

Contact: Andrea Anania

MINUTES OF JUNE 4-5, 2014, BOARD MEETING

**SCHEMAN BUILDING, ROOM 230-240
IOWA STATE UNIVERSITY
AMES, IOWA**

Board Members	June 4, 2014	June 5, 2014
Nicole Carroll	Present	Present
Milt Dakovich	Present	Present
Robert Downer	Present	Present
Ruth Harkin	Present	Present
Larry McKibben	Present	Present
Katie Mulholland	Present	Present
Bruce Rastetter	Present	Present
Subhash Sahai	Present	Present
Hannah Walsh	Present	Present

Staff Members

Andrea Anania, Jeneane Beck, Brad Berg, Marcia Brunson, Aimee Claeys, Tim Cook, Laura Dickson, Bob Donley, Sheila Doyle Koppin, Tom Evans, Diana Gonzalez, Ann McCarthy, Joe Murphy, Joan Racki, Keith Saunders, Patrice Sayre, Todd Stewart, Ilene Tuttle

Regent Institutions

SUI Sally Mason, Barry Butler, Doug True
Jean Robillard, Ken Fisher, Ken Kates, Debra Schwinn, Madeline Shea
Elizabeth Christiansen

ISU Steven Leath, Warren Madden, Jonathan Wickert
Michael Crum, Merry Rankin

UNI Bill Ruud, Gloria Gibson, Michael Hager
Eric O'Brien

ISD/IBSSS Patrick Clancy, Don Boddicker

Others

David Miles, Performance-Based Revenue Model Task Force
Mark LeMay, Springsted, Incorporated

The corresponding memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents website: <http://www.regents.iowa.gov/>. Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934. Audio of the meeting is also available on the web site.

Call to Order for June 4, 2014

President Rastetter called the Board of Regents meeting to order at 9:00 a.m.

Roll Call:

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Present	x	x	x	x	x	x	x	x	x
Absent									

Report of Performance-Based Revenue Model Task Force

Task Force Chair David Miles gave a report on findings of the task force and explained the recommendations.

- MOVED by DAKOVICH, SECONDED by MCKIBBEN, to receive the report of the Performance-Based Revenue Model Task Force, including the following metrics for determining the Board's annual general education fund appropriations request, as outlined in Recommendation 4 on page 12 of the agenda item:
 - ▶ 60% based on resident FTE enrollment;
 - ▶ 15% for progress and attainment;
 - ▶ 10% for access;
 - ▶ 5% for job placement or continuation of higher education in Iowa; and
 - ▶ 10% based on Regent-selected metrics.

- MOVED by MCKIBBEN, SECONDED by MULHOLLAND, to amend the motion to:
 - ▶ Remove the metric that would appropriate 5% of state general education dollars for job placement or continuation of higher education in Iowa and replace it with a new metric to appropriate 5% for a proportional weighting of all graduate and professional students based on FTE enrollment;
 - ▶ Amend the time period for transition to the new funding model from the recommended 2- to 4-year period to a period of 3 years;
 - ▶ Amend the recommended 1% to 2% cap of the institutions' 2013 general education revenues per year for any reallocations of funding from any university to a 2% cap of the institutions' 2013 general education revenues per year for any reallocation of funding from any university; and
 - ▶ Recommend that the specific metrics for the allocation of 95% of the universities' state general education funding be accepted, and the remaining 5% metric be distributed by the Board of Regents.

Discussion was held on differential tuition, resident vs. non-resident students, enrollment, the time period for transition, quality vs. quantity, funding sources, graduate retention, and annual monitoring.

President Pro Tem Mulholland called the question.

Regent McKibben read the amendment to the motion again:

- ▶ Remove the metric that would appropriate 5% of state general education dollars for job placement or continuation of higher education in Iowa and replace it with a new metric to appropriate 5% for a proportional weighting of all graduate and professional students based on FTE enrollment;
- ▶ Amend the time period for transition to the new funding model from the recommended 2- to 4-year period to a period of 3 years;
- ▶ Amend the recommended 1% to 2% cap of the institution’s 2013 general education revenues per year for any reallocations of funding from any university to a 2% cap of the institution’s 2013 general education revenues per year for any reallocation of funding from any university; and
- ▶ Recommend that the specific metrics for the allocation of 95% of the universities’ state general education funding be accepted, and the remaining 5% metric be distributed by the Board of Regents.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

➤ Vote on the MOTION AS AMENDED below:

- ▶ One: The Board formally acknowledges that the “base-plus” methodology for determining annual state appropriations requests – which uses the prior year’s allocation to each university’s general education budget as the starting point and seeks additional funding to address rising operating costs indicated by the Higher Education Price Index (“HEPI”) – has failed to keep pace with changing higher education realities and priorities at our outstanding institutions, and needs to be replaced with a more flexible system that links appropriation requests to the priorities of today and tomorrow.
- ▶ Two: As the starting point for its evaluation of general education funding (“GEF”), the Board adopts as its first principle that the highest (though not sole) priority for state appropriations is to defray a portion of the costs of higher education so that Iowa students have affordable access to a quality higher education.
- ▶ Three: The Board will adopt a performance-based funding (“PBF”) methodology that:
 - ◆ Provides essential funding to educate Iowa students;
 - ◆ Supports the unique missions of each institution; and
 - ◆ Incentivizes the institutions to align their activities with the priorities of the State and the Board, and rewards them for accomplishing those objectives.
- ▶ Four: The Board approves the Task Force recommended metrics to determine the annual GEF appropriations request to the Governor and the Legislature with the following corrections: the 5% of state general education dollars for job placement or continuation of higher education is replaced with 5% for proportional weighting of all graduate and professional students based on FTE enrollment (phased in over time per Recommendation 5 on the following page.) All metrics will be calculated on Iowa residents.

60% of state funding based on resident FTE enrollment	This would tie funds directly to supporting Iowa students using a 3-year rolling average.
15% for progress and attainment	<ul style="list-style-type: none"> • 5% to be awarded based on achieving student credit hour thresholds of 24-48-72. • 10% based on degree production. <p>Measurement would be most recent year completed.</p>
10% for access	Regent universities should have a diverse student body as measured by low-income students, minorities, Iowa community college transfers, and veterans. Measurement would be over a 3-year rolling average.
5% for a proportional weighting of all graduate and professional students based on FTE enrollment	Iowa's public universities have a role to play in the economic development of the state. Measurement of this metric to be determined; until then, dollars weighted to mirror overall allocation. Suggested timeframe: 1-5 years.
10% based on Regent selected metrics	<ul style="list-style-type: none"> • 5% to be awarded based on sponsored research for the most current year recognizing the boon to economic development that the public universities provide. • 5% to be customized metrics selected by the Board of Regents in conjunction with the universities. <p>A suggested methodology for awarding dollars on these metrics which does not place the universities in direct competition is attached in Exhibit B of the memorandum.</p>
<p><i>Note:</i> 95% of the universities' state general education would be directly distributed to the universities; the remaining 5% metric would be distributed by the Board of Regents.</p>	

- Five: Implementation of the new model should move forward in a careful manner that continues to provide essential support to all three universities. Transition will proceed as follows:
1. Transition will begin in Fiscal Year 2016.
 - a. Between now and October, the Board will work with Board Office staff and the institutions to work through the implementation details of this model to ensure that the metrics are correct and will lead to the intended outcomes.
 - b. Beginning now allows the institutions a full-year to prepare for any changes in funding brought about by the Board's new funding methodology.
 - c. Each institution will be given an opportunity to present to the Board a plan for responding to the revised funding model.

2. Implementation of these recommendations should be paid for through restoration of State funding to Iowa’s public universities.
 - a. The proposed PBF model creates a direct and transparent link between dollars invested by the state and achievement of the state’s priorities. The improved educational outcomes generated by this new funding model merit additional state investment.
 - b. Despite considerable progress, state GEF funding in FY 2013 remained \$98 million below FY 2008 levels, meaning that all three institutions are already managing through significant funding reductions. A better funding model should benefit all of our universities; the state can play a critical transition role.
 - c. The abiding contribution of this new approach is to reward each institution for achieving the objectives of the state and of the Board of Regents, not to create competition between them. By funding the transition to PBF, the state can minimize any short-term disruptions caused by reallocations among the institutions, while sending a strong message of support to the Board of Regents for taking this much needed step.
 3. The Board will transition to the new funding model over 3 years, keeping in mind the following:
 - a. While we believe strongly in the new funding model and its long-term benefits to the universities and to the state of Iowa, nothing in the Task Force report should be taken as a criticism of any of our outstanding universities, each of which is investing the state’s resources to provide a superior-quality education to their students, generate world-class research, and serve the citizens of Iowa.
 - b. The model is intended to enhance the institutions over the wide arc of time, not to address near-term funding issues.
 - c. A move to a new funding model – particularly when the former base-plus methodology has gone unchanged for so very long – requires the Board to balance competing factors. To the extent that the state provides less than full funding to implement PBF, any reallocations of funding from any university will be capped at 2% of the institution’s 2013 general education revenues per year.
 - d. Incremental funds will not accrue to a university whose funds are negatively reallocated until the percentages per university in the model are reached.
 - e. Concurrent with the implementation of PBF, the Board will actively explore the potential for differential resident-tuition among the institutions.
- ▶ Six: This move to PBF should be considered a first step. The Board will remain actively engaged to:
1. Revise the model based on experience;
 2. Respond to any unintended consequences; and
 3. Move a growing proportion of funding toward the achievement of desired outcomes.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x		x	x	x	x	x	x
Nay			x						

MOTION APPROVED by ROLL CALL.

President Pro Tem Mulholland thanked David Miles for his service as a Regent and for his service as Chair of the Performance-Based Revenue Model Task Force. She also thanked Len Hadley, Cara Heiden, and Mark Omen for their service as members of the Task Force.

President Rastetter requested the universities provide a detailed, written proposal on the use of the FY 2016 reallocations to Chief Business Officer Patrice Sayre no later than August 8, 2014. He said the information will be included in the appropriations request to be considered at the September Board meeting.

Resolution of the Board of Regents, State of Iowa

WHEREAS, David Miles was asked to lead the Performance-Based Revenue Model Task Force by the Board of Regents in April 2013, the focus of the Task Force was as follows: To examine the Board's current model for general university appropriations to ensure that the needs of the Regents' universities are met, to recognize the distinct missions of the three Regent universities, and to find the right set of metrics to look at performance;

WHEREAS, through its deliberative process, the Task Force reviewed the historical general university funding levels and how state appropriations support the three distinct missions of the universities and the future funding needs for each campus; and

WHEREAS, the Task Force held its first official meeting on October 18, 2013, and met numerous times in the past months to develop a set of significant recommendations linking state dollars more directly to priorities for consideration by the Board at its June 2014 meeting.

NOW, THEREFORE, BE IT RESOLVED that the Board of Regents, State of Iowa, expresses its deep gratitude to David Miles for his outstanding leadership as Chair of the Performance-Based Revenue Model Task Force and to Task Force members Len Hadley, Cara Heiden, Katie Mulholland and Mark Oman for their expertise and dedication to public higher education in Iowa, and to the Board of Regents and to all Iowans in the accomplishment of their assigned task.

Dated this 4th day of June, 2014.

University of Iowa Hospitals and Clinics Committee

The University of Iowa Hospitals and Clinics Committee met at this time.

Board Receipt of Committee Report

➤ MOVED by WALSH, SECONDED by SAHAI, to:

- ▶ Receive the Report of Operational and Financial Performance;
- ▶ Receive the report on the FUTURE in Biomedicine Program; and
- ▶ Receive the report of the University of Iowa Hospitals and Clinics Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Resolution for the Sale and Award of \$27,500,000 Academic Building Revenue Bonds, Series S.U.I. 2014

Policy and Operations Officer Joan Racki introduced Mark LeMay from Springsted, Incorporated, the Board's financial advisor.

Mark LeMay reported that: (1) eight bids were received; (2) the winning bid was submitted by Wells Fargo Bank, National Association; and (3) the true interest cost was 3.053%.

- MOVED by CARROLL, SECONDED by DAKOVICH, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$27,500,000 Academic Building Revenue Bonds, Series S.U.I. 2014, for the purpose of paying a portion of the costs of building, repairing, replacing, reconstructing and equipping flood damaged buildings and facilities on the campus of The State University of Iowa, funding a reserve fund, and paying the costs of issuance.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

CONSENT AGENDA

- MOVED by MCKIBBEN, SECONDED by DOWNER, to approve and receive the following CONSENT AGENDA items:
 - ▶ Minutes of April 23-24, 2014, Board Meeting
 - ▶ Agreements with the Nebraska Department of Education
 - ▶ Approval of Interim Superintendent for Iowa School for the Deaf and Iowa Braille and Sight Saving School
 - ▶ Appointments
 - ▶ Revisions to the Board of Regents Policy Manual – Chapter 8

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

Board President Report

President Rastetter:

- ▶ Thanked Governor Branstad and the Legislature for their support during the 2014 legislative session, which allowed the Board to freeze resident undergraduate tuition for the second year in a row;
- ▶ Thanked Governor Branstad for his support of ongoing and new capital projects at the universities including the University of Iowa’s College of Pharmacy building, Iowa State University’s Biosciences building, and University of Northern Iowa’s Schindler Hall;
- ▶ Congratulated Regent Carroll on one daughter’s recent graduation from the Carver College of Medicine and a second daughter’s graduation from the College of Dentistry;
- ▶ Recognized Regent McKibben for an update on the efficiency and transformation review;
 - MOVED by MCKIBBEN, SECONDED by MULHOLLAND, to authorize Executive Director Donley to negotiate an addendum to the engagement agreement with Deloitte Consulting for Phase II estimated costs of services not to exceed \$1 million dollars.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

- ▶ Recognized Mulholland who thanked UNI Provost Gloria Gibson for her service to students and staff at UNI.
- The Board approved the addendum to the engagement agreement with Deloitte Consulting by ROLL CALL and received the remainder of the Board President Report by GENERAL CONSENT.

Reports from Institutional Heads

President Rastetter recognized President Leath, President Ruud, President Mason, and Superintendent Clancy for a report on recent activities at their respective institutions.

- The Board received the reports by GENERAL CONSENT.

FY 2015 Salary Policies

Policy and Operations Officer Marcia Brunson provided an overview of the proposed FY 2015 Salary Policies.

- MOVED by CARROLL, SECONDED by SAHAI, to approve the following items, effective July 1, 2014:
 - ▶ Nonorganized professional and scientific salary policies and pay matrices – University of Iowa, Iowa State University, University of Northern Iowa, Iowa School for the Deaf, Iowa Braille and Sight Saving School, and the Board Office;
 - ▶ Nonorganized faculty salary policies – University of Iowa, Iowa State University, Iowa School for the Deaf, and Iowa Braille and Sight Saving School;
 - ▶ Nonorganized faculty extracurricular pay schedules – Iowa School for the Deaf and Iowa Braille and Sight Saving School; and
 - ▶ Nonorganized Regent Merit System salary policy and pay matrix.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

FY 2015 Special School Budgets, FY 2015 University Budget Update, and FY 2014 Amended University Operating Budgets

Policy and Operations Officer Brad Berg provided an overview of the proposed budgets. Superintendent Clancy briefly discussed the budgets for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.

- MOVED by DOWNER, SECONDED by DAKOVICH, to:
 - ▶ Receive the FY 2015 budget development update for the universities;
 - ▶ Approve the amended FY 2014 operating budgets for Iowa State University and the University of Northern Iowa as provided in Attachments B and C to the agenda item; and
 - ▶ Approve the FY 2015 operating and restricted fund budgets for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School as shown in Attachments D and E to the agenda item.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	
Absent									x

MOTION APPROVED by ROLL CALL.

Campus Sustainability Annual Report

Chief Business Officer Patrice Sayre introduced SUI Office of Sustainability Director Elizabeth Christiansen, ISU Office of Sustainability Director Merry Rankin, and UNI University Sustainability Coordinator Eric O'Brien. The group highlighted sustainability projects, initiatives, and accomplishments.

- The Board received the report by GENERAL CONSENT.

Economic Development Presentation at Iowa State University: “Helping Iowa Grow – Iowa State University’s New Office of Economic Development and Industry Relations”

President Leath introduced Senior Policy Advisor on Economic Development and holder of the Ruan Chair in Supply Chain Management Dr. Michael Crum.

Dr. Crum gave a presentation on Iowa State University’s new economic development organization and its plans for increasing the University’s contributions to the state’s economy.

- The Board received the presentation by GENERAL CONSENT.

Audit/Compliance and Investment Committee

The Audit/Compliance and Investment Committee met at this time.

- MOVED by MULHOLLAND, SECONDED by SAHAI, to:
 - ▶ Receive the Investment and Cash Management Report for the Quarter Ending March 31, 2014; and
 - ▶ Receive the report of the Audit/Compliance and Investment Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Absent									

MOTION APPROVED by ROLL CALL.

Adjourn

President Rastetter adjourned the meeting at 3:25 p.m.

The Property and Facilities Committee and Education and Student Affairs Committee met at this time.

The Board reconvened in open session at 5:10 p.m.

Report of the Property and Facilities Committee

➤ MOVED by DAKOVICH, SECONDED by MCKIBBEN, to:

- ▶ Receive the FY 2015 Capital Plans including the report on anticipated institutional FY 2015 new capital improvement projects and the status report on previously approved projects as detailed in the agenda item;
- ▶ Approve the Register of University of Iowa Capital Improvement Business Transactions as detailed in the agenda item;
- ▶ Approve the Register of Iowa State University Capital Improvement Business Transactions as detailed in the agenda item including approval of the financing plan and adoption of A Resolution Declaring an Official Intent Under Treasury Regulation 1.150-2 to issue Debt of up to \$39,000,000 Athletic Facilities Revenue Bonds, Series I.S.U. and to Reimburse Iowa State University of Science and Technology for Certain Original Expenditures paid in Connection with the Improvements and Renovations of Jack Trice Stadium and surrounding areas;
- ▶ Approve the Register of University of Northern Iowa Capital Improvement Business Transactions as detailed in the memorandum including authorization for the University to enter into a master lease financing agreement for up to \$5 million for the Power Plant Air Regulations Compliance, Power Plant Boiler #3 Wall Panel Replacement and Power Plant Storage Facility projects, subject to necessary approvals by the Board Office;
- ▶ Approve the easement agreement between the University of Iowa and BSW Development, LLC, for development of a shared driveway at the UI Research Park as outlined in the agenda item;
- ▶ Approve the 28E Agreement between Iowa State University, the City of Ames, Iowa, Story County, Iowa, and the Iowa Department of Transportation, for a Flood Warning System, as outlined in the agenda item;
- ▶ Approve the 28E Agreement between Iowa State University and the City of Ames for Solid Waste Disposal Services as outlined in the agenda item;
- ▶ Approve the Iowa State University lease agreement with Kingland Campus Properties, LLC, as outlined in the agenda item;
- ▶ Receive the report of the University of Iowa Update of Flood Recovery Status;
- ▶ Approve the acceptance and donation of property at the Lakeside Laboratory Regents Resource Center on behalf of the University of Iowa; and
- ▶ Receive the report of the Property and Facilities Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Report of the Education and Student Affairs Committee

➤ MOVED by MULHOLLAND, SECONDED by HARKIN, to:

- ▶ Approve the minutes of the April 24, 2014, Education and Student Affairs Committee meeting;
- ▶ Receive the Status Report of Planning for a Pilot Regional Program to Serve Iowa Students who are Deaf or Blind;
- ▶ Approve the Request to Create a New Center at Iowa State University: Iowa Soybean Research Center;
- ▶ Approve the Request to Rename a Center at Iowa State University: Midwest Transportation Center, formerly known as the Midwest Transportation Consortium;
- ▶ Request to Terminate the Bachelor of Arts Program in Chemistry/Marketing at the University of Northern Iowa;
- ▶ Request to Terminate the Master of Arts Program in Performance and Training Technology at the University of Northern Iowa;
- ▶ Approve the Proposed Course Changes at the University of Iowa;
- ▶ Approve the Request to Award an Honorary Doctor of Science Degree to Mary Sue Coleman at the University of Northern Iowa at the Spring 2015 Commencement;
- ▶ Approve the Request to Award an Honorary Doctor of Humane Letters Degree to Nancy Powell at the University of Northern Iowa at the Spring 2015 Commencement;
- ▶ Receive the Annual Regent Student Financial Aid Study; and
- ▶ Receive the Update to the 2014 Education and Student Affairs Committee Work Plan.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

Adjourn

President Rastetter adjourned the meeting at 5:15 p.m.

Call to Order for June 5, 2014

President Rastetter called the Board of Regents meeting to order at 8:35 a.m.

Roll Call:

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Present	x	x	x	x	x	x	x	x	
Absent									x

***Regent Walsh joined the meeting immediately following the Roll Call.*

Evaluation of Institutional Heads and Executive Director

➤ MOVED by CARROLL, SECONDED by DOWNER, to enter into closed session pursuant to Iowa Code §21.5(1)(i) upon request of individuals whose performance is being considered. Each individual has requested that his or her performance be discussed by the Board in closed session.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 8:37 a.m.

The Board reconvened in open session at 3:15 p.m.

Consideration of Personnel Action for Institutional Heads and Executive Director

- MOVED by DAKOVICH, SECONDED by CARROLL, to approve the following compensation changes for FY 2015:
 - ▶ IOWA STATE UNIVERSITY PRESIDENT STEVEN LEATH:
 - ◆ Increase his base salary 7.123% from \$466,752 to \$500,000;
 - ◆ Authorize a 5-year deferred compensation plan commencing July 1, 2014, and ending June 30, 2019, with a:
 - ◆ \$25,000 annual contribution effective July 1, 2014, through December 31, 2014;
 - ◆ \$100,000 annual contribution effective January 1, 2015, through December 31, 2015; and
 - ◆ \$125,000 annual contribution effective January 1, 2016, through June 30, 2019; and
 - ◆ Authorize a 5-year employment contract commencing July 1, 2014, and ending June 30, 2019, with President Leath granted tenure as a professor in the Department of Plant Pathology and Microbiology subject to approval by the faculty.
 - ▶ UNIVERSITY OF IOWA PRESIDENT SALLY MASON:
 - ◆ Increase her base salary 2.5% from \$513,003 to \$525,828; and
 - ◆ Continue her existing deferred compensation plan.
 - ▶ UNIVERSITY OF NORTHERN IOWA PRESIDENT WILLIAM RUUD:
 - ◆ Increase his base salary 2.5% from \$340,000 to \$348,400; and
 - ◆ Continue his existing deferred compensation plan.
 - ▶ EXECUTIVE DIRECTOR ROBERT DONLEY:
 - ◆ Award the performance incentive of \$5,000, resulting from his FY 2014 evaluation;
 - ◆ Create a performance incentive of \$5,000; if awarded, to be paid after his FY 2015 evaluation; and
 - ◆ Authorize a two-year deferred compensation plan commencing July 1, 2014, and ending August 31, 2016, with an annual contribution in year one of \$25,000 and year two of \$100,000.
 - ▶ Iowa School for the Deaf and Iowa Braille and Sight Saving School Superintendent Patrick Clancy will be retiring effective June 30, 2014.

<u>Regent</u>	<u>Carroll</u>	<u>Dakovich</u>	<u>Downer</u>	<u>Harkin</u>	<u>McKibben</u>	<u>Mulholland</u>	<u>Rastetter</u>	<u>Sahai</u>	<u>Walsh</u>
Aye	x	x		x	x	x	x		x
Absent			x					x	

MOTION APPROVED by ROLL CALL.

Adjourn

President Rastetter adjourned the meeting at 3:25 p.m.