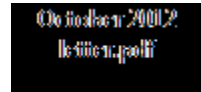

From: Koppin, Sheila Doyle [BOARD]

Sent: Friday, October 19, 2012 10:43 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 D'; McCarthy, Ann M [GOV R]; Beck, Jeneane [BOARD]; '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, October 24-25, 2012



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REGENTS**
STATE OF IOWA

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Katie S. Mulholland, *Marion*

Robert Donley, *Executive Director*

October 18, 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 October 24-25, 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 Audit/Compliance and Investment Committee, chaired by Regent Evans, will meet at 3 p.m. Auditor of State Vaudt will review a state audit report with the committee. Chief Audit Executive Todd Stewart will discuss various internal audits.

The University of Iowa Hospitals and Clinics Committee chaired by Regent Downer will receive a report of operating and financial performance for the current fiscal year. The committee will receive an update of the strategic plan.

As is customary, the Board will meet with the student leaders from the three universities for breakfast on the morning of the second day.

The Education and Student Affairs Committee chaired by Regent Mulholland will meet at 8:30 a.m. on the second day. Among other items relating to academic programs at the universities, the committee will review the Fall 2012 Enrollment Report. The enrollment report shows a Fall 2012 enrollment of 74,811 students at the three state universities. The enrollment at the

University of Iowa is 31,498 (1% increase over the prior year); 30,040 (3.9% increase over the prior year) at Iowa State University and University of Northern Iowa -- 12,273 (6.8% decrease from the prior year). Fall 2012 is the first year ISU has seen enrollment in excess of 30,000; the University of Iowa surpassed 30,000 students for the sixth year.

The committee will review three accreditation reports --

College of Dentistry -- dental education programs and all nine of the advanced dental education programs and the general practice residency were accredited for the maximum period of seven years.

University of Iowa – Clinical Psychology Doctoral Program – received accreditation for the maximum period of ten years.

University of Iowa College of Education -- all licensure and professional endorsement programs received accreditation for the maximum period of ten years.

The Education Committee will receive an update on the Kirkwood Regional Center at the University of Iowa. The center is a partnership among the University of Iowa, Kirkwood Community College, and six school districts in the region. The purpose of the center is to strengthen Iowa K-12 science and math education, stimulate interest in STEM and STEM careers, develop and assess new models for teaching and learning in STEM fields and prepare teachers in a unique setting. Construction of the center will be funded by a regional bond issue by Kirkwood Community College and will be located on land provided by the University of Iowa in the Research Park.

Board agenda items are summarized below:

The Board will receive the annual Interagency Cooperation Plan report (Agenda Item #4b). The report, required by Iowa Code 262.9B, details cooperative purchasing efforts between the Board of Regents and its institutions, the Department of Administrative Services, the Chief Information Officer of the State and other state agencies.

The Board will consider approving the title “President Emeritus” for former Iowa State University President Gregory L. Geoffroy.

In keeping with the Board’s decision at the September meeting, the Board will consider no increase in tuition for the 2013-2014 academic year for undergraduate resident students. The University of Iowa and the University of Northern Iowa are proposing 2.6% increases for undergraduate nonresident tuition. Iowa State University is proposing an increase of 2.35% for nonresident undergraduate tuition. Final Board action will be at the December meeting. More detail on tuition may be found in Agenda Item #7.

The University of Iowa Capital Register (Agenda Item #9) contains a number of projects. The university requests permission to proceed with planning for an annex to the Seamans Center for Engineering Arts and Sciences. The approximately 65,000 gross square foot addition would be constructed at the south end of the existing building. The estimated cost of \$30 million would include \$24 million from College of Engineering gifts

and earnings and \$6 million in central capital support funding. Occupancy in 2016 is the preliminary target. The university is requesting approval of the schematic design and budget for the flood mitigation project for the Theatre Building. The \$13.7 million project has received significant review and direction from FEMA. The project, which has received a FEMA funding obligation, would be funded by insurance proceeds, FEMA grants and state and university flood resources. The Board is asked to approve the schematic design and budget (\$14.6 million) for the Family Medicine Center – Hawkeye Campus. The facility will be located west of the Kinnick Stadium/hospital complex and would replace the current family medicine clinics located on the lower level of the Pomerantz Family Pavilion. The 45,000 gross square foot facility would be funded by University Hospitals Building Usage Funds. The Board is asked to approve a third schematic design and budget for a project to develop 61,700 gross square feet of shelled in space by infilling existing rooftop space on levels 7 and 8 of the John Colloton and John Pappajohn Pavilions. The \$12.4 million project will be funded by University Hospitals Building Usage Funds. More detail on these and other projects may be found in the Agenda Item #9.

The Board will consider approval of a property purchase in Coralville -- 1.74 acres of industrial warehouse property located immediately south of the newly opened Iowa River Landing Ambulatory Clinic. The land would be used for a future building similar to the Iowa River Landing clinic. The purchase price, \$1.8 million plus relocation costs of tenants not to exceed \$475,000, is based on two appraisals and is consistent with Board policy.

The Board will consider another property purchase for the benefit of the University of Iowa. The property is located adjacent to land owned by the university in the University Research Park. The proposed purchase would increase the frontage along Highway 965 making the existing university land more viable for development,

The Iowa State University capital register includes two projects. The Board is asked to approve the schematic design, budget and financing plan for expansion of Frederiksen Court. The \$30.9 million project would be financed by proceeds from the sale of dormitory revenue bonds and would construct six 120-bed buildings to provide housing for 720 students. For the second project – office remodeling for Lagomarcino Hall -- the Board is asked to approve the schematic design and revised budget (\$825,000 increase to \$3.7 million). The project would remodel space within the north wing of the hall to provide a new centralized area for the School of Education Administration within the College of Human Sciences.

The Board will receive the 2012 Economic Development and Technology Transfer Report. The Economic Development and Technology Transfer Program was supported by \$841.3 million in funding sponsored by federal and corporate sources in FY 2012. State funding for ongoing economic development programs at the universities has declined by 54% from FY 2002 to FY 2012. Economic development at the Regent universities resulted in \$17.2 million in royalty and fee income, \$105.8 million in revenue generated by Iowa companies as a direct result of university technologies, and 2,933 Iowans employed at 124 companies at the three research parks and incubators. More detail may be found in Agenda Item #14.

Regent Nicole Carroll who serves the University of Northern Iowa Presidential Search and Screen Committee will give the Board an update on the activities of the committee. The committee met with the search firm selected (Parker Executive Search) on October 9. The committee discussed a tentative timeline and immediately started working on the job description for the president and advertisements for the position. The committee laid out an ambitious timeline ending with interviews of the finalists selected by committee by the Board in late January.

The universities and special schools will present annual updates to their strategic plans. Agenda Items #16a and #16b provide highlights of these presentations.

Representatives of the University of Iowa will discuss with the Board the replacement of apartments at Hawkeye Court and Hawkeye Drive. Hawkeye Court includes 427 one and two-bedroom apartments, and the Hawkeye Drive complex includes 160 two-bedroom apartments. The units, in total, are over 90% occupied during the academic year. Both of the complexes are beyond their useful lives, and the university has continued to invest significant funds to ensure the apartments and surrounding areas are safe for tenants. The university considered three options (1) constructing and operating the apartments using standard practices; (2) entering into a university/private partnership for private construction and operation; and (3) discontinuing providing family housing. The university's preferred option was to enter into a partnership whereby the university would lease the land to a private entity to build and manage the apartment complex. The firm selected would construct and operate approximately 252 apartment units in phase one; and a possible additional 330 beds in phase two. More detail on the proposal may be found in Agenda Item #17.

The Board will receive a presentation from faculty and students from the John Pappajohn Entrepreneurial Center in the Tippie College of Business. The Center provides an opportunity for students who are enrolled in entrepreneurial certificate courses to engage in consulting projects with area companies. The presentation will highlight a project to conduct research for Integrated DNA Technologies and its Information Services Department to develop a communication platform allowing improved internal employee communication and rapid exchange of information.

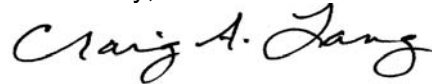
The Board will be asked to consider the bond issuance schedule for calendar year 2013. The proposed schedule is detailed in Agenda Item #20.

The Board will sell \$27.7 million in academic building revenue bonds. The proceeds from the sale will be used to repair, replace, reconstruct and equip flood damaged buildings at the University of Iowa.

At the end of the day, the Board will enter into closed session to discuss strategy for the upcoming collective bargaining negotiations for the Board's labor agreements with the UNI-United Faculty, the graduate students at the University of Iowa, and with the tertiary care employees at the UIHC.

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, prominent "C" and "L".

Craig A. Lang

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