
From: Koppin, Sheila Doyle [BOARD]
Sent: Thursday, March 17, 2011 11:04 AM
To: Fandel, Linda [IGOV]; jboeyink@governorbranstad2010.com; Hough, Margaret [IGOV]; Albrecht, Tim [IGOV]; (jimmy.centers@iowa.gov); Donley, Robert [BOARD]; Sayre, Patrice [BOARD]; Brunson, Marcia R [BOARD]; Smith, Dianne [BOARD]; Bonnie Campbell; Craig Lang; Dave Miles; Downer, Robert; Harkin, Ruth; Jack Evans; Johnson, Greta A; 'mgartner@iowacubs.com'; Rose Vasquez
Subject: Board of Regents Meeting, March 23, 2011
Importance: High



March 2011
letter.pdf

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

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



David W. Miles, President, *West Des Moines*
Jack B. Evans, Pro Tem, *Cedar Rapids*
Bonnie J. Campbell, *Des Moines*
Robert N. Downer, *Iowa City*
Michael G. Gartner, *Des Moines*
Ruth R. Harkin, *Cumming*
Greta A. Johnson, *Le Mars*
Craig A. Lang, *Brooklyn*
Rose A. Vasquez, *Des Moines*

Robert Donley, *Executive Director*

March 17, 2011

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

Dear Governor Branstad:

This letter provides information about the meeting of the Board of Regents on March 23, 2011, at Iowa State University. 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 for the meeting may be accessed through the Board of Regents website.

University of Iowa Hospitals and Clinics Committee chaired by Regent Downer will review year to date financial performance presented by Chief Executive Officer Ken Kates and Chief Financial Officer Ken Fisher. The Board will receive a presentation from Cyber-Anatomy, Inc., an Iowa City company founded by Dr. Karim Malek, professor of Biomedical Engineering at the university. The goal of the company is to create a dissectible virtual cadaver that could be used to enhance anatomy education.

The Audit/Compliance and Investment Committee chaired by President Pro Tem Evans will review the quarterly investment and cash management report.

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

Agenda items to be considered by the Board include:

Award of Honorary Degrees.

Honorary Doctor of Science Degree at Iowa State University Spring 2011 Commencement to Robert N. Shelton. ISU wishes to recognize Dr. Shelton for his pioneering work in superconductivity and magnetism and for his outstanding scientific and academic leadership in major administrative positions at several universities including serving as president of the University of Arizona.

Honorary Doctor of Humane Letters Degree at the University of Iowa Spring 2011 Commencement to Jerre L. Stead. SUI wishes to recognize Mr. Stead for his exceptional contributions to business and technology, support of medical research and patient care and the advancement of educational opportunities at the university. Mr. Stead and his wife will serve as co-chairs of the University of Iowa Health Care "Iowa First" development campaign. The goal of the campaign is to raise \$500 million to support academic and clinical missions of Iowa Health Care.

Honorary Doctor of Humane Letters Degree at the University of Iowa to Richard (Dick) Myers. SUI wishes to recognize Mr. Myers for his exceptional contributions to public service and the advancement of educational opportunities at the university. Throughout his career in the Iowa House of Representatives, Mr. Myers supported and represented higher education with distinction. He understands all aspects of public higher education and has always been proactive in support of the University of Iowa.

Ratification of Collective Bargaining Agreements. The Board will be asked to consider ratification of the collective bargaining agreements with the Service Employees International Union Local 199 (SEIU) representing tertiary health care employees at the University of Iowa Hospitals and Clinics; the United Electrical, Radio and Machine Workers of America, Local 896 Campaign to Organize Graduate Students (COGS) representing graduate teaching and research assistants at the University of Iowa, and with the UNI-United Faculty representing the faculty at the University of Northern Iowa.

Bargaining unit members do not receive step increases. The voluntary agreement with SEIU provides for a 3% increase on July 1, 2011, and on July 1, 2012. The agreement also provides for participation in the university's benefit plan previously approved by the Board. The estimated cost of the agreement is 3.54% in the first year and 3.67% in the second year.

A voluntary agreement was also reached with COGS. The agreement provides for 2% increase in the average graduate assistant stipend on July 1, 2011, and a 2.5% increase on July 1, 2012. As with SEIU members, there are no step increases for COGS members. The COGS agreement also provides for a minimum tuition scholarship equal to 100% of the cost of resident graduate tuition rate for the College of Liberal Arts and Sciences. The estimated cost of the agreement is 2.48% in the first year and 2.6% in the second year.

A voluntary agreement was not reached with the UNI-United Faculty. Four impasse items were in dispute and submitted for interest arbitration. The arbitrator adopted the union's wage proposal – 2.25% on July 1, 2011, and 1.25% on January 1, 2012, and 2.25% on July 1, 2012, and 1.25% on January 1, 2013. The employer had proposed 1% on July 1, 2011, and 1% on July 1, 2012, and 1.5% on January 1, 2013. The arbitrator adopted the employer's proposal on insurance which allows for the implementation of a PPO insurance plan and access to an existing HMO plan for the organized. The current indemnity plan will continue to be available to current faculty, but new faculty must enroll in either the PPO or the HMO plan. The arbitrator decided with the union on the impasse item relating to grievance procedure and with the employer on the final impasse item relating to union leave.

Early Retirement Incentive Program – Iowa Braille and Sight Saving School. The school is proposing an Early Retirement Incentive Program (ERIP). The proposed program would be a “window” program available to merit and professional and scientific employees at the school. Twenty employees are eligible for participation in the program. The proposed ERIP is a positive tool that will allow for the continued development of the Statewide System for Vision Services. More specifics on the ERIP may be found in Agenda Item #6.

Proposed 2011-2012 Tuition and Fees. The Board will consider rates for tuition and fees for the coming academic year. These proposed rates were presented to the Board for its information at the February meeting. At that time the Board heard presentations from the leadership of various student government organizations from each university. Rate increases proposed are as follows:

General Undergraduate Tuition Increase Proposals 2011-12 Academic Year				
	Resident		Nonresident	
SUI	\$308	5.0%	\$1,346	6.0%
ISU	\$306	5.0%	\$612	3.5%
UNI	\$306	5.0%	\$722	5.0%

More specifics on the tuition and fee proposal may be found in Agenda Item #4.

Sales of Bonds. Two bond sales are included on the agenda. The first is the sale of \$11,970,000 in telecommunications facilities revenue bonds to defray the costs of improvements to the telecommunications system of the University of Iowa. The second is the sale of dormitory revenue refunding bonds at the University of Iowa. The Board’s financial advisor estimates the refunding will result in present value savings of approximately \$360,000.

Register of Capital Improvement Business Transactions – University of Iowa. The register includes the request for approval of the Cardiovascular Intensive Care Unit Renovation and Expansion project. The Board will be asked to consider approval of the schematic design, project description and budget (\$24,400,000) for the project. The project would be funded by University Hospitals Building Usage funds.

The Board is also asked to consider approval of expansion of a parking lot located south of Carver Hawkeye Arena. The project would expand the lot from 406 spaces by approximately 350 spaces. The total project cost of \$3,444,429 would be funded by Parking Improvement and Extension funds.

Abandonment of Apartments at the University of Iowa. The Board is asked to consider approval of a resolution directing the abandonment of portions of Hawkeye Court and the Hawkeye Drive Apartment Complexes at the University of Iowa. In June 2008, record floods damaged major portions of the University of Iowa campus. One of the facilities severely damaged was the Hawkeye Court Apartment Complex. Eight buildings had flood waters reach approximately 15 inches in the first floor apartments. Due to the age and deterioration of the structures, the university, in coordination with FEMA, determined it would be most reasonable to permanently remove these structures and not rebuild in the flood hazard area. The project will raze eight buildings – 76 apartment units out of 504 total units.

Register of Capital Improvement Business Transactions – Iowa State University. The Board is asked to consider approval of the Cyclone Sports Complex. The project will provide

improved facilities for women's soccer and softball and men's and women's outdoor track and field programs. The complex would be located east of the Towers Residence Halls south of the ISU campus. The university held two widely-attended community and neighborhood meetings to discuss the project and gather neighborhood input. A number of concerns were raised including storm water management, lighting, noise, fencing, public access to the green space, parking and traffic as well as the appropriateness of this site. The university considered all of the concerns and made modifications to the plan to move the complex further south on the site east of the Towers. The budget for the project is \$13 million. The university plans to finance \$12 million of the cost, and the additional \$1 million would come from operating revenues and private gifts of the Athletics Department. No general university support or increased student fees would be used as a revenue source for financing the project or to fund operating or maintenance costs.

Gift of Real Estate. The Board will consider acceptance of a gift of 14.33 acres of land from MGCSMS, LLC. The land is located near the University of Iowa Research Park.

Residence System Governance Report. The report includes five-year plans for the residence systems at the universities as well as their proposed FY 2012 budgets and rates for the coming academic year. Approval of the rates will occur at the April meeting. In FY 2011, the University of Iowa residence system is at 100% occupancy, Iowa State University is at 98% occupancy and the University of Northern at 96%. Currently, 20,592 students are living in the university residence halls. The residence systems are self-supporting enterprises and do not receive state-appropriated funds for operations or capital improvements. While the universities offer many room and board options, the Board has historically used the double occupancy room rate with full board as a measure to compare room and board rates among the universities. SUI is proposing an increase of 5% for FY 2012; ISU, 3%; and UNI 4.3%. More information on the residence systems may be found in Agenda Item #17.

If we can provide additional information, please contact us.

Sincerely,

A handwritten signature in black ink, appearing to read "David W. Miles", written over a horizontal line.

David W. Miles

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