraged \$6.50 in federal grants and private sources. However, if the University's Waste Reduction Center were not included in the calculation, the leverage ratio would be 25:1.
- Incubation activities included the Regional Business Center (RBC) in downtown Waterloo, which has had eight graduates.
- The rural virtual business accelerator program entitled MyEntreNet helped start eight businesses and five business with significant, resulting in 46 FTE jobs.

- Activities of the New Iowans Center for Immigrant Leadership and Integration.
- Environmental assistance by the Iowa Waste Reduction Center included 2,600 on-site reviews.
- Community assistance is provided in the areas of economic development, tourism, energy conservation, entrepreneurship, diversity counseling and training, roadside management and environment.

Director Pilkington noted that he had a telephone conversation earlier in the week with a representative of an economic development organization which is developing a booklet of best practices. He was asked to provide two ideas from the state of Iowa. The two examples he gave were the University of Northern Iowa's MyEntreNet and Iowa State University's Research Park.

Regent Neil asked for the predominant type of immigrant business. Director Pilkington responded that the immigrant businesses are mostly service and retail. He noted that those businesses typically do not receive resources from financial institutions but, rather, from family and friends.

Regent Arbisser noted that the previous waves of immigrants followed similar paths. He asked if there were lessons that could be applied to accelerate the current activities.

Director Pilkington responded that was taking place. What was learned in the past and what is known about the current situation is helping to move immigrants to the next level.

Regent Newlin asked for the status of Iowa State University's facility for protein extraction. Vice President Bloedel responded that University officials are awaiting final confirmation from a federal agency on the feasibility of the University retaining ownership of the equipment that would in-fill the project. He said there has been an issue related to the transfer of federal funds from the University to the Research Park, about which the Small Business Administration (SBA) has not been in favor. It was his understanding that the SBA has now verbally agreed to the transfer. Upon receipt of written confirmation of the SBA's approval, activities will proceed at full speed.

Regent Rokes expressed appreciation for the opportunities provided to students.

Regent Downer stated that University representatives had presented in an abbreviated fashion the positive endeavors in which all three of the universities are engaged. He expressed appreciation for the opportunity that he has had to work with the universities

and to see the great activities in which all of the institutions are engaged on behalf of the state of Iowa.

Regent Downer said he has become increasingly convinced that the work being done at the institutions represents a cornerstone of the creation of the twenty-first century economy that will be present in this state in the years to come. He referred to the Research Parks at the University of Iowa and Iowa State University, each of which currently employs more than 1,000 people at very substantial salaries, and said the Parks are contributing positively to the economy of our state.

The three universities have all been active in implementation of the Battelle report, pending receipt of funding in the upcoming session of the General Assembly. Regent Downer recognized Director Pilkington's valuable service in governance and subcommittee structure related to implementation of the recommendations of the Battelle report. He referred to the first meeting of the commercialization subcommittee which was scheduled to take place the following day. He said that when the positive developments of the Battelle recommendations come to fruition, there will be plans in place for commercialization of the developments.

ACTION: President Forsyth stated the Board, by general consent, (1) received the report on technology transfer and economic development and (2) directed that this report and copies of the complete institutional reports be forwarded to the Secretary of the Senate, the Chief Clerk of the House of Representatives, and the Legislative Fiscal Bureau by January 15, 2005.

REPORT OF THE ECONOMIC DEVELOPMENT COMMITTEE.

Regent Downer stated the Economic Development Committee had met on the previous day and endorsed the principles of the University of Iowa's revised plans to implement economic development projects with monies provided by the Grow Iowa Values Fund, which he described. He provided a brief history of the Grow Iowa Values Fund appropriation reduction and the Iowa Supreme Court's ruling related to the Fund.

MOTION: Regent Downer moved to (1) receive the report on the University of Iowa's revised plans to implement economic development projects with monies provided by the Grow Iowa Values Fund; and (2) endorse the principles of the University's revised plans subject to consideration and

approval by the Board of Regents at later stages as required by Iowa Code. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

STATUS REPORT ON ADMINISTRATIVE EFFICIENCIES. (a) Status of Internal Reviews.

President Forsyth stated that this activity was a “down payment” in terms of administrative efficiencies and the Board’s transformation for excellence program. Leadership began discussing some months ago activities that could be undertaken to improve administrative efficiencies. It was determined that fleet operations, risk management and internal audit would be the first areas to be examined. The concept is that various institutions would have the lead in various functions. In these three areas, the universities presented proposals to combine each of the activities into a single structure. He said the proof will be in the implementation over the next several years.

President Forsyth expressed appreciation for everyone’s efforts in this regard. He said it was a valuable learning experience and a significant step in the right direction.

President Geoffroy said he very much concurred with President Forsyth’s comments. This has truly been a team effort. Great plans had been developed, which he looked forward to implementing.

In addition to concurring with the comments of President Forsyth and President Geoffroy, President Skorton stated the proposal was a bold move toward efficiency and greater effectiveness without creation of a massive central hierarchy and bureaucracy. He said institutional officials have reached a new level of cooperation and of understanding what each other is doing.

President Koob said he wished to emphasize the work that has occurred behind the scenes. It was the people whose jobs and job descriptions were being changed that participated willingly and constructively in these activities. He recognized those persons publicly, and thanked them for bringing forward the plans.

MOTION: Regent Arbisser moved to accept the universities’ proposals for reorganizing fleet operations, internal audit, and risk management, with the exception noted, and with the understanding that as the institutions work through implementation issues, they will be requested to provide further information to the Board. Regent Downer

seconded the motion. MOTION CARRIED
UNANIMOUSLY.



REPORT ON PUBLIC RADIO STUDY.

President Forsyth stated that the public radio study was initiated over a year ago by the three public radio station leaders as a result of the Board's desire to have more cooperation among the stations. He said the firm of Bornstein & Associates LLC, was hired to address the threshold question of whether public radio in Iowa belongs within the Regent enterprise and, if it does, how it can be organized and structured to be as effective and efficient as possible. He emphasized that it was an interactive study and that there was broad-based support for the recommendations.

Mr. Ron Bornstein provided brief introductory remarks. He stated that the three university presidents had been terrific to work with. He acknowledged President Forsyth and Regent Downer for their time and effort in the study. He thanked the three station managers for their cooperation throughout the study.

Mr. Bornstein stated that his team had provided its best advice and counsel to the presidents, managers and Board of Regents. Everyone on the team has extensive experience in public broadcasting and in higher education.

Dr. Jack Mitchell stated that the focus of the study was to improve service and attract more listeners. He then presented the recommendations, as follows:

1. Create an Iowa Public Radio Executive Council to oversee all public radio facilities and operations of the Regent universities.
2. Designate the combined activities overseen by this Executive Council as "Iowa Public Radio," identified in print and on air as a service of the University of Iowa, Iowa State University, and the University of Northern Iowa.
3. Adopt the following statements as the mission for Iowa Public Radio:
 -  Iowa Public Radio reflects and enhances the civic, cultural, and intellectual life of Iowa, statewide and regionally, making the state a better place to live and work.
 -  The stations contribute to the outreach mission of the three Regent universities and foster communication between the universities and Iowa residents.
4. Direct the Executive Council to evaluate continuously the performance of Iowa Public Radio and to report to the Board of Regents annually using established criteria.

5. Direct the Executive Council to recruit, identify, and select an Executive Director for Iowa Public Radio, responsible to the Executive Council for all financial, personnel, programming, and operational aspects of public radio at the three universities.
 6. Authorize the Executive Council to recognize an independent statewide Friends organization to receive, invest, and disburse funds on behalf of Iowa Public Radio, all underwriting support, and all individual contributions of less than \$10,000.
 7. Request that the foundations of the three universities seek major gifts and bequests in excess of \$10,000 on behalf of Iowa Public Radio or its stations. Request, further, that the foundations expend all funds currently held on behalf of Iowa Public Radio stations, and any more received by the foundations on behalf of Iowa Public Radio in the future, consistent with donor intent and at the direction of the Executive Director of Iowa Public Radio.
 8. Authorize the three universities gradually to decrease their institutional support for Iowa Public Radio stations by a total of \$300,000 over a five-year period.
 9. Direct the three universities to reconcile differences in personnel policies, classifications, and salaries for employees performing similar functions for Iowa Public Radio stations, and to work constructively with Iowa Public Radio management to treat fairly any employee adjustments resulting from increased and more effective collaboration and coordination.
10. Direct the Executive Council to extend FM service to the western parts of Iowa and any other inadequately served areas to enable Iowa Public Radio to provide a truly statewide service.

Mr. Bornstein said it was important for the Board to understand that it has three very significant and successful stations, although the stations are not performing at their full potential.

President Geoffroy expressed support for the overall report. He said the plan affords an opportunity to improve listenership and service to Iowans, increase private support for public radio in Iowa, increase the efficiency of the entire operation and the quality of service. There would also be a financial savings to the institutions. He stated that the next step would be to appoint an Executive Director, which would take a few months.

On behalf of the presidents, President Skorton thanked the consultants for a thoughtful and thorough study. He said the presidents' support of the recommendations recognizes that the institutional resources would not be removed from the stations immediately. He emphasized that implementation must be done at the organizational level. He then stated for the record that the presidents are in favor of gaining efficiencies by this operational change. The planning for continuation and expansion of

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services needs to recognize the important contribution of other public radio outlets that are not a part of the Regents, such as Kirkwood Community College. He urged the Board to adopt the concepts and delegate implementation to the new Executive Director.

President Koob expressed appreciation to the consultant and to the Board leadership for the efforts to improve public radio service to the people of Iowa. He noted that earlier in his life he was a resident of the western part of Iowa and was raised without access to public radio.

Regent Nieland stated that it had been brought to her attention that the report did not address in its environmental scan the future impact on public radio of the emergence of satellite radio.

Mr. Bornstein said the plan focuses on the future of public radio. Iowa Public Radio will focus on statewide news, public affairs and cultural events. The programming will be very different from other broadcast activities provided elsewhere, which will be a distinctive quality of Iowa Public Radio.

Dr. Mitchell said that to be unique, public radio has to be strong at the state and local level and provide a service that no one will duplicate.

Regent Nieland stated her concerns about errors in the report, including references to "Sioux Falls" rather than "Sioux City" and to "Council Bluff" rather than "Council Bluffs". She requested that local, non-Regent public radio stations be included in discussions and implementation of plans for the Regent universities' stations, noting that the public radio station in western Iowa is a model of efficiency in terms of staffing and program output. Regent Nieland emphasized that any expansion of the Regent public radio stations should avoid negatively affecting other public radio stations in the state.

President Skorton expressed his belief that there has been sensitivity to that issue. He said the university radio stations need to be complementary with the local radio stations and do what is right for the whole community.

Regent Neil referred to the \$300,000 savings anticipated to result from a shift in revenue sources. He asked if other administrative savings should be anticipated as a result of combining the stations.

President Skorton responded that, like every other area of the universities over the last four years, especially the non-curricular areas, the radio stations have gained

efficiencies. He said there are certainly more efficiencies to be gained but much has already occurred in this time of shrinking resources.

President Forsyth stated that, over time, it may be determined that the anticipated \$300,000 of efficiency may be well understated.

Regent Becker said she was pleased that the Wapello County Board of Supervisors voted to support the recommendations of the report. There is excitement about the possibility of having stronger reception of public radio in that area of the state. She then asked the consultants to address Iowa Public Radio's ability to be more competitive in gaining licenses if it were a statewide system.

Dr. Mitchell stated there would be the avoidance of competing applications, which has happened from time to time. He referred to the two applications that are in Ottumwa, and said that coming together with one combined application would provide a better chance of success than for either of them as an individual application. Cooperation and a planned overall system is always attractive to funders.

Regent Becker pointed out that many people get their links to public radio through the Web. She suggested that consideration be given to having a unified presence for Iowa Public Radio on the Web.

Regent Downer noted that he has an ownership interest in a commercial radio station in Cedar Rapids. He then referred to the recommended involvement of the three university Foundations. Since this will be a merged enterprise, he questioned whether there has been consultation with the Foundations to ascertain whether their charters are broad enough to hold funds for enterprises that are not strictly a part of the university.

President Geoffroy responded that such an inquiry had not occurred to his knowledge. He said he believed that the charters have the breadth being discussed but that it would have to be explored further.

President Forsyth asked to change the recommended actions, as follows: Add to the third recommendation to set up the Executive Council and hire the new Executive Director as soon as possible. Add to the last recommendation to report to the Board on an implementation plan as soon as practical after the hiring of the new Executive Director so that person has an influence on the implementation plan.

MOTION:

Regent Nieland moved to (1) receive the report; (2) approve the consultant's recommendations to consolidate the three Regent university public radio stations into a statewide public radio network; (3) direct the university presidents, in

consultation with the Board Office, to review the consultant's recommendations regarding an implementation plan and timetable, to set up the executive council and hire the new executive director as soon as possible; and (4) direct the university presidents, in consultation with the Board Office, to prepare a report on an implementation plan with timetable expectations as soon as practical after hiring the new executive director. Regent Neil seconded the motion.
MOTION CARRIED UNANIMOUSLY.

STATUS REPORT ON ADMINISTRATIVE EFFICIENCIES. (b) Future Anticipated Reviews.

President Forsyth addressed the following information that was provided in the meeting materials:

The University Presidents submitted a work plan for future administrative services transformation during fiscal years 2005 through 2008, which included the anticipated dollar impact at each institution. The universities aspire to engage outside assistance to review the identified functions and to suggest improvements in quality or reductions in costs. Utilizing assistance from members of the Iowa Business Council and others with expertise in these areas could generate recommendations for reorganizations, consolidations, outsourcing services, or specific process improvements.

President Forsyth stated that administrative efficiencies will be attained as a result of the first three reviews that were discussed earlier in the meeting, as well as the study of public radio. The Presidents suggested that, rather than selecting three areas for review each year, they would seek the advice and counsel of their Vice Presidents of Finance. As a result, the Board was presented with a comprehensive list of areas that the Vice Presidents had indicated were worthy of study. Each of the areas will be reviewed with established targets for savings and process improvement.

President Forsyth said he had an opportunity at an Iowa Business Council meeting to discuss with its members whether they were interested in using their expertise to assist the universities. There was uniform enthusiasm and support by members of the Business Council for doing so.

President Geoffroy stated that the University Presidents were enthusiastic about the reviews.

President Skorton expressed appreciation for the enthusiasm with which the business leaders across the state have embraced the proposed partnership.

President Koob expressed support for the reviews.

Regent Neil suggested there should be good communication with all of those involved at the institutions because people tend to resist change.

President Skorton said that was a critically-important point for morale and for the effectiveness of the reviews.

President Geoffroy stated that the administrative reviews should not be viewed as threatening but, rather, as a great partnership.

MOTION: Regent Neil moved to accept the universities' proposals for future scheduling of administrative services transformation. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

SPECIAL SCHOOLS STRATEGIC PLANS. (a) Iowa Braille and Sight Saving School.

Superintendent Thurman referred to the strategic plan document contained within the meeting materials, and addressed the goals of the first Key Result Area: Ensure high-quality educational opportunities for students. He stated that, during the economic development presentation, he was struck by how much the School's activities mirror those in the economic development report. Specifically, the School provides services that are locally based. The School provides linkages with the Iowa Department of Education and the state's area education agencies.

Superintendent Thurman stated that Iowa Braille and Sight Saving School was the first residential school in the U.S. to adopt Quality Programs for Students with Visual Impairments (a model for providing assistance to public schools in providing services to students with visual impairments) to improve educational programming for its students. Nearly 65% of the area education agencies now use QPVI. He referred to services provided in the area of early childhood, and noted that a very limited number of people are trained to work with blind children 0-5 years old.

Strategies for developing literacy skills have been a focus of the School with the assistance of Karen Blankenship, the State Vision Consultant. Superintendent Thurman stated that a continuing goal of the School is to develop collaborative

programs with others in the state. Through collaboration with the University of Northern Iowa, there is now an MA-level program in Iowa to educate those who will work with the visually impaired.

The Task Force that is reviewing the Iowa Braille and Sight Saving School has held two meetings. The Task Force has cast its "net" broadly. Superintendent Thurman said the result will be greatly focused and renewed services to blind and visually-impaired children in Iowa.

Regent Becker asked that each of the superintendents address the Olmstead decision and how the special schools are involved in that decision.

Superintendent Thurman said that Supreme Court decision was one which addressed the removal of barriers for people with disabilities to participating in activities in their communities. The ruling requires an appropriate level of instruction that allows people with disabilities to live the fullest life possible within their communities, which the Iowa Braille and Sight Saving School supports.

ACTION: President Forsyth stated the Board received the progress report of the Iowa Braille and Sight Saving School's 2003-2007 Strategic Plan, by general consent.

(b) Iowa School for the Deaf.

Superintendent Prickett first addressed Regent Becker's question about the Olmstead decision. She stated that the School focuses on removing obstacles for students with disabilities. Every Individual Education Plan is designed so that a student can return to being a full participant in his/her home community.

Superintendent Prickett provided an update on the strategic plan of the Iowa School for the Deaf. In the area of recognizing meritorious teaching, she said the School's principals have become Iowa Department of Education-approved teacher evaluators. Staff development is provided by a variety of presenters – both internally and externally. School officials believe that supporting language development and math curriculum are critical to students' success. She said the main difficulty is communication and language development. The School has implemented an accelerated math curriculum.

Superintendent Prickett addressed specialized instruction which is showing growth in student achievement. She said the national average for deaf students is to graduate with a third to fourth grade reading level. At Iowa School for the Deaf, eighth grade students are already reading at the national average. Graduating seniors at Iowa

School for the Deaf show much higher achievement than the average deaf students around the nation. She noted that deaf students rarely perform well on standardized tests.

Opportunities for family-based education are provided through the School's student life program. The curriculum includes social literacy, community service, personal development and self care.

Superintendent Prickett stated that a major goal every year is to make sure that staff members can communicate fluently with students. The more interaction a staff member has with students, the greater the requirement for sign language proficiency. With regard to diversity of staff, she said diversity is primarily between deaf and hearing and male and female. Ethnic diversity is more difficult to achieve. Superintendent Prickett said the School's greatest achievement this year was in increasing collaboration with other agencies.

Superintendent Prickett addressed unmet needs and reallocation. She discussed collaboration with other entities including the Iowa Department of Education and the area education agencies. She said the School will participate in the statewide deaf-blind project.

ACTION: President Forsyth stated the Board received the progress report of the Iowa School for the Deaf's 2001-2006 Strategic Plan, by general consent.

INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS.

MOTION: Regent Downer moved to approve the following leases for the benefit of the institutions: University of Iowa – Lease agreement with Homesafe for its use of business incubator space in the Technology Innovation Center at the Oakdale Campus. Lease amendment with 108 Third Street, Des Moines, Iowa, for the University's use of additional space for the Iowa Creative Employment Option. Iowa State University – New lease with Cory Eldridge, State Center, Iowa, for his use of Iowa State University's farmland in Marshall County. Regent Arbisser seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Becker, Downer, Forsyth, Neil, Newlin, Nieland, Rokes, Vasquez.

NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

LEGISLATIVE PROGRAM FOR 2005.

Director Steinke stated that three items have emerged as new legislative issues since the Board last met. He presented those issues, as follows:

1. Asian soybean rust is an aggressive pathogen that has the ability to reduce soybean yields by up to 80 percent. Iowa is the nation's leading soybean producer with more than 338 million bushels produced annually; therefore, this plant disease is a grave concern to the soybean industry. This fungus has the potential to devastate the soybean crop in Iowa and in the United States. Several months ago the Animal and Plant Health Inspection Service of the USDA, confirmed the presence of soybean rust on soybean leaf samples taken from two research plots at Louisiana State University's research farm which means that this pathogen has made its way into the United States.

Iowa State University is poised to become a national leader in the research of this disease. It is likely that state funding for FY 2006 may be requested by commodity group organizations to fund this research at Iowa State University.

Proposed Board direction: MONITOR.

2. Beer keg registration has been identified through research as an effective means to lessen access to alcohol for underage people. Keg registration would require wholesalers to assign a type of tracking number or identification to each keg of beer being sold. Retail business would then require purchasers of keg beer to sign their name when a purchase took place. Proponents of this proposed legislation have indicated that the retailer would not assume responsibility if the keg were found at an underage drinking event. The purchaser of the keg would be the responsible person and the keg could be tracked to the purchaser directly.

Officials of all three Regent universities have expressed support for this legislation based on the scientific research and the outcomes related to keg registration, and the desire to reduce the negative effects of underage drinking on the university campuses.

Proposed Board direction: ENCOURAGE UNIVERSITY OFFICIALS TO CONTINUE THEIR SUPPORT.

3. Indigent patient care responsibilities of the University of Iowa Hospitals and Clinics as delineated in Chapter 255 of the Iowa Code:
- Treatment and care of non-indigent patient care program patients shall not in any way, interfere with the care of indigent patients.
 - Care for Iowa residents granted a state paper by their county without charge to the resident or county (unless the county exceeds its allotment of state papers by more than ten percent).
 - Care for any inmate within the Iowa Department of Corrections system, any student at the Iowa Braille and Sight Saving School or the Iowa School for the Deaf, or any patient of an institution under the Iowa Department of Human Services without charge.
 - Physicians employed by the University of Iowa shall not charge or receive any compensation for their services to people covered under this Chapter except for their salary.

Earlier this year, legislative leaders and the Iowa Department of Human Services approached the Centers for Medicare and Medicaid Services (CMS) with a proposal regarding intergovernmental transfers and related issues. Further, members of Iowa's Congressional delegation were also briefed at this time. The proposal called for eliminating several intergovernmental transfers from the UIHC and a variety of other significant changes including the possibility of significantly reducing or eliminating the state appropriation for the indigent patient care program as a result of some of these changes.

UIHC officials raised many questions and issues with the Department of Human Services regarding these changes and the effect these changes may or may not have on the Indigent Patient Care Program. If the consequences of eliminating the intergovernmental transfers or any other regulatory or budgetary action lead to a significant reduction or the elimination of the state appropriation for the Indigent Patient Care Program, UIHC officials recommend the Board of Regents consider seeking relief of the regulatory responsibilities in Chapter 255 of the Iowa Code concurrently.

Proposed Board direction: MONITOR.

President Forsyth addressed the issue of the Indigent Patient Care Program. He referred to the counties' allotments of state papers patients and said it was in the

counties' best financial interest to send the sickest of their sick citizens to University Hospitals. As the acuity of the indigents that are referred to the Hospital has increased, the state appropriation has decreased and in a consequential way. He stated that, because of the Board's transformational excellence program, it did not request an increment to the Indigent Patient Care Program appropriation.

President Forsyth pointed out that the Indigent Patient Care Program has been one of the Hospital's margins for excellence for an extended number of years. He said the academic health center has a rich history of providing training opportunities for medical students as well as quality care for indigents in the state of Iowa. It was his understanding that the legislative proposal could threaten, if not eliminate, the Indigent Patient Care Program.

President Skorton referred to his recent experience chairing the medical assistance crisis intervention team for the legislature and the Governor, a group which reviewed the funding gaps in the Medicaid program. He stated this activity brought into sharper focus the critical role the University of Iowa plays in the delivery of uncompensated care in the state. For example, the physicians in the College of Medicine provide care without reimbursement and the Hospital delivers services far in excess of the appropriation.

President Skorton stated that he wholeheartedly echoed the concerns expressed by President Forsyth about the educational value of the Indigent Patient Care Program. He said the Program is a safety net for Iowa's least fortunate citizens. At a time when the state is coming out of several years of budget austerity, this program is even more important than before.

Director Katen-Bahensky provided a PowerPoint slide which presented reasons why the Indigent Patient Care Program is important:

- Dependable
 - Serves Iowans in good times and bad times
 - Stable, but not stagnant

- Valuable
 - Services provided exceed state cost
 - Counties are protected from huge financial outlays and higher property taxes
 - Patients are guaranteed transportation to and from high quality care
 - Health professional education programs are supported
 - Leverages federal dollars

- Manageable

- State makes a single annual appropriation to the University of Iowa Hospitals and Clinics, which then assumes all the financial risk of operating the program
- Control by counties
- Known liability exposure for state of Iowa.

Director Katen-Bahensky stated that what was not evident in the slide was the number of citizens who would “fall through the cracks” if it were not for the Indigent Patient Care Program. She said the Program is considered a core element of the Hospital’s mission. She encouraged the Board members to reaffirm their support for the Indigent Patient Care Program at the University of Iowa Hospitals and Clinics.

Regent Arbisser stated that approximately 9% of patients in Iowa are categorized as indigent. While there are some special programs for children, approximately 6-1/2% of the children in the state of Iowa are categorized as indigent. Therefore, there are a large number of people who fall into the category of needing care for which there is no safety net. The Indigent Patient Care Program has provided care for many of those patients. He referred to a graph provided by University officials which illustrated the Hospital’s appropriation receipts and charges for the Indigent Patient Care Program for the past ten years. He pointed out that the appropriations receipts have changed very little over that time, while the level of indigent patient hospital and physician services has increased dramatically. The level of service is close to four times the value of the state appropriation, which is an unusually good value for the citizens of Iowa. He stated that the value of the physician services exceeds the entire state appropriation. The physicians provide more than \$30 million of services to the neediest members of our state population.

Regent Neil asked about the leveraging of federal dollars. Director Katen-Bahensky responded that if CMS were to take away intergovernmental transfers, the Hospital would no longer be able to leverage federal dollars. She said the state only pays one-third of the payment because two-thirds comes from federal money.

Regent Downer stated that the title “Indigent Patient Care Program” did not fully capture the extent of the program. The uncompensated care provided to patients within the corrections system was also an important part of the service. He said the Program was also important for the education of Carver College of Medicine students. A report published in the early-1990s concluded that, at that time, there were only marginally-sufficient numbers of indigent patients for the appropriate education of medical students. It was his understanding that the number of indigent patients has declined since that time.

Director Katen-Bahensky noted that it was not just the number of patients that was important but also the concurrent medical conditions of the indigent patients that are not commonly found in community hospitals.

President Forsyth stated that the elimination of the Indigent Patient Care Program would improve the operating bottom line of both the Hospital and the practice plan, but at the expense of the educational programs and of the people who now receive the services.

President Skorton expressed University officials' fierce support of the Indigent Patient Care Program because of concerns about the patients. One of the many strengths of the Program set by previous University leaders is that there is one standard of care. The same superb quality of care is provided to all patients.

Regent Vasquez asked when the outcome of the issue related to intergovernmental transfers would be known. Director Katen-Bahensky responded that the proposal has been out to the Center for Medicare and Medicaid for quite some time. She stated that the current environment in Washington is that it is going to be eliminated by 2006.

Executive Director Nichols stated the Board had adopted as part of its legislative agenda for the upcoming year to support the continued funding of this Program at the level of funding indicated on the graph. He said the proposed Board direction of "monitor" related to monitoring the regulatory actions and the legislative budget process. If there is a movement either through the regulatory arena or the budget arena to significantly reduce or eliminate state funding for this program, staff would seek conditional Board approval to request relief from the state regulation requiring the provision of indigent patient care.

Director Steinke said staff requested direction from the Board to do what is necessary to restore the appropriation or to seek regulatory relief, as appropriate.

President Forsyth offered to clarify the Board's position and suggest an approach. If there is a modification and the federal two-for-one match is not forthcoming, the Board would desire to continue to receive the \$27.4 million in state appropriations. If it (what? the state appropriation?) stays down over two years or is eliminated all at once, there has to be a plan to deal with that. There could be an emergency meeting of the University of Iowa Hospitals and Clinics Executive Board Committee to approve a plan.

Executive Director Nichols stated that those who want to advocate either through the budget process or through regulation removing the funding for this vital program have to also be open to modifying the Hospitals' statutory responsibilities for this Program.

Director Katen-Bahensky expressed support for bringing the matter back to the University of Iowa Hospitals and Clinics Executive Board Committee.

Regent Arbisser noted that the manner in which medical care for prisoners is compensated varies substantially in different localities. His medical practice is on both sides of the Mississippi River. He is paid more to see a prisoner in Illinois than in Iowa.

ACTION: President Forsyth stated the Board accepted the report on new potential legislative issues that have arisen since the adoption of the legislative report at the November meeting, and the recommended Board direction on each, by general consent.

**FINAL APPROVAL OF REVISION TO THE BOARD OF REGENTS POLICY MANUAL
– ALL OF CHAPTER 9 EXCLUDING CAPITAL THRESHOLDS.**

MOTION: Regent Neil moved to give final approval to the revision to Chapter 9 – Capital Procedures of the Board of Regents Policy Manual, excluding changes in the thresholds which were approved at the November 2004 Board meeting. Regent Downer seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ADOPTION OF ADMINISTRATIVE RULE.

MOTION: Regent Rokes moved to (1) approve adoption of amendment to the Iowa Administrative Code §681, Chapter 9 and (2) authorize the Executive Director to file the appropriate documents. Regent Arbisser seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

COMMITTEE REPORT – EDUCATION AND STUDENT AFFAIRS.

Regent Becker presented the report of the December 15, 2004, Education and Student Affairs Committee meeting, as follows:

- The Committee received the annual report on graduation and retention of first-time full-time freshmen and of transfer students. Committee members agreed to ask the ICEC to initiate a review of Board of Regents admission policy and national best practices related to admissions.

- The Committee received a report concerning the 2+2 Council. The report concerned the following:
 - development of a gateway website for transfer students,
 - the Council's proposals for developing a Bachelor of Applied Science degree.
 - recommendations concerning the future direction of the council.

Committee members commended the collaboration among the Regent universities and community colleges reflected in the work of the 2+2 Council.

- The Committee received the Fall 2004 enrollment report and approved the 2005-2014 enrollment projections.
- The committee referred the following matters to the ICEC and the Board Office for review and recommendation:
 - A. ISU Catalog Changes
 - B. Name Change for the Department of Chemical Engineering – ISU
 - C. Post-Audit Reports
 - Ph.D. Health and Human Performance – ISU
 - M.S. and Ph.D. Bioinformatics and Computational Biology – ISU

Committee members agreed that new matters to be considered by the ICEC are not required to come before the Education and Student Affairs committee for referral.

- The Committee received post-audit reports for the following programs and approved their continuation:
 - Graduate Program in Translational Biomedicine – SUI
 - Master of Computer Science – SUI
 - Ph.D. in Second Language Acquisition – SUI

The Committee approved the following two new academic programs:

- B.S. and M.S. Diet and Exercise – ISU
- M.S. Degree Program in Enterprise Computing – ISU

MOTION:

Regent Becker moved to approve the following two new academic programs at Iowa State University: B.S. and M.S. Diet and Exercise, and M.S. Degree Program in Enterprise Computing. Regent Nieland seconded the motion. MOTION CARRIED UNANIMOUSLY.

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- The Committee received an update on the regular faculty activities report and approved a new format for faculty activities reporting.
- The Committee received ISU's request to combine the College of Education and the College of Family and Consumer Sciences under the name of College of Human Sciences. Committee members agreed to recommend approval of the combination.

MOTION: Regent Becker moved to approve ISU's request to combine the College of Education and the College of Family and Consumer Sciences under the name of College of Human Sciences. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

- The Committee approved requests for faculty professional development assignments for FY 2006 from all three universities. (The following motion took place later in the meeting when it was determined that a motion had not been made at the time of this Committee report.)

MOTION: Regent Becker moved to approve requests for faculty professional development assignments for FY 2006 from all three universities. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

- The Committee received two accreditation reports. These were for ISU's Greenlee School of Journalism and Communication and ISU's Bachelor of Fine Arts program in interior design.
- Committee members received and discussed a report concerning Lakeside Laboratory. The report included a plan for ongoing operations of Lakeside. Committee members asked the Lakeside Lab Coordinating Committee to provide annual reports on progress toward benchmarks to the Education and Student Affairs Committee.

MOTION: Regent Becker moved to approve the plan for ongoing operations of Lakeside Laboratory. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

Regent Newlin suggested that the Board should vigorously support and encourage (1) the development of new articulation agreements with the community colleges and (2) efforts to make the transition of transferring students and place-bound students more seamless.

MOTION: Regent Newlin moved to vigorously support and encourage (1) the development of new articulation agreements with the community colleges and (2) efforts to make the transition of transferring students and place-bound students more seamless. Regent Rokes seconded the motion.
MOTION CARRIED UNANIMOUSLY.

COMMITTEE REPORT – INVESTMENT.

Regent Neil presented the report of the December 15, 2004, Investment Committee meeting, as follows:

- The Investment Committee recommended that the Board approve (1) termination of Seneca Capital Management and (2) selection of Artisan Partners as the new small capitalization domestic fund manager.
- The Investment Committee received the investment and cash management report on the operating and endowment portfolios for the quarter ended September 30, 2004.
- The Investment Committee accepted a performance review of Wilshire Associates, the Board's investment advisor.
- The Investment Committee received a report on variable and fixed rate bonds presented by Barry Fick of Springsted, Inc., the Board's financial advisor.
- The Investment Committee recommended that the Board approve the requested University of Iowa banking relationship with Bank of America.
- The Investment Committee recommended that the Board consider, as a first reading, changes to the Board's investment policies regarding soft dollars, as presented.

MOTION: Regent Neil moved to approve (1) termination of the contract with Seneca Capital Management and (2) selection of Artisan Partners as the new small

capitalization domestic fund manager. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Neil moved to approve the requested University of Iowa banking relationship with Bank of America. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

COMMITTEE REPORT – HUMAN RESOURCES.

Regent Nieland presented the report of the December 15, 2004, Human Resources Committee meeting, as follows:

- The Committee discussed and voted to accept its work plan without change.
- The Committee received and discussed the annual governance report on diversity.
- Committee members discussed submitted information on the phased retirement program and concluded that the savings realized justified continuation of the program.
- Committee members received and discussed evaluation criteria for measuring the overall impact of the University of Iowa College of Pharmacy Incentive Pay Plan, as well as the evaluation criteria for determining awards under the pay plan for highly-meritorious teaching and service.
- Committee members received and discussed bargaining strategy for 2005-2007 labor agreements with UNI-United Faculty; Campaign to Organize Graduate Students, UE Local 896/C.O.G.S., (COGS); UIHC Tertiary Health Care Unit/Service Employees International Union (SEIU); and American Federation of State, County and Municipal Employees Council 61 (AFSCME).

ACTION: President Forsyth stated the Board received the report of the Human Resources Committee, by general consent.

KINNICK STADIUM RENOVATION. (a) Update on Capital Campaign, Sale of Premium Seating and Construction Bids Received to Date.

Vice President True stated that Board members were provided with information on the Kinnick Stadium project which had been prepared by University officials three to four

weeks prior to this meeting. He asked that Athletics Director Bowlsby provide an update on the capital gifts campaign and that Rod Lehnertz, Director of Campus and Facility Planning, Department of Facilities Management, address the construction bids. Director Bowlsby stated that good progress had been made during the last two months. The suites were 100% subscribed, three-fourths of which had been converted to contracts. Indoor club seats were 60% subscribed. Outdoor club seats were 93% subscribed. He said \$7.9 million of the \$10 million in anticipated fund raising had been committed. A grass roots fund-raising campaign will be conducted over the next 18 months. The budget was built on a 70% subscription overall and subscriptions were well in excess of 70% in all elements. He expects to exceed the fund-raising goal of \$10 million by the time the renovated stadium opens in 2006.

President Forsyth congratulated University officials on their successes.

Mr. Lehnertz provided an update on the construction process. He stated that demolition of the south end zone was nearing completion, somewhat ahead of schedule. South end zone construction will be completed and ready for the first football game next fall. He explained the complexity of the six bid packages which consisted of 26 separate contracts. Bids have been received on four of the six bid packages. Bid package three will be re-established as three contracts. He stated that breaking the bid package into more manageable contracts will attract more Iowa bidders. Bids came in under the construction estimate for bid package four by roughly \$380,000 which brings the entire project, to date, under budget by \$50,000. He noted that all of the contractors awarded contracts to date were Iowa-based companies.

Regent Neil pointed out that bid package two was \$1 million over the construction estimate. Mr. Lehnertz responded that, allowing for the 5% contingency, bid package two was roughly \$613,000 above the budget estimate. He noted there was a lack of contractor competition.

Regent Neil said he found it interesting that the reason given for hiring a construction manager was to get more competition. However, bid package three has to be redone because of a lack of competition. Mr. Lehnertz responded that four of the five contracts for bid package three were within the budget. It was determined that the reason the one contract was not within the budget was that there was little competition from the general contractors due to the contract size and availability of a workforce. Redesigning the components was anticipated to attract more and smaller contractors and increase the bid competition.

Regent Arbisser stated that his practice was constructing a building in the Quad-Cities. They have experienced a 6- to 7-figure increase in steel prices in a matter of months.

He congratulated the University team for doing a great job with bidding the Kinnick Stadium project.

Director Bowsby noted that, in addition to the issue of steel prices, all of the contract bidders included significant premiums for overtime and unknown costs that may arise as a result of the very aggressive construction schedule.

(b) Purchase and Financing of New Kinnick Stadium Scoreboard.

Director Bowsby presented the University's request regarding a new scoreboard for Kinnick Stadium. He stated that University officials have been negotiating a separation from Actions Sports Media (ASM), with whom the University is currently contracted for marketing of advertising. The University wishes to keep its options open as far as future advertising.

Director Bowsby said the current scoreboard and message center likely has another three years of usable life. However, requirements of building code cause the rise on the new grandstand to extend out into what was the tennis courts. The last row of bleachers would be farther away from the field than it is under the current configuration. This would necessitate moving the scoreboards and message centers. He added that the technology of the existing stadium scoreboard is likely five generations old compared to the current state-of-the-art technology.

University officials wish to negotiate the separation from ASM to maintain the University's prerogatives going forward. Their vision is that the radio properties, the in-stadium magazine, the coaches' shows and the in-stadium signage would all be under a bundled rights package. University officials believe that doing so would offer the opportunity to maximize revenue. Director Bowsby stated there appeared to be a very good opportunity to get out of the arrangement with ASM and to keep those prerogatives for the University.

Director Bowsby said the University's proposal to purchase a new scoreboard with the new technology will be less intrusive on the south end zone and also allow the University to keep future prerogatives intact. University officials have to begin discussions with those who might be holders of the bundled rights.

Vice President True discussed the bidding process and the conclusion to acquire the Daktronics scoreboard, as outlined in the meeting materials. He presented the University's proposal which included opting out of the current agreement with ASM at a total cost of \$2,249,466.36.

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<u>Item</u>	<u>Cost</u>	<u>Proposed Method(s) of Financing</u>
Daktronics equipment bid	\$2,013,300	Taxable loan from Wells Fargo (anticipated 6.18% interest rate, 10 year term; semi-annual payment of \$135,552)
Estimated cost of Control Room equipment / software (to be bid in April 2005)	750,000	Financed through project budget (revenue bonds)
Estimated cost of Sound System (to be bid in April 2005)	<u>500,000</u>	Financed through project budget (revenue bonds)
Subtotal	\$3,263,300	
Action Sports Media Equipment Buyout	1,970,091	University internal loan to Athletics; loan likely to be for 5 years with terminal balloon payment; assumed interest rate of 5%, annual payment of \$250,800
TOTAL	\$5,233,391	
Funding in Approved Renovation Budget	-1,000,000	
Additional Funding Needed	\$4,233,391	*

*The cost of the buyout for future advertising contracts is not included above; the University reports that this total cost of \$279,375 will be charged to current year operations as the revenues from the affected advertising contracts are earned.

Regent Arbisser asked why University officials decided to use two different funding sources. Vice President True stated that University officials first considered the standard form of financing equipment through Wells Fargo, the Board's master lease provider. There were some complications in this case because the borrowing would need to be subordinate to the bonds that are being issued for the renovation of the Stadium. He said University officials wanted to use taxable financing to finance \$2 million of the equipment. To take advantage of tax-exempt rates, the University would finance \$2 million internally (to be used for the Action Sports Media equipment buyout) by charging the Athletics Department a lower rate than would be charged by Wells

Fargo. If the entire amount were financed through Wells Fargo, the Board's master lease provider, it would be more expensive to the Department of Athletics. Therefore, University officials are trying to blend tax-exempt, less-expensive debt with taxable debt through Wells Fargo. With regard to the \$1 million that would come from bond proceeds, University officials envision that would be tax-exempt bonding, as well.

Regent Arbisser asked why the University would not finance the entire package at the 5% rate. Vice President True said that could theoretically be done but he had made the judgment not to do so. He was comfortable with advancing the funds for approximately one-half of the cost with the other one-half being financed on a taxable basis from an outside entity. He said he also was not comfortable financing the new scoreboard over a period of ten years but preferred a shorter length of time related to the University's ability to internally finance other projects.

President Forsyth asked about interest rates if the University were to issue bonds to finance the scoreboard. Vice President True responded that if one would put it within a bond sale and increase the amount of bonds to be sold above \$100 million previously indicated, it would be a lower cost.

President Forsyth said there had been a discussion the previous day about whether financing this amount at a variable rate would be less expensive.

Vice President True stated that including financing the scoreboard in the bond sale has a couple of issues. First, the University is selling debt in six to eight months. If University officials were to recommend and the Board were to agree to expanding the University's overall bonding authority above \$100 million for the Kinnick Stadium Renovation project, that would be an option. Another consideration would be the useful life of the equipment being financed as it relates to the length of the debt.

President Forsyth suggested that variable rate financing could be used and the debt could be retired early. He questioned whether the University's proposal was the most cost-effective method of financing. Are there other financing options that would cost the enterprise less?

Director Bowsby stated that in 1995 the University partnered with a financing agency and took a rather modest amount of revenue off of this piece of the enterprise. The proposed approach to keep the financing outside of the bonded package appears to provide maximum latitude to make that type of a deal with a partner. This is really an outsourcing effort for us and it goes well beyond the scoreboard signage or the program, from a marketing standpoint. The proposal would provide opportunities for personnel reductions and other expense reductions over time.

President Forsyth asked University officials if they were constrained by the Board's indication of a particular maximum amount for bonding. If so, the Board should consider what is the least expensive way to get this done with the maximum amount of flexibility.

President Forsyth stated the scoreboard issues were not presented to the Board with the Kinnick Stadium Renovation project. Also, on two separate occasions, the Board was presented with issues related to scoreboards that were said to have ten-year lives and both ended up having seven-year lives.

Director Bowlsby responded that better opportunities presented themselves, especially related to technology.

President Forsyth expressed concern that the Board was not presented with full disclosure when the Kinnick Stadium Renovation project was initially presented. The question at this time was whether there is a more cost-effective way to move forward in addressing and financing the scoreboard. He said the Board had established funding parameters for the University. If there were an opportunity to change an assumption and save hundreds of thousands of dollars, the Board would be interested in receiving that information.

Vice President True stated that the parameter of \$100 million in bonded indebtedness for the Kinnick Stadium Renovation project was one such assumption. He said University officials had brought forward a proposal that did not broach the Board's parameter of \$100 million in bonded indebtedness for the project.

President Forsyth asked Board members if they had any concerns about whether the University borrows or bonds for the funds. Hearing no concerns, he informed University officials that the \$100 million constraint had been removed.

Vice President True stated, with that understanding, the University could proceed to address the scoreboard issues less expensively and build it into the longer-term financial picture. University officials would consider the opportunity to fund a portion of the cost internally but not consider a higher-interest taxable loan through Wells Fargo.

President Forsyth noted that the tennis courts were related to the Kinnick Stadium project because they had to be relocated. He asked that the issue with the tennis courts be incorporated into the stadium renovation project for purposes of full disclosure, as well as any other elements that may be involved in a type of ripple effect with this project.

Vice President True said there were some remaining pieces – such as the concession areas and vendor financing – that University officials would work to address with Board members as quickly as possible in advance of requesting specific Board action.

Regent Newlin asked for the useful life of the proposed Daktronics scoreboard equipment. Director Bowsby responded that, with proper maintenance, scoreboards and message centers have lives of 10 years. He noted that when the University transitioned from the old dot matrix scoreboard to the new video board, an additional \$400,000 in revenue was captured. Therefore, he could not say with any certainty that a similar opportunity to upgrade might not present itself during the effective life of the Daktronics equipment.

President Forsyth suggested changing the recommended action, by changing the term “loan agreement” to “financing agreement”. He stated that University officials would report back to the Board on how to get the best cost.

MOTION: Regent Neil moved to approve the University of Iowa’s request to acquire a new state-of-the-art scoreboard and videoboard from Daktronics of Brookings, South Dakota, for Kinnick Stadium, and to authorize and direct the Executive Director to approve and execute the financing agreement and such other documents as may be necessary as approved by bond counsel. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) Preliminary Resolution for the Sale of up to \$25,000,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2005.

Mr. Bittle presented information on the University of Iowa’s request to finance a portion of the cost of the Kinnick Stadium Renovation project through bonding.

MOTION: Regent Rokes moved to adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$25,000,000 Athletic Facilities Revenue Bonds, Series S.U.I. 2005. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

(d) Renaming of the Plaza on the South Side of Kinnick Stadium.

Director Bowsby presented the University's request to name the plaza on the south side of Kinnick Stadium in honor of William and Nancy Krause. He stated that the Krauses have a long history with the University of Iowa. The plaza, which is adjacent to Melrose Avenue, will be named in honor of the Krause Family for their longstanding contributions and volunteer efforts on behalf of athletics and other University of Iowa programs.

President Forsyth expressed appreciation to the Krauses for their most generous gift.

MOTION: Regent Arbisser moved to approve naming the plaza on the south side of Kinnick Stadium, adjacent to Melrose Avenue, as the Krause Family Plaza. Regent Becker seconded the motion.
MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS UNIVERSITY OF IOWA ITEMS. (a) Property Purchase.

Vice President True presented the University's request to purchase the commercial property located at 620 and 624 South Madison Street in Iowa City.

MOTION: Regent Newlin moved to approve the purchase of property located at 620 and 624 South Madison Street, Iowa City, Iowa, from Thomas and Marilyn Alberhasky, at the purchase price of \$850,000, subject to approval of the Executive Council of Iowa. Regent Neil seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Becker, Downer, Forsyth, Neil, Newlin, Nieland, Rokes, Vasquez.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

(b) Naming of Vaughan Institute of Risk Management and Insurance.

Provost Hogan stated that Emmett Vaughan was a member of the University of Iowa faculty for more than 40 years. He was a prolific scholar in the area of insurance. Professor Vaughan died sadly and suddenly late last October. University officials

proposed to honor Professor Vaughan's memory by naming the Institute of Risk Management and Insurance after him.

President Forsyth said he could think of no more appropriate memorial than the one proposed.

Regent Neil stated that it should also be noted that Professor Vaughan developed the reinsurance program for the University doctors which has saved a lot of money.

MOTION: Regent Downer moved to approve re-naming the Institute of Risk Management and Insurance as the Emmett Vaughan Institute of Risk Management and Insurance. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) Campus Chilled Water System Review and Proposed Improvements.

Vice President True presented the University's report on the Campus Chilled Water System Review and the proposed improvement projects. He stated that Stanley Consultants performed a comprehensive review of the University's chilled water system. As a result, University officials were requesting permission to proceed with the West Campus Chilled Water Plant expansion. University officials also requested approval of a project description and budget to begin replacing obsolete chillers in the existing west campus chiller system. A third request was for permission to proceed with an additional east campus chilled water plant near the University power plant. The east campus facility would utilize low-pressure steam that would not otherwise be used.

Vice President True stated that it was less expensive to undertake these types of projects within the utilities system rather than as part of other University capital projects. For instance, a large chilling capacity is required for the University Hospitals and Clinics Image-Guided Radiation Oncology program. The necessary capacity for that facility was built within the utility system. The University Hospital and Clinics will be charged an operating cost while, at the same time, a 20% to 25% efficiency in operations is gained.

President Forsyth noted that Gregs Thomopulos, CEO of The Stanley Group, is on the Wellmark Board; therefore, he would abstain from voting on this agenda item.

Regent Becker asked for the projected life span of the new chilled water system. Mr. Price of Stanley Consultants responded that a centralized industrial-grade chilled water system typically has a 30- to 40-year life span.

MOTION: Regent Rokes moved to (1) receive the report of the University of Iowa Campus Chilled Water System Review and (2) approve the requested actions for the chilled water system improvement projects of the agenda item. Regent Arbisser seconded the motion. MOTION CARRIED WITH REGENT FORSYTH ABSTAINING.

MISCELLANEOUS IOWA STATE UNIVERSITY ITEMS. (a) Purchase of Nuclear Magnetic Resonance Spectrometers for Chemistry Department.

Vice President Madden presented Iowa State University's request. He stated that researchers are in the process of evaluating the performance of the three bid packages that were received. A decision would be forthcoming on which of the systems should be purchased. The University's purchase recommendation would be presented to the Board Office for approval.

MOTION: Regent Becker moved to approve the equipment purchase of two or three Nuclear Magnetic Resonance Spectrometers (NMRs) at an estimated cost of \$2.6 to \$2.8 million in support of solution and solid-state research for Iowa State University. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

MISCELLANEOUS UNIVERSITY OF NORTHERN IOWA ITEMS. (a) Proposed Property Sale.

Vice President Schellhardt presented the University's request to sell a warehouse property on the southeast edge of campus. One bid was received in response to the advertised sale of the property and that was from the City of Cedar Falls. He said the University would be better served by consolidating all of its warehousing operations into its 27th Street warehouse.

Regent Downer asked how close the warehouse is to other University property. Vice President Schellhardt responded that the property proposed for sale was not contiguous to University land. The next closest University property was one-quarter mile away, at the northeast corner of University and Hudson.

Regent Newlin asked that, in the future, a dotted line be included on the maps to show University property lines.

MOTION: Regent Neil moved to approve the sale of the University of Northern Iowa's University Avenue Warehouse located in Cedar Falls, Iowa, to the City of Cedar Falls, at the sale price of \$200,000, subject to approval of the Executive Council of Iowa. Regent Rokes seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Becker, Downer, Forsyth, Neil, Newlin, Nieland, Rokes, Vasquez.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

INSTITUTIONAL REGISTERS OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. (e) Iowa Braille and Sight Saving School.

Superintendent Thurman presented the School's capital register which included a project to continue to upgrade the campus air conditioning system which began four years ago.

MOTION: Regent Downer moved to approve the Register of Capital Improvement Business Transactions for the Iowa Braille and Sight Saving School. Regent Rokes seconded the motion. MOTION CARRIED UNANIMOUSLY.

(d) Iowa School for the Deaf.

Superintendent Prickett presented the School's capital register which included a project to install a new code-compliant heating, ventilating and air conditioning (HVAC) system to replace the existing obsolete system that serves the kitchen and main dining room.

MOTION: Regent Arbisser moved to approve the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) University of Northern Iowa.

Vice President Schellhardt stated the University's capital register was in order, and offered to answer questions. There were none.

MOTION: Regent Rokes moved to approve the selection of Baldwin White Architects, Des Moines, Iowa, in association with Flad and Associates, Madison, Wisconsin, to provide design services for the Science Buildings Renovation—Phase 1 project, a major capital project as defined by Board policy adopted in June 2003. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

(a) University of Iowa.

Vice President True introduced Kevin Monson of Neumann Monson Architects to present the schematic design for the West Campus Tennis-Recreation Center and Sports Activity Fields project.

Mr. Monson provided a PowerPoint presentation of the project design, which included the site plan, views of the proposed facility from different elevations, and floor plans.

Regent Newlin asked if gender equity was being followed in designing the rest rooms. Vice President True responded affirmatively.

MOTION: Regent Newlin moved, with regard to the West Campus Tennis-Recreation Center and Sports Activity Fields project, to (1) acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria; (2) accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and (3) approve the schematic design and project description and budget (\$12,000,000) with the understanding that this approval will constitute final Board approval and authorization to proceed with construction. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President True stated that University officials requested Board approval for selection of an architect for the East Campus Recreation Center/Field House Renovation project.

MOTION: Regent Rokes moved to approve the selection of RDG, Inc., to provide design services for the East Campus Recreation Center/Field House Renovation project. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President True introduced Senior Associate Director Staley, College of Nursing Dean Dreher and University Hospitals Director of Nursing Everett to discuss the University Hospitals and Clinics—Nursing Clinical Education Center project.

Senior Associate Director Staley said the proposed project would be a state-of-the-art facility that would serve nursing students and nursing staff, and would benefit nurses from throughout the state and region who participate in the University's continuing education programs. He stated that a question was raised in August when the program statement was presented about whether University officials had reviewed the cost of building two independent centers – one at the Hospital and one at the College of Nursing. University officials determined that doing so would require almost a \$9.8 million expense, as opposed to the \$3.7 million cost for the combined Center.

Dean Dreher discussed the genesis of the proposed program, which began over four years ago. She said the College of Nursing was outgrowing its building. The existing clinical education center was not viable space for the technology and equipment necessary to prepare nurses for the future. She approached University Hospitals Nursing Director Everett about a nursing collaboratory housed at the Hospital that could be used by practicing nurses as well as nursing students. She proposed that the College of Nursing raise money for equipping the new facility if the Hospital provided the renovated space. The Hospital generously agreed to partner with the College.

Dr. Everett stated that the Hospital was also in need of additional space for nursing education for its 2,000 nursing personnel. She said the proposed facility would bring those educational activities onto the campus; they would be available to both students and staff. This state-of-the-art center would be another tangible piece of evidence that the University is addressing issues with nursing professionals and students in a long-term strategic fashion. Bringing students and registered nurses together will help with recruitment and retention of an excellent nursing staff.

Regent Rokes stated that many young people are interested in nursing and would enjoy utilizing the proposed facility.

Regent Becker noted the project would reinforce the Hospital's efforts in nursing magnet designation.

MOTION: Regent Neil moved, with regard to the University Hospitals and Clinics—Nursing Clinical Education Center project, to (1) acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria; (2) accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and (3) approve the schematic design and project description and budget (\$3,707,000) with the understanding that this approval will constitute final Board approval and authorization to proceed with construction. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

Senior Associate Director Staley presented the request for approval of the architect agreement for the University Hospitals and Clinics—Magnetic Resonance Imaging (MRI) Center Renovation and Systems Installation—Phase 2 project.

MOTION: Regent Arbisser moved to approve the architectural agreement with Durrant Architects, Dubuque, Iowa, in association with PDC Midwest, Hartland, Wisconsin (\$246,000) to provide design services for the University Hospitals and Clinics—Magnetic Resonance Imaging (MRI) Center Renovation and Systems Installation—Phase 2 project. Regent Rokes seconded the motion. MOTION CARRIED UNANIMOUSLY.

Senior Associate Director Staley presented the University's request to approve an amendment to the architectural agreement for the University Hospitals and Clinics—Ambulatory Surgery Center and Procedure Suite and Replacement Ambulatory Care Clinic Development project. He explained how two capital projects were being consolidated into one project. He stated that the University had engaged a national space planning and management consulting firm which conducted a thorough study of the Hospital's ambulatory care services, plans and needs. The firm provided recommendations on cost-effective ways to meet the needs and optimize the use of available space. It became evident that consolidating the Ambulatory Surgery Center

and the replacement Ambulatory Clinic would yield substantial efficiencies by capitalizing on design and construction economies of scale, and reducing construction coordination requirements. He stated that the consolidated project would cost \$2.9 million less than the sum originally estimated for the two separate projects.

President Forsyth commended University officials for determining a better way to do things.

MOTION: Regent Neil moved, with regard to the University Hospitals and Clinics—Ambulatory Surgery Center and Procedure Suite and Replacement Ambulatory Care Clinic Development project, to (1) acknowledge receipt of the University's submission of information to address the Board's capital project evaluation criteria for the expanded project scope; (2) accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and (3) approve Amendment #1 (\$375,000) to the architectural agreement with Herbert Lewis Kruse Blunck, Des Moines, Iowa. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Becker moved to approve the remaining items on the University of Iowa's capital register. Regent Downer seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Iowa State University.

Vice President Madden introduced Steve Knierim of OPN architects to present the Student Success Center schematic design.

Mr. Knierim stated that the occupants of the Student Success Center would be the Christina Hixson Opportunity Awards group, the Academic Success Center, and the Athletic Center for Educational Services. The building will be on the site of the Wallace Road Office Building, which will be demolished. He reviewed the design from the various elevations, the site plan and the floor plans, noting that the building design was responsive to the site constraints.

Regent Neil asked for the rationale for having a flat roof on the west side of the building. Mr. Knierim responded that the architects made a conscious decision to use a two-story low-slope roof on that portion of the building. The scale of the new structure was reduced on the west side so it would not overpower the two adjacent buildings. Although one of the two adjacent buildings was scheduled for demolition within the next few years, the second building could be there for another 30 to 40 years.

Regent Neil expressed dissatisfaction with having flat roofs on buildings in Iowa's environment. Mr. Knierim responded that the architects are convinced that a slope of one-half inch per foot with a 20-year useful life membrane is a high-performing roof.

Regent Becker asked for the amount of slope from the taller side of the building to the outside edge. Mr. Knierim responded that the roof slopes to the middle from both directions. There will be approximately 10 inches of fall.

Regent Arbisser asked about parking. Mr. Knierim responded that a large lot is being built north of Maple-Willow-Larch, which will add another 40 to 50 spaces, in addition to the planned on-site parking.

Vice President Madden stated that the roof meets and exceeds the appropriate standards. University officials have received assurance that the life of the roofing materials and the membranes will satisfactorily serve this building.

Regent Rokes expressed support for the facility, stating that students would enjoy the facility's extended hours.

Regent Vasquez said she had previous experience on a board of directors that had to deal with a difficult situation with flat roofs on a very old building. She asked if roofing technology has advanced to a point where there is not as much concern with flat roofs leaking.

Mr. Knierim responded that there are endless "horror stories" about roofing technologies of all types as they underwent their trial and error periods. In the last twenty years, roofing membranes have been performing extraordinary well. There has been much improvement in stabilization of those systems. Not only is the technical product more sound, the application process is much more intelligent.

MOTION: Regent Becker moved, with regard to the Student Success Center project, to (1) acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria; (2) accept the Board Office

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recommendation that the project meets the necessary criteria for Board consideration; and (3) approve the schematic design and project description and budget (\$10,000,000) with the understanding that this approval will constitute final Board approval and authorization to proceed with construction. Regent Newlin seconded the motion. MOTION CARRIED WITH REGENT NEIL VOTING "NO".

Vice President Madden stated that a second item on the University's capital register was the Hilton Coliseum Improvements 2004 project.

MOTION: Regent Downer moved to approve the selection of RDG Planning and Design, Des Moines, Iowa, to provide design services for the Hilton Coliseum Improvements 2004 project. Regent Rokes seconded the motion. MOTION CARRIED UNANIMOUSLY.

Vice President Madden stated that the final item which he wished to bring to the Board's attention was the demolition of Knapp and Storms Halls. He said it was likely that the structures would be imploded.

MOTION: Regent Neil moved to approve the project description and budget (\$4,859,210) for the Storms and Knapp Hall—Demolition project. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

CONFLICT OF INTEREST.

MOTION: Regent Becker moved to approve the following additions to the respective institution's list of approved vendors with a potential conflict of interest: UNIVERSITY OF IOWA—Mark E. NeuCollins dba Neue Grafik Design Works and Jeanne Thompson dba RISHdesign. IOWA STATE UNIVERSITY—ProplannerTM. Regent Arbisser seconded the motion. MOTION CARRIED UNANIMOUSLY.

IOWA STATE CENTER REPORT.

Vice President Madden stated that Spectator Management Group, which manages the Iowa State Center, was doing a satisfactory job.

ACTION: President Forsyth stated the Board received the annual report on the Iowa State Center for the year ended June 30, 2004 , by general consent.

APPOINTMENTS TO COMMITTEES.

Executive Director Nichols stated the proposed appointments were largely necessitated by Director Barak's retirement in January.

MOTION: Regent Neil moved to approve the appointments as presented, to be effective January 1, 2005. Regent Downer seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Regent Neil said the appointments signified how many people it will take to replace Director Barak.

EXECUTIVE SESSION.

Regent Downer stated that Agenda Item 22 involved a student organization appeal and Item 23 involved a personnel appeal. The Board Office made a recommendation for both items, but because the Board's decision on each item had the potential for being appealed to District Court, he asked that the Board have the opportunity to discuss the matters with counsel before acting upon the recommendations. Iowa Code section 21.5(c) provides the Board with a basis for entering a closed session to discuss this matter.

MOTION: Regent Downer moved to enter into closed session. Regent Neil seconded the motion, and upon the roll being called, the following voted:
AYE: Arbisser, Becker, Downer, Forsyth, Neil, Newlin, Rokes, Vasquez.
NAY: None.
ABSENT: Nieland.

MOTION CARRIED UNANIMOUSLY.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 3:50 p.m. on December 16, 2004, and adjourned therefrom at 4:17 p.m. on that same date.

STUDENT ORGANIZATION APPEAL.

MOTION: Regent Rokes moved to deny the request of the student organization for review of a final institutional decision. Regent Becker seconded the motion. MOTION CARRIED UNANIMOUSLY.

EMPLOYEE APPEAL.

MOTION: Regent Arbisser moved to deny the request of the employee for review of a final institutional decision. Regent Downer seconded the motion. MOTION CARRIED WITH REGENT ROKES ABSTAINING.

ADJOURNMENT.

The meeting of the Board of Regents, State of Iowa, adjourned at 4:20 p.m. on Thursday, December 16, 2004.



Gregory S. Nichols
Executive Director