
From: Koppin, Sheila Doyle [BOARD]
Sent: Thursday, May 31, 2012 10:50 AM
To: Fandel, Linda [IGOV]; Jeff Boeyink; Hough, Margaret [IGOV]
Cc: Albrecht, Tim [IGOV]; Centers, Jimmy [IGOV]; Brunson, Marcia R [BOARD]; Sayre, Patrice [BOARD]; Smith, Dianne [BOARD]; Donley, Robert [BOARD]; Saunders, Keith; McCarthy, Ann M [GOV R]; jbeck@iastate.edu; Carroll, Nicole; Craig Lang (calangfarm@gmail.com); Dave Miles; Downer, Robert; Harkin, Ruth; Jack Evans; Johnson, Greta A; Mulholland, Katie; Rastetter, Bruce
Subject: Board of Regents Meeting, June 6, 2012



June 2012
letter.pdf

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May 31, 2012

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

Dear Governor Branstad:

This letter provides information about the meeting of the Board of Regents on June 6, 2012, at the University of Iowa.

The meeting materials are available on the Regent website at the following address:

www.regents.iowa.gov/Meetings/DocketMemos/agendaitems.html

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

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

The Education and Student Affairs Committee chaired by Regent Mulholland will meet at 8:30 a.m. The committee will consider various proposals relating to academic programs at the universities. The committee will also review three accreditation reports. The committee will receive an update regarding the feasibility to examine the administrative and programmatic functions of ISD and IBSSS (ESAC #12) as required by Iowa Code §270.10.

The meeting of the University of Iowa Hospitals and Clinics Committee will follow the Education and Student Affairs Committee. Regent Downer chairs the UIHC committee. The committee will receive the UIHC financial and operational performance report for the year to date as well as receiving a planning update on the new University of Iowa Children's Hospital.

The Audit/Compliance and Investment Committee, chaired by Regent Evans, will meet following the hospital committee. The committee will review the Investment and Cash Management Report for the quarter ended March 31, 2012.

Board agenda items are summarized below:

The Board will continue the discussion begun in March about tuition set-aside and the Board policy requiring the universities to set-aside a minimum of 15% of gross tuition proceeds for student financial aid.

In accordance with Board policy, the annual capital plan is presented in Agenda Item #3i. The plan provides an overview of institutional plans and priorities for the coming year and provides a status report on previously approved projects with budgets exceeding \$1 million.

The Board is asked to consider approval of agreements with the Nebraska Department of Education. The agreements first approved in 1998 provide for educational and residential services for Nebraska students with hearing impairments at the Iowa School for the Deaf. The school anticipates nine students from Nebraska in the fall.

Agenda Item #3c details the crime statistics at the universities for the first quarter of calendar year 2012. Charts within the memorandum provide comparison of statistics from the current year with the same quarter in 2011 and identifies the number/percentage of students charged with various alcohol-related offenses.

The annual report on campus sustainability is presented in Agenda Item #3d. The report highlights various activities related to campus operations such as energy conservation and recycling and in education/research areas and outreach efforts.

The Board will consider salary policies for nonorganized faculty and staff at the universities and the Board Office for FY 2013 (Agenda Item #5). Increases of between 0% and 4% with an average of 2.5% are proposed for the universities and Board Office. Increases in excess of 4% for nonorganized faculty and staff will require prior approval of the Executive Director of the Board. Increases for promotions, reclassifications or contractual agreements are excluded from the approval process. It is proposed that nonorganized staff in the Regent Merit System receive increases equivalent to the increases received by their counterparts in AFSCME bargaining units. Pay matrices for the faculty at ISD and IBSSS will be increased 3% and 1.5% respectively. Average faculty increases at ISD are estimated at 3.78% and at IBSSS, 2.43%. These increases include movement on the matrices for longevity as well as movement for attaining additional education. ISD is proposing average increases of 3.5% for P&S staff. IBSSS is proposing average increases for 1.5% for P&S staff.

Agenda Item #6 details the FY 2013 budget for the special schools as well as provides information on the budget planning process at the universities and amended FY 2012 amended budgets. The proposed FY 2013 operating budget for ISD is 1.8% higher than the FY 2012 budget due primarily to the 2% increase in state appropriations which is equivalent to the allowable growth provided to Iowa's public school districts. The operating budget for FY 2013 for IBSSS is 2.8% higher than the prior year resulting from the increase in state funding and additional projected sales/service revenue from the increase in the AmeriCorps lease and service billing revenue generated from the AEA's.

The Board will consider numerous actions relating to capital projects at the University of Iowa Capital Register. Among the projects on the register is the consideration of a revised budget and schematic design for the Children's Hospital. The revised budget of \$292 million would be funded from three sources – hospital revenue bonds, hospital building usage funds and designated gifts. Other projects include the replacement of hospital ramp #2 which includes razing the existing ramp and construction of a below-grade replacement parking facility. This project is necessary due to construction of the new Children's Hospital. More information on these projects and other projects on the register may be found in Agenda Item #7.

The Iowa State University Capital Register (Agenda Item #8) includes revised budgets for a project at the Iowa State Center courtyard which would renovate the elevated walkway and make improvements in landscaping, parking areas and vehicular roads. The revised budget for Phase 1 of the Curtiss Hall project would add central air conditioning and make extensive renovations to address accommodations required by the Americans with Disabilities Act.

In 2008, the Board entered into an agreement with the United States Government to lease space on the campus of IBSSS to be utilized by AmeriCorps National Civilian Community Corps (NCCC). AmeriCorps NCCC desires to expand its annual presence on the IBSSS campus from 240 corps members to 480. To support this expansion, the U.S. government desires additional building and land space for supply storage, vehicle maintenance and storage, and residential space. The lease addenda includes leasing 2,900 additional square feet in Old Main, space in the service building and 46,872 additional gross square of outdoor space for construction of a parking lot. More information on the lease addenda may be found in Agenda Item #10.

The Board will conduct one bond sale – refunding of dormitory revenue bonds for the University of Iowa. The Board's financial advisor projects the refunding would result in a present value savings of approximately \$1.2 million. Annual cash flow savings are estimated at approximately \$130,000. More detail on the bond sale may be found in Agenda Item #11a.

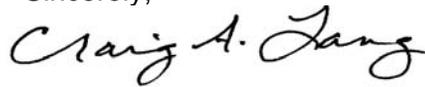
Agenda Item #13 outlines the Board's Accountability of Resources Initiative to be led by Regent David Miles. The initiative will focus on (1) budgeted general university spending by activity; (2) unit cost of instruction; (3) peer comparison of functional spending; and (4) use of incremental funds and reallocations. It is anticipated the final study will be presented to the Board prior to the next legislative session.

The Board will receive a presentation related to various aspects of procurement at the Regent institutions. The presentation will focus on cooperative efforts among the institutions as well as with the rest of state government to be as efficient as possible in all purchasing efforts.

SUI Professor Chuck Connerly and his student, Robyn Fennig will discuss the interactive website she produced allowing individuals to obtain wind, solar, and ground source heat pump potential for any parcel in the city of Dubuque. The information is expected to be displayed on the Greater Dubuque Development Corporation's website for use by the general public. Dan McDonald, vice-president for existing business in the Greater Dubuque Development Corporation, was the chief project partner; and he will discuss the value of the project.

If we can provide additional information, please contact us.

Sincerely,

A handwritten signature in black ink that reads "Craig A. Lang". The signature is written in a cursive style with a large, stylized "C" and "L".

Craig A. Lang

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