

**Contact: Andrea Anania**

**MINUTES OF SEPTEMBER 20, 2011, BOARD MEETING**

**SHERATON HOTEL  
1800 50<sup>th</sup> STREET  
WEST DES MOINES, IOWA**

**Board Members**

Nicole Carroll	Present
Robert Downer	Present
Jack Evans	Present
Ruth Harkin	Present
Greta Johnson	Present
Craig Lang	Present
David Miles	Present
Katie Mulholland	Present
Bruce Rastetter	Present

**Staff Members**

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

**Regent Institutions**

SUI Sally Mason, Gary Barta, P. Barry Butler, Ken Fisher, Ken Kates, Beth Ingram, Rod Lehnertz, Jean Robillard, Paul Rothman, Doug True, Ann Williamson

ISU Gregory Geoffroy, Jan Hanish, Elizabeth Hoffman, Kathy Jones, Warren Madden

UNI Ben Allen, Christie Kangas, Gloria Gibson

ISD Jeanne Prickett, Jim Heuer

IBSSS Patrick Clancy, Don Boddicker

**Others**

Mike Dudkowski, Wilshire Consulting, Inc.  
Patrick Hall, Iowa Homeland Security & Emergency Management  
Mary Grace Herrington, Iowa Public Radio  
J. Derek Hill, Iowa Homeland Security & Emergency Management

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.

**Call to Order for September 20, 2011**

President Lang called the Board of Regents meeting to order at 8:43 a.m. on September 20, 2011.

Roll Call:

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Present	x	x	x*	x	x	x	x	x	x
Absent									

*\*President Lang noted that Regent Evans would join the meeting shortly.*

**University of Iowa Hospitals and Clinics Committee**

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

**Board Receipt of UIHC Committee Report**

➤ MOVED by DOWNER, SECONDED by MILES, to receive the following reports:

- ◆ Operational and Financial Performance; and
- ◆ Strategic Plan Update.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**University of Iowa Update of Flood Recovery Status**

Vice President Doug True introduced SUI Director of Planning, Design and Construction Rod Lehnertz; Iowa Homeland Security & Emergency Management (IHSEM) General J. Derek Hill; and IHSEM Recovery Bureau Chief Patrick Hall. The group provided the flood recovery status update.

➤ The Board received the update by GENERAL CONSENT.

**Board President Report**

UNI President Ben Allen introduced Interim Vice President for Administration and Financial Services Dr. Jan Hanish.

President Lang reminded Board members that they approved President Pro Tem Rastetter as Chair of the Economic Development Committee, which is primarily responsible for: (1) providing oversight and advice on economic development initiatives and legislative mandates; (2) identifying opportunities to promote the value of the Regent institutions in research, outreach, and economic growth; (3) directing the work of the Regent inter-institutional committee on economic development and technology transfer; and (4) receiving reports from the Iowa Partnership for Economic Progress Board. President Lang asked Chair Rastetter to present a proposed Committee structure and recommendations for membership at the Board's October meeting.

President Lang reported that the University Presidents gave a budget presentation to Governor Branstad and Lieutenant Governor Reynolds. He also reported that a meeting will be scheduled with leadership in the House and Senate to do the same.

➤ The Board received the report by GENERAL CONSENT.

**CONSENT AGENDA**

- ◆ Minutes of August 3-4, 2011, Board Meeting
  - ◆ Malcom Price Laboratory School Student Transfer and Boundary Line Agreement
  - ◆ University of Northern Iowa – Notification of Retirement, Interim Appointment and Initiation of Search Process
  - ◆ Allocation of \$2 Million Capital Appropriation for Fire Safety Needs and ADA Compliance
  - ◆ Adoption of Amendments to Iowa Administrative Code 681 – Chapter 3
  - ◆ Notice of Intended Action to Amend Iowa Administrative Code 681 – Chapters 5, 12, 14, and 16
  - ◆ Grow Iowa Values Fund Proposed Awards
  - ◆ Equipment Purchase – University of Iowa
  - ◆ Iowa State University Recreation Fee Deferral
  - ◆ Iowa Lakeside Laboratory Regents Resource Center 2010-2011 Annual Report and Budget Request for 2011-2012
  - ◆ Request to Terminate Master’s Program in Nursing and Healthcare Practice at the University of Iowa
  - ◆ Report of Crime Statistics at the Universities for the Quarter Ending June 30, 2011
- MOVED by CARROLL, SECONDED by MILES, to approve the CONSENT AGENDA.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**FY 2013 Operating and Other Fund Appropriations Requests**

Chief Business Officer Patrice Sayre provided highlights of the report.

- MOVED by RASTETTER, SECONDED by DOWNER, to:
- ◆ Based on proposed spending and funding plans, approve the identified operating appropriations requests for FY 2013 totaling \$621.2 million.
  - ◆ Authorize actions by designated Regent staff to seek collaboration and partnerships between Regent institutions and other sectors of state government. The Regent legislative efforts are an integral part in successfully receiving requested funding.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Five-Year Capital Plans, Including FY 2013 Capital Request**

Policy and Operations Officer Joan Racki provided highlights of the report.

➤ MOVED by EVANS, SECONDED by HARKIN, to:

- ◆ Approve the Five-Year State-Funded Capital Plan for FY 2013 – FY 2017 of \$611.5 million, including a capital request of \$86.0 million for FY 2013, to be funded by capital appropriations or Academic Building Revenue Bonds (Table 1, page 5 in the memorandum).
- ◆ Receive the Five-Year Capital Plan (FY 2013 – FY 2017) of \$176.7 million for the University of Iowa Hospitals and Clinics to be funded by Hospital Building Usage Funds, Hospital Revenue Bonds, and Gifts and Grants (Table 2, pages 6-7 in the memorandum).
- ◆ Receive the report on FY 2013 – FY 2017 capital plans of \$452.7 million for the universities and special schools to be funded by sources other than capital appropriations, Academic Building Revenue Bonds, or UIHC Funds (Table 3, pages 8-10 in the memorandum).

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Register of University of Iowa Capital Improvement Business Transactions**

Vice President Doug True and UIHC Associate Vice President for Medical Affairs Ken Fisher highlighted the proposed transactions.

➤ MOVED by DOWNER, SECONDED by MULHOLLAND, to:

- ◆ Authorize permission to proceed with project planning for the following projects: **Substation L Control Building – Upgrade System**, including the utilization of Stanley Consultants as the design consultant, and **Utilities Distribution System – Connect Boyd Law Building to Chilled Water System**, including the design consultant selection process.
- ◆ Approve the following actions for the **Ambulatory Surgery Center and Main Operating Room Suite Expansions** project:
  - ◆ Acknowledge receipt of the University's final submission of information to address the Board's capital project evaluation criteria (see Attachment A in the memorandum);
  - ◆ Accept the Board Office recommendation that the project meets the necessary criteria for Board consideration; and
  - ◆ Approve the schematic design, project description and budget (\$20.9 million), with the understanding that approval will constitute final Board approval and authorization to proceed with construction.

MOTION APPROVED UNANIMOUSLY.

**Register of Iowa State University Capital Improvement Business Transactions**

Vice President Warren Madden provided an overview of the proposed transactions.

- MOVED by RASTETTER, SECONDED by JOHNSON, to approve:
  - ◆ Project descriptions and budgets for the **Biorenewables Complex – Agricultural and Biosystems Engineering Building** (\$74,500,000), and **Knoll Modifications** (\$375,000).
  - ◆ Project description and budget (\$3,760,440) and selection of Howard R. Green Company as the design professional for the **Larch Hall – Fire Suppression System Installation and Exterior Improvements** project.

MOTION APPROVED UNANIMOUSLY.

**Institutional Agreements, Leases, and Easements**

Policy and Operations Officer Joan Racki provided an overview of the proposed leases.

- MOVED by EVANS, SECONDED by DOWNER, to approve three easements for the benefit of the University of Iowa and one lease for the benefit of Iowa State University, subject to approval of the final documents by the Board Office and Attorney General's Office.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Iowa School for the Deaf Property Transfer**

Associate Counsel Aimee Clayton described the proposed property transfer.

- MOVED by MULHOLLAND, SECONDED by MILES, to approve two temporary easements and the Iowa School for the Deaf's request to transfer jurisdiction in .08 acres of property to the Iowa Department of Transportation. The transfer agreement shall be subject to Board Office and Attorney General review and approval.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Emergency Storm Recovery Authorizations – Iowa School for the Deaf**

Superintendent Jeanne Prickett described the August 2011 storm damage to the Iowa School for the Deaf campus and the subsequent emergency recovery authorizations.

- MOVED by MILES, SECONDED by CARROLL, to:
  - ◆ Ratify the Executive Director's actions related to the utilization of capital project delivery and purchasing processes to recover buildings damaged due to severe weather at the Iowa School for the Deaf, as outlined in Attachment B of the memorandum; and
  - ◆ Receive the oral report on severe weather damage recovery activities to date at ISD.

MOTION APPROVED UNANIMOUSLY.

**University of Iowa Naming**

President Sally Mason and Athletics Director Gary Barta provided an overview of the proposed naming.

- MOVED by EVANS, SECONDED by CARROLL, to approve the University of Iowa’s request to name the new addition to Carver-Hawkeye Arena the “Dale and Marilyn Howard Family Pavilion”.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	X	X	X	X	X	X	X	X	X
Nay									

MOTION APPROVED by ROLL CALL.

**Iowa State University Presidential Search**

President Pro Tem Rastetter updated the Board on the search process and announced the two finalists: (1) Dr. Steven Leath, Vice President for Research and Sponsored Programs at the University of North Carolina System, and (2) Dr. Kumble Subbaswamy, Provost of the University of Kentucky at Lexington.

- The Board received the report by GENERAL CONSENT.

**Iowa Braille and Sight Saving School Storm Recovery**

Superintendent Patrick Clancy updated the Board on severe weather damage recovery activities to date.

- The Board received the report by GENERAL CONSENT.

**Iowa State University Flood/Storm Recovery**

Vice President Warren Madden provided a financial report update on the flood/storm recovery.

- The Board received the update by GENERAL CONSENT.

**Accreditation Report for the Iowa School for the Deaf**

Chief Academic Officer Dr. Diana Gonzalez described the accreditation process and introduced ISD Superintendent Jeanne Prickett. Dr. Prickett provided an overview of the ISD accreditation report.

- MOVED by DOWNER, SECONDED by JOHNSON, to:
  - ◆ Receive the accreditation report for the Iowa School for the Deaf; and
  - ◆ Request that the Iowa School for the Deaf develop a plan of action to address the required actions for improvement identified by AdvancED, which will result in having the designation of Accreditation on Advisement removed by the accrediting agency.

MOTION APPROVED UNANIMOUSLY.

**Iowa Public Radio Annual Report**

CEO Mary Grace Herrington provided highlights of the IPR annual report.

- MOVED by EVANS, SECONDED by MILES, to:
  - ◆ Receive the report; and
  - ◆ Authorize President Lang to send a resolution of thanks to the Iowa Public Radio Board members for their service.

MOTION APPROVED UNANIMOUSLY.

**Bond Sales**

**SALE AND AWARD OF \$26,800,000 HOSPITAL REVENUE BONDS, SERIES SUI 2011**

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

Mr. Fick reported that: (1) five bids were received; (2) the winning bid was submitted by Hutchinson, Shockey, Erley & Co; and (3) the true interest cost was 3.68%.

- MOVED by EVANS, SECONDED by HARKIN, to adopt A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$26,800,000 Hospital Revenue Bonds, Series S.U.I. 2011, for the purpose of constructing, improving, remodeling, repairing, furnishing, and equipping inpatient and outpatient care facilities, including construction of a new medical office building (the "Medical Office Building") and related space, including finish materials, fixtures, furnishings, equipment, and appliances (the "Related Expenditures," and together with the Medical Office Building, the "Project"), funding a debt service reserve fund, and paying the costs of issuing said Bonds.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**UNIVERSITY OF IOWA FACILITIES CORPORATION REVENUE REFUNDING BONDS (MEDICAL EDUCATION AND BIOMEDICAL RESEARCH FACILITY PROJECT), SERIES 2011**

Barry Fick reported that: (1) four bids were received; (2) the winning bid was submitted by Raymond James & Associates, Inc., with US Bancorp Investments, Inc. and Morgan Stanley & Co., Inc. as co-managers; and (3) the true interest cost was 2.46%.

- MOVED by MILES, SECONDED by CARROLL, to adopt A Resolution Authorizing and Approving the Execution and Delivery of the 2011 Amendments to Lease, the Sixth Supplemental Indenture, the Bond Purchase Agreement, the Tax Exemption Certificate and the Continuing Disclosure Certificate, Authorizing and Providing for the Issuance of University of Iowa Facilities Corporation (Medical Education and Biomedical Research Facility Project) \$5,555,000 Revenue Refunding Bonds, Series 2011, providing for the Payment Thereof and Directing the Issuer to Accomplish Said Refunding.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	x	x	x	x	x	x	x	x	x
Nay									

MOTION APPROVED by ROLL CALL.

**Regent Admission Index (RAI) Evaluation Study Report**

Chief Academic Officer Dr. Diana Gonzalez introduced ISU Associate Vice-President for Student Affairs and Registrar Kathy Jones, UNI Admissions Director Christie Kangas, and SUI Associate Provost for Undergraduate Education and Dean of the University College, Dr. Beth Ingram. The group provided highlights of the report and the next steps in continuing to implement the RAI.

- The Board received the report by GENERAL CONSENT.

**Audit/Compliance and Investment Committee**

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

**Board Receipt of Audit/Compliance and Investment Committee Report**

➤ MOVED by EVANS, SECONDED by MILES, to:

- ◆ Receive the Investment and Cash Management Report for the Quarter Ended June 30, 2011;
- ◆ Approve the addition of Adams Street Partners – 2012 Global Private Equity Program to expand Private Equity Investments;
- ◆ Approve the 2011 and 2012 calendar of the Audit/Compliance and Investment Committee; and
- ◆ Receive the report of the Audit/Compliance and Investment Committee.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	X	X	X	X	X	X	X	X	X
Nay									

MOTION APPROVED by ROLL CALL.

**Closed Session**

➤ MOVED by HARKIN, SECONDED by EVANS, to enter into closed session pursuant to Iowa Code §21.5(1)(j) to discuss a proposed purchase of a particular real estate by the University of Iowa.

<u>Regent</u>	<u>Carroll</u>	<u>Downer</u>	<u>Evans</u>	<u>Harkin</u>	<u>Johnson</u>	<u>Lang</u>	<u>Miles</u>	<u>Mulholland</u>	<u>Rastetter</u>
Aye	X	X	X	X	X	X	X	X	X
Nay									

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 1:55 p.m.

The Board reconvened in open session at 2:20 p.m.

President Lang adjourned the meeting at 2:20 p.m.