

**BOARD OF REGENTS, STATE OF IOWA  
R. WAYNE RICHEY BALLROOM, IOWA MEMORIAL UNION  
UNIVERSITY OF IOWA  
IOWA CITY, IOWA**

**MARCH 11, 2008**

**FULL SCHEDULE**

- 8:00 a.m. Breakfast with Regents and Student Leaders  
**(North Room, 181 Iowa Memorial Union)**
- 9:00 a.m. Board Convenes in Open Session  
**(R. Wayne Richey Ballroom)**
- 9:05 a.m. Board Convenes in Closed Session to Discuss Strategy With Counsel  
In Matters Presently In Litigation Pursuant to Iowa Code §21.5 (1) (c)  
**(R. Wayne Richey Ballroom)**
- Board Reconvenes in Open Session  
**(R. Wayne Richey Ballroom)**
- University of Iowa Hospitals and Clinics Trustees  
**(R. Wayne Richey Ballroom)**
- 10:00 a.m. Bid Opening for Sale, Award and Issuance of \$12,000,000 Academic  
Building Revenue Bonds, Series U.N.I. 2008, and Not to Exceed  
\$11,000,000 Dormitory Revenue Refunding Bonds, Series I.S.U. 2008  
**(Wisconsin Room, 339 Iowa Memorial Union)**
- Noon Alliant Energy Student Awards Luncheon (By invitation Only)  
**(State Room, 282 Iowa Memorial Union )**
- Noon Lunch For All Others  
**(South Room, 179 Iowa Memorial Union )**
- 1:15 p.m. Board Reconvenes in Open Session  
**(R. Wayne Richey Ballroom)**
- 1:15 p.m. Sale and Award of \$12,000,000 Academic Building Revenue Bonds,  
Series U.N.I. 2008, and Not to Exceed \$11,000,000 Dormitory  
Revenue Refunding Bonds, Series I.S.U. 2008  
**(R. Wayne Richey Ballroom)**

**Note: All Times Are Approximate**

## **Agenda Items**

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|--|-------------|
| 1. Election of President and President Pro Tem (Miles)   | Decision    |
| 2. University of Iowa Hospitals and Clinics Trustees (Robillard)   | Information |
| 3. Institution Updates (Miles)   | Information |
| 4. Report on the Search for the Executive Director (Miles)   | Information |
| 5. Establishment of Board Committees (Miles)   | Discussion  |
| 6. Legislative Update (Baumert)  | Discussion  |
| 7. Residence System Governance Report (Berg) <ul style="list-style-type: none"><li>• SUI – Von Stange</li><li>• ISU – Peter Englin</li><li>• UNI – Michael Hager</li></ul> | Discussion  |
| 8. Proposed University Parking (Anania) <ul style="list-style-type: none"><li>• SUI – Doug True</li><li>• ISU – Warren Madden</li><li>• UNI – Tom Schellhardt</li></ul>    | Discussion  |
| 9. Investment and Cash Management Report for the Quarter Ended December 31, 2007 (Brubaker)  | Discussion  |
| 10. CONSENT AGENDA (ROLL CALL VOTE)  |             |
| a. Minutes of February 7, 2008, Board Meeting  | Decision    |
| b. Institutional Personnel Transactions  | Decision    |
| c. University of Iowa Equipment Purchase   | Decision    |
| d. Request for a Name Change at the University of Iowa – Department of Speech Pathology and Audiology to Department of Communication Sciences and Disorders                | Decision    |
| e. Request for a Name Change at the University of Northern Iowa – Department of Philosophy and Religion to Department of Philosophy and World Religions                    | Decision    |
| f. Request to Award an Honorary Doctor of Humane Letters Degree  | Decision    |
| g. Request to Award an Honorary Doctor of Humane Letters Degree  | Decision    |
| h. Request to Award an Honorary Doctor of Humane Letters Degree  | Decision    |
| i. Request for Credit Hour Change at the University of Northern Iowa   | Decision    |
| j. Proposed New Program at the University of Northern Iowa – Bachelor of Arts in Biochemistry  | Decision    |
| k. Request to Suspend Admissions to the Master of Arts in Technology Program at the University of Northern Iowa  | Decision    |

CONSENT AGENDA (Continued)

l. Proposed New Program at the University of Northern Iowa – MS in Technology	Decision
m. Report on Title II Grant Program	Decision
n. Request to Re-Name the Dr. W. Eugene and Linda Lloyd Veterinary Teaching Hospital at Iowa State University	Decision
o. Conflict of Interest Vendor	Decision
11. Resolution for the Sale and Award of \$12,000,000 Academic Building Revenue Bonds, Series U.N.I. 2008 (Fick/Racki)	Decision
12. Resolution for the Sale and Award of Not to Exceed \$11,000,000 Dormitory Revenue Refunding Bonds, Series I.S.U. 2008 (Fick/Racki)	Decision
13. Institutional Agreements, Leases and Easements (Racki)	Decision
14. Register of University of Iowa Capital Improvement Business Transactions (True)	Decision
15. University of Iowa Building Naming (True)	Decision
16. Register of Iowa State University Capital Improvement Business Transactions and Building Naming (Madden/Geoffroy)	Decision
17. Annual Student Financial Aid Report (Gonzalez)	Information
18. Annual Regent Student Financial Aid Study (Gonzalez)	Information
19. Proposed New Center at Iowa State University – Egg Industry Center (Hoffman)	Decision
20. Faculty Presentation at the University of Iowa – “The Iowa Caucuses and Presidential Nominations: Lessons from 2008” (Lopes/Redlawsk)	Information
21. Grow Iowa Values Fund and Battelle Project Update (Hay/Brighton/Pilkington)	Information
22. Highlighted Technology Transfer Presentation (Hay)	Information

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## Board Meeting Schedule

### 2008 \*

April 30 - May 1, 2008	University of Northern Iowa	Cedar Falls
June 11 - 12, 2008	Iowa State University	Ames
August 6 - 7, 2008	University of Northern Iowa	Cedar Falls
September 17 - 18, 2008	University of Iowa	Iowa City
October 29 - 30, 2008	Iowa State University	Ames
December 10 - 11, 2008	University of Northern Iowa	Cedar Falls

### 2009 \*\*

February 5, 2009	University of Iowa	Iowa City
March 19, 2009	Iowa State University	Ames
April 30, 2009	University of Northern Iowa	Cedar Falls
June 11, 2009	University of Iowa	Iowa City
August 6, 2009	Iowa State University	Ames
September 17, 2009	Iowa School for the Deaf	Council Bluffs
October 29, 2009	University of Northern Iowa	Cedar Falls
December 10, 2009	University of Iowa	Iowa City

\* Meeting dates have been revised to reflect two-day meeting schedule as indicated in February 12 e-mails to Regents and institutions

\*\* Meeting dates have yet to be revised to reflect two-day Board meeting schedule



Contact: President Miles

**ELECTION OF PRESIDENT AND PRESIDENT PRO TEM**

**Action Requested:** Elect a President and President Pro Tem of the Board for terms beginning May 1, 2008, and ending April 30, 2010.

The terms for President Miles and President Pro Tem Evans expire on April 30.

**Contact: Mark Braun**

**UNIVERSITY OF IOWA HOSPITALS AND CLINICS TRUSTEES**

**Action Requested:** The Board of Regents, as Trustees of the University of Iowa Hospitals and Clinics (UIHC), is requested to:

Receive an informational UIHC report and UIHC will request permission to proceed with project planning.

**Executive Summary:**

The Board of Regents, as Trustees of the University of Iowa Hospitals and Clinics will be provided presentations on the following topics (a separate booklet has been provided with the Board meeting materials):

- Interim Plan to address present capacity issues
- Request for permission to proceed with project planning for:
  - Children's Hospital and Critical Care Tower
  - Renovation of existing facilities
  - Seeking architectural and construction management assistance
- Commence planning on parking, utilities, roadways, etc.
- Preliminary Timeline

***University of Iowa Health Care  
Planning for the Future***

Presentation to  
Board of Regents, State of Iowa  
March 11, 2008



## ***Recap from last meeting***

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- We're charting the course for the future for UI Health Care
- Our financial picture is strong
- We're growing in all areas
  - Our patient volume is increasing and future projections show growth
  - Our beds are full
  - Our patients are more complex
- Our existing facilities will not meet our future needs i.e. adaptable for new technology and private rooms
- We have an urgent need to proceed with main campus planning
  - Planning for new Critical Care tower
  - Planning for new Children's Hospital
  - Renewing and reusing existing facilities
  - Financial planning development
  - Plan for vehicular access and parking to accommodate patients and their families, faculty and staff
- We're continuing with ambulatory care planning

## *Today's agenda*

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- Interim plan to address present capacity issues
- Request for Permission to Proceed with Project Planning for:
  - Children's Hospital and Critical Care Tower
  - Renovation of existing facilities, including conversion of present nursing units into all single/private patient rooms and plan for relocation of affected programs
  - Seeking architectural and construction management assistance
- Commence planning with UI staff on parking, utilities, roadways and other UI responsibilities
- Preliminary Timeline

## *Interim plan to address present capacity issues*

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- The interim plan may include the following:
  - Move present administrative offices to allow space for 20 - 24 acute care beds
  - Develop 12 critical care beds within existing patient care units
  - Convert space on nursing units currently used for non-patient care functions back to at least 24 inpatient beds
  - Move some ambulatory clinical and administrative services off-site
  - Timeline 2 - 4 years

## ***Request for Permission to Proceed with Project Planning***

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- To include permission for architectural, engineering, construction management and other planning assistance:
  - Children's Hospital and Critical Care Tower
  - Renovation of existing facilities, including conversion of present nursing units into all single/private patient rooms and plan for relocation of affected programs
  - Seeking architectural and construction management assistance

## *In conjunction with The University of Iowa*

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- Plan for:
  - Parking and improved access
  - Utilities for new facilities
  - Impact of new facilities on traffic patterns

# Preliminary Timeline



## Children's Hospital and Critical Care Tower

2008				2009*				2010		2013		
<b>March 2008</b> Present request for permission to proceed with project planning to Board of Regents	<b>June 2008</b> Approve selection of architectural and construction management firms	<b>August 2008</b> Present status report to Board of Regents		<b>November 2008</b> Presentations to UI Campus Planning & Capital Projects Review Committees	<b>February 2009</b> Present status report to Board of Regents	<b>June 2009</b> Present Program Statement to Board of Regents & proceed with final design		<b>September 2009</b> Approve Project Desc., Budget & Schematic Design to Board of Regents	<b>March 2010</b> Receive bids for project  <b>Spring 2010</b> Sell "Revenue Bonds"	<b>May 2010</b> Begin Construction  Present status report to Board of Regents	<b>May 2013</b> Complete Construction	<b>September 2013</b> Occupancy

\*UIHC will seek determination of CON reviewability and submit CON application if indicated

## Parking, Utilities and other UI Responsibilities

2008			2009			2010		2013	
<b>March 2008</b> Commence planning with UI staff		<b>Fall 2008</b> Conclude preliminary plans & set schedule for completing final plans and needed work				<b>April 2010</b> Relocate Parking from Ramp 1 to alternate site(s)		<b>May 2013</b> Complete all work on Parking, Utilities & other UI responsibilities	

## Replacement of Facilities or Relocation of Programs

Center for Disabilities and Development and possibly Wendell Johnson Speech and Hearing

2008		2009		2010		2013	
<b>March 2008</b> Commence planning for replacement of CDD & Speech & Hearing		<b>Fall 2008</b> Determine plan for relocation or replacement facilities & commence process for obtaining BOR approvals				<b>May 2010</b> Relocation of Functions to new sites	

**BOARD OF REGENTS  
STATE OF IOWA**

**AGENDA ITEM 3  
MARCH 11, 2008**

**Contact: Andy Baumert**

**INSTITUTION UPDATES**

The university presidents and special school superintendents will each provide an oral report highlighting recent institution activities.

**Contact: President Miles**

**REPORT ON THE SEARCH FOR THE EXECUTIVE DIRECTOR**

President Miles who serves as Chair of the Search Committee for the Executive Director will give a report on the progress of the search.



**BOARD OF REGENTS  
STATE OF IOWA**

**AGENDA ITEM 5  
MARCH 11, 2008**

**Contact: Andy Baumert**

**ESTABLISHMENT OF BOARD COMMITTEES**

Board of Regents President Miles will lead a discussion regarding reestablishment of Board committees.

**BOARD OF REGENTS  
STATE OF IOWA**

**AGENDA ITEM 6  
MARCH 11, 2008**

**Contact: Andy Baumert**

**LEGISLATIVE UPDATE**

Interim Executive Director Baumert will provide an oral report updating state legislative developments.

**Contact: Brad Berg**

**RESIDENCE SYSTEM GOVERNANCE REPORT**

**Actions Requested:**

1. Receive the university residence systems five-year plans for FY 2009 through FY 2013.
2. Consider the universities' preliminary FY 2009 residence system budgets, which are subject to further review and action when the Board approves the final FY 2009 institutional budgets.
3. Consider the universities' academic year 2008-2009 proposed rates for all residence halls, board options, and apartments as detailed in the tables in each university attachment.

**Executive Summary:** Residence Systems, which include dining services, are operated by each of the Regent universities. The residence systems are self supporting operations and do not receive state-appropriated funds for operations or capital improvements.

The Residence System governance report includes three major components:

- Residence system five-year plans for FY 2009 – FY 2013
- Preliminary residence system budgets for FY 2009
- Proposed residence system rates for academic year 2008-2009

Details pertinent to each university's five-year plan, preliminary budget, and proposed rates are included in the attachments.

The Board of Regents is required by Iowa Code §262.9(18) to take action no sooner than 30 days after notification of any proposed increase to presiding officers of each student government organization at each university. The Board considers the residence system rates in March with final approval scheduled for the April/May meeting. The Board will be requested to approve the final residence system budgets when action is taken on other university budgets during the summer.

**Five-Year Plans FY 2009-FY 2013**

Five-year enrollment and occupancy projections form the basis for residence system financial forecasts. The following table contains current and projected enrollments, capacities, and occupancies for residence halls and apartments. Complete five-year plan summaries are provided in each university attachment.

	<b><u>FY 2008</u></b>	<b><u>FY 2009</u></b>	<b><u>FY 2010</u></b>	<b><u>FY 2011</u></b>	<b><u>FY 2012</u></b>	<b><u>FY 2013</u></b>
<b><u>University of Iowa</u></b>						
Enrollment (Headcount)	30,409	30,329	30,295	30,341	30,325	30,316
Operating Capacity	6,270	6,274	6,370	6,356	6,344	6,338
Total Occupancy	6,331	6,265	6,361	6,347	6,335	6,329
Occupancy Ratio	101.0%	99.9%	99.9%	99.9%	99.9%	99.9%
Occupancy as % of Enrollment	20.8%	20.7%	21.0%	20.9%	20.9%	20.9%
<b><u>Iowa State University</u></b>						
Enrollment (Headcount)	26,160	26,300	26,412	26,411	26,263	26,033
Operating Capacity	9,027	9,040	9,040	9,040	9,040	9,040
Total Occupancy	8,579	8,098	8,093	8,088	8,083	8,078
Occupancy Ratio	95.0%	89.6%	89.5%	89.5%	89.4%	89.4%
Occupancy as % of Enrollment	32.8%	30.8%	30.6%	30.6%	30.8%	31.0%
<b><u>University of Northern Iowa</u></b>						
Enrollment (Headcount)	12,609	12,490	12,445	12,394	12,233	12,083
Operating Capacity	4,972	4,972	4,972	4,972	4,972	4,972
Total Occupancy	4,537	4,557	4,559	4,561	4,563	4,563
Occupancy Ratio	91.3%	91.7%	91.7%	91.7%	91.8%	91.8%
Occupancy as % of Enrollment	36.0%	36.5%	36.6%	36.8%	37.3%	37.8%

Preliminary FY 2009 Residence System Budget Summary

The FY 2009 preliminary budgets project smaller percentage increases in revenues than operational expenditures at all three universities when compared to the FY 2008 revised estimates.

	(1) Current Year Approved Budget FY 2008	(2) Current Year Revised Estimates FY 2008	(3) Next Year Preliminary Budget FY 2009	(4) \$ Change (3) - (2)	(5) % Change (4) / (2)
<b>SUI</b>					
Gross Revenue	\$ 44,386,064	\$ 45,649,326	\$ 47,528,950	\$ 1,879,624	4.1%
Expenditures for Operations	\$ 31,556,261	\$ 31,728,792	\$ 34,295,755	\$ 2,566,963	8.1%
Debt Service & Mand Transfers	\$ 5,568,395	\$ 5,568,395	\$ 5,577,426	\$ 9,031	0.2%
Net Revenue	\$ 7,261,408	\$ 8,352,139	\$ 7,655,769	\$ (696,370)	-8.3%
Net Rev as % of Gross Rev	16.4%	18.3%	16.1%		
FTE Employees	377	359	373		
<b>ISU</b>					
Gross Revenue	\$ 63,338,095	\$ 65,102,985	\$ 66,792,205	\$ 1,689,220	2.6%
Expenditures for Operations	\$ 47,346,301	\$ 46,144,011	\$ 50,190,988	\$ 4,046,977	8.8%
Debt Service & Mand Transfers	\$ 10,435,444	\$ 10,828,888	\$ 11,442,527	\$ 613,639	5.7%
Net Revenue	\$ 5,556,350	\$ 8,130,086	\$ 5,158,690	\$ (2,971,396)	-36.5%
Net Rev as % of Gross Rev	8.8%	12.5%	7.7%		
FTE Employees	559	573	594		
<b>UNI</b>					
Gross Revenue	\$ 31,039,399	\$ 32,055,567	\$ 34,018,087	\$ 1,962,520	6.1%
Expenditures for Operations	\$ 25,067,262	\$ 24,789,238	\$ 26,455,070	\$ 1,665,832	6.7%
Debt Service & Mand Transfers	\$ 3,620,449	\$ 3,620,449	\$ 3,615,136	\$ (5,313)	-0.1%
Net Revenue	\$ 2,351,688	\$ 3,645,880	\$ 3,947,881	\$ 302,001	8.3%
Net Rev as % of Gross Rev	7.6%	11.4%	11.6%		
FTE Employees	391	391	393		

The three Regent Residence Systems currently employ an estimated 1,323 FTE employees of which approximately 38% are students.

Proposed Rates for Academic Year 2008-2009

The Board has historically used the double occupancy room rate with full board as a measure to compare historical room and board rates among the universities. The universities offer many room and board options.

<b>Double Occupancy Rooms with Full Board</b>		
	FY 2008	Proposed FY 2009
University of Iowa	\$6,685	\$7,079
Iowa State University	\$6,645	\$6,884
University of Northern Iowa	\$6,268	\$6,790

A resident undergraduate student's combined FY 2009 tuition and fees in a double occupancy room with full board averages \$13,337 at the three Regent universities.

<b>Combined Tuition and Fees, Double Occupancy with Full Board</b>					
	FY 2009	Proposed FY 2009	FY2009	FY 2008	Incremental
	<u>Tuition, Fees</u>	<u>Room and Board</u>	<u>Total</u>	<u>Total</u>	<u>Cost</u>
University of Iowa	\$6,524	\$7,079	\$13,603	\$12,958	\$645
Iowa State University	\$6,360	\$6,884	\$13,244	\$12,806	\$438
University of Northern Iowa	\$6,376	\$6,790	\$13,166	\$12,458	\$708

The Regent universities continue to offer a number of board plans which provide greater flexibility for the students. The specific board rates for each institution are detailed in the attachments.

SUI and ISU have presented the proposed residence system rates to representatives of their student populations. SUI's student residence hall group unanimously supported the proposed rate increase. ISU's student housing councils approved the proposed rate increases at their recent respective meetings. UNI's room and board rate proposals are scheduled to be presented to the Residence Hall Leadership Council on March 5<sup>th</sup>.

Improvement Fund Transfers

Voluntary reserves are comprised of the revenue, operations and maintenance, improvement, and surplus funds. The voluntary reserves of the residence systems are essential to provide working capital and security to bondholders should there be unanticipated events which would adversely affect occupancy levels or net revenues. Voluntary reserves are used to pay for capital expenditures and to provide cash flow for fixed expenses during the summer months.

The three universities will be requesting approval of transfers to the improvement funds from the surplus funds at the April/May Board meeting. The Regent universities currently project to request transfers of the following amounts:

- University of Iowa                    \$11,311,632
- Iowa State University                \$ 6,800,000
- University of Northern Iowa        \$ 3,200,000

Sustainability and Energy Conservation

The Residence Systems are committed to conserving energy and have implemented many programs to promote sustainability and energy conservation that are part of the initiatives of the universities. Sustainability programs in the Residence Systems include: fluorescent lighting, food and waste recycling programs, motion and/or timing sensors for lights, digital control systems for heating/cooling, window replacement, waste awareness and energy conservation education programs for students, water conservation measures, Energy Star rated appliance purchases, and local organic food purchasing programs.

Fire/Life Safety

The Residence Systems at the Regent universities are committed to providing safe and compliant facilities for students, staff, and guests. The universities have worked in conjunction with local fire safety officials, State Fire Marshal's Office, University public safety offices, and internal health and safety units to train students and staff, establish policies, perform fire drills, and update, implement and maintain fire safety best practices. All of these entities contribute to and play a significant role in the success and implementation of fire safety related programs.

Specific fire safety information for each university is contained in the attachments.

Collaboration

Residence System's personnel from the three Regent universities routinely collaborate to maximize operating efficiencies and keep expenses at a minimum while continuing to serve the needs of the students. Collaborative efforts include the identification of potential vendors/contractors, routine sharing of operational issues, contract sharing, and site visits. They also attend professional seminars/conferences pertaining to student housing and food services hosted by national organizations. SUI and ISU personnel also attend similar meetings hosted by the Big Ten and Big Twelve conferences. Beginning this fall, all three universities plan to use Educational Benchmarking, Inc. to assess the effectiveness of their housing programs and identify areas of strength and those that need improvement.

**UNIVERSITY OF IOWA  
UNIVERSITY HOUSING**

- Based on current projections of entering first-year students for Fall 2008, demand for residence hall space will continue to exceed the current operating capacity. Residence hall occupancy is projected to be at or exceed capacity through FY 2013; the occupancy ratio for apartment housing is projected to be 98.7%.
- For Fall 2007, 684 of 693 apartments were occupied as of September 7th, a 98.7% occupancy ratio. Although families and students with dependent children are given priority for apartments, single students with no dependent children occupied 58.0% of the rented apartments for Fall 2007. SUI has committed financial resources to keep the apartments safe, secure, and functional for its tenants, but has not invested significant amounts of capital to renovate the existing structures.
- Spending from reserves will continue to increase over the next five years to keep up with necessary repairs and replacements, and fund the projects included in the Department's master plan, which currently includes restroom renovations, fire protection upgrades, and the Burge Hall Addition project. Expenditures for capital renewals from voluntary reserves are projected to be \$43.9 million over the next five years. No new bonding is forecasted at this time.
- Voluntary reserve balances at June 30, 2008, are projected to be \$12.3 million, decline to \$7.3 million in FY 2011, and then return to approximately \$9.5 million by the end of FY 2013.
- A five-level addition to Burge Hall, which creates 100 new student beds, consolidates University Housing administrative offices, and provides increased space for Student Disabilities Services, is under construction. The \$9 million Board approved budget for the project is being funded by improvement funds.
- Fire suppression for Slater Hall, the final high-rise to be sprinkled, is underway and scheduled to be completed in the summer of 2008. Installation of fire suppression for the remaining "low-rise" buildings remains a key priority for the Department.
- Energy conservation continues to be a priority for the residence system. The Department is committed to conserving energy by investing in projects that have an effective payback period. Specific energy conservation projects are included in the Department's capital plan and the planning process includes energy efficiency methodologies.
- University Housing has reserved up to 20 beds on one floor of Stanley Hall for the 2008-09 academic year for the REACH (Realizing Educational and Career Hopes) Program. The Program seeks to create a living-learning experience where young adults with multiple learning and cognitive disabilities are empowered with the skills necessary to be independent. The Board received a status report on the REACH Program at the February 2008 meeting.
- The preliminary budget for FY09 projects net revenues, before debt service and mandatory transfers, to be \$13.2 million.
- The proposed FY 2009 rate for the traditional double room with full board of \$7,079 represents a 5.9% increase when compared to FY 2008 rates. The base room rates include 200 Hawkeye Dollars available for use in campus convenience stores and retail outlets. The proposed FY 2009 increase in rates for University Apartments range from 3.7% to 4.1%.
- The five-year plan will require rate increases in excess of the inflationary operating cost increases to fund the planned increases in capital expenditures and to maintain voluntary reserves at an adequate level.
- The outstanding bond principal was \$57.2 million as of June 30, 2007.

**University of Iowa's Five Year Plan Summary  
University Housing  
(Dollars in Thousands)**

	Actual	Estimated	Proposed	Constant Dollars			
	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>
<b>1 - ENROLLMENT &amp; OCCUPANCY</b>							
(a) Fall Enrollment Head Count	29,979	30,409	30,329	30,295	30,341	30,325	30,316
Residence Hall Housing							
(b) Current Operating Capacity (# of beds)	5,604	5,577	5,583	5,679	5,665	5,653	5,647
(c) Occupancy (permanent beds)	5,671	5,647	5,583	5,679	5,665	5,653	5,647
(d) Occupancy Ratio	101.2%	101.3%	100.0%	100.0%	100.0%	100.0%	100.0%
Apartment Housing							
(e) Current Operating Capacity (Units)	694	693	691	691	691	691	691
(f) Units Occupied	680	684	682	682	682	682	682
(g) Occupancy Ratio	98.0%	98.7%	98.7%	98.7%	98.7%	98.7%	98.7%
<b>2 - CAPITAL IMPROVEMENTS &amp; REPAIRS</b>							
(a) Improvements from Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Improvements from Voluntary Reserves	7,175	9,284	11,954	8,332	9,398	7,044	7,220
(c) Repairs from Current Revenues	3,881	4,045	4,609	4,635	4,635	4,635	4,635
(d) Gross Square Feet Maintained (000's)	2,239	2,239	2,239	2,284	2,284	2,284	2,284
<b>3 - OPERATING REVENUES &amp; EXPENDITURES</b>							
(a) Total Revenues	\$ 43,940	\$ 45,649	\$ 47,529	\$ 49,794	\$ 51,141	\$ 52,515	\$ 54,071
(b) Less Expenditures (Excluding Univ O.H.)	30,438	31,729	34,296	35,889	37,314	38,798	40,345
(c) Net Operating Revenues	13,502	13,920	13,233	13,905	13,827	13,717	13,726
(d) Less Mandatory Transfers	600	600	600	600	600	600	600
(e) Less Debt Service	5,998	4,968	4,977	5,003	5,025	5,040	5,048
(f) Net to Voluntary Reserves	\$ 6,904	\$ 8,352	\$ 7,656	\$ 8,302	\$ 8,202	\$ 8,077	\$ 8,078
<b>4 - VOLUNTARY (UNRESTRICTED) RESERVES</b>							
(a) Beginning Balance	\$ 12,038	\$ 13,104	\$ 12,333	\$ 8,191	\$ 8,315	\$ 7,273	\$ 8,460
(b) Add Mandatory Transfers from (3d)	600	600	600	600	600	600	600
(c) Add Net to Voluntary Reserves from (3f)	6,904	8,352	7,656	8,302	8,202	8,077	8,078
(d) Less Improvements (2b) & Other Costs	6,438	9,723	12,398	8,778	9,844	7,490	7,666
(e) Year-End Balance	\$ 13,104	\$ 12,333	\$ 8,191	\$ 8,315	\$ 7,273	\$ 8,460	\$ 9,472



**University of Iowa  
Residence System Preliminary Budget 2008-09**

	<b>Actual 2006-07</b>	<b>Approved Budget 2007-08</b>	<b>Revised Estimate 2007-08</b>	<b>Proposed Budget 2008-09</b>
<b>OPERATIONS</b>				
Revenues	\$ 43,961,069	\$ 44,386,064	\$ 45,649,326	\$ 47,528,950
Expenditures for Operations	30,438,174	31,556,261	31,728,792	34,295,755
Net Revenues	13,522,895	12,829,803	13,920,534	13,233,195
% of Revenues	30.8%	28.9%	30.5%	27.8%
Debt Service (due July 1)	5,998,195	4,968,395	4,968,395	4,977,426
Mandatory Transfers	600,000	600,000	600,000	600,000
Net After Debt Service & Mandatory Transfers	\$ 6,924,700	\$ 7,261,408	\$ 8,352,139	\$ 7,655,769
% of Revenues	15.8%	16.4%	18.3%	16.1%
Debt Service Coverage Ratio	225%	258%	280%	266%
University Overhead Payment From Surplus	\$ 430,572	\$ 438,552	\$ 438,552	\$ 443,576
Overhead as % of Expenditures	1.4%	1.4%	1.4%	1.3%
<b>FUND BALANCES (June 30)</b>				
Revenue Fund	\$ -	\$ -	\$ -	\$ -
Operation & Maintenance Fund	1,000,000	1,000,000	1,000,000	1,000,000
Improvement Fund	8,262,097	10,126,000	10,889,626	6,745,222
Surplus Fund	3,841,621	1,113,929	443,576	446,443
Subtotal--Voluntary Reserves	13,103,718	12,239,929	12,333,202	8,191,665
Sinking Fund	-	-	-	-
Bond Reserve Fund	5,180,855	5,180,855	5,180,855	5,180,855
Bond Construction Fund	-	-	-	-
Subtotal--Mandatory Reserves	5,180,855	5,180,855	5,180,855	5,180,855
<b>Total Fund Balances (June 30)</b>	<b>\$ 18,284,573</b>	<b>\$ 17,420,784</b>	<b>\$ 17,514,057</b>	<b>\$ 13,372,520</b>
<b>REVENUES AND EXPENDITURES DETAIL</b>				
<b>Revenues</b>				
Contracts	\$ 39,493,143	\$ 39,942,150	\$ 40,853,710	\$ 42,769,112
Interest	1,143,040	992,419	1,042,289	1,013,395
Other Income	3,324,886	3,451,495	3,753,327	3,746,443
Total Revenues	\$ 43,961,069	\$ 44,386,064	\$ 45,649,326	\$ 47,528,950
<b>Expenditures for Operations</b>				
Salaries, Wages & Benefits	\$ 11,563,721	\$ 12,706,762	\$ 12,198,198	\$ 13,695,339
Cost of Food or Goods Sold	3,886,650	4,050,065	4,341,506	4,542,254
Other Operating Expense	6,244,660	5,534,895	6,011,611	6,189,300
Utilities	4,862,595	5,243,497	5,132,374	5,466,702
Repairs & Maintenance	3,880,548	4,021,042	4,045,103	4,402,160
Total Expenditures	\$ 30,438,174	\$ 31,556,261	\$ 31,728,792	\$ 34,295,755
Estimated FTE	346	377	359	373

The University of Iowa  
Residence System Rates--Proposed Rate Schedule for 2008-09

	Current (2007-08) Rates	Proposed (2008-09) Rates	Proposed Rate Increase	
			Amount	Percent
<b>Residence Halls Academic Year 2008-09</b>				
<b>Basic Room Rates (per person) **</b>				
Single	\$5,271	\$5,593	\$322	6.1%
Double	4,325	4,589	264	6.1%
Triple	3,739	3,967	228	6.1%
Multiple	3,305	3,507	202	6.1%
**All room rates include \$200 Hawkeye Dollars (\$100 per semester)				
<b>Additional Rate Per Room For:</b>				
Rooms with airconditioning	633	672	39	6.2%
Rooms with private bath	2,152	2,283	131	6.1%
Rooms with kitchen units	547	580	33	6.0%
Suites	1,517	1,610	93	6.1%
<b>Temporary Housing (daily rate)</b>	<b>\$5</b>	<b>\$10</b>	<b>5</b>	<b>100.0%</b>
<b>Board Rates</b>				
Full Board (20 meals per week)	\$2,360	\$2,490	130	5.5%
Any 14 meals per week	2,265	2,395	130	5.7%
Any 10 meals per week	2,065	2,210	145	7.0%
Any 5 meals per week	1,060	1,115	55	5.2%
<b>Residence Halls Summer Session 2009</b>				
<b>Basic Room Rates (per person)</b>				
Single	\$1,268	\$1,348	\$80	6.3%
Double	1,031	1,097	66	6.4%
Triple	885	942	57	6.4%
Multiple	776	827	51	6.6%
<b>Additional Rate Per Room For:</b>				
Rooms with airconditioning	633	672	39	6.2%
Rooms with private bath	538	571	33	6.1%
Rooms with kitchen units	137	145	8	5.8%
Suites	379	403	24	6.3%
<b>Board Rates</b>				
Full Board (20 meals per week)	\$590	\$623	33	5.6%
Any 14 meals per week	566	599	33	5.8%
Any 10 meals per week	516	553	37	7.2%
Any 5 meals per week	265	279	14	5.3%
<b>University Apartments (effective 6/1/2008)</b>				
<b>Hawkeye Court</b>				
1 Bedroom	\$418	\$435	17	4.1%
2 Bedroom	463	480	17	3.7%
<b>Hawkeye Drive</b>				
2 Bedroom	553	575	22	4.0%
<b>Staff &amp; Faculty (Additional)</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>0.0%</b>

The Double Basic Room rate with full board is used for comparative purposes.

**IOWA STATE UNIVERSITY  
DEPARTMENT OF RESIDENCE**

- Enrollment for New Direct from High School students for Fall 2007 increased more than originally forecasted. Subsequently, Fall 2007 residence system occupancy was over 400 contracts more than Fall 2006.
- Demand for residence hall space is projected to decline to approximately 91% of occupancy in FY 2009 and then remain relatively stable through FY 2013. The projected decline is a result of declining demographics of high school graduates and the opportunities available in the external markets.
- Retention comparisons of three cohorts (Fall 1998 – 2000) of first year, full-time students at ISU based on their first year housing arrangements, show that students who lived on-campus their first year were found to have a substantially higher probability (10%) of graduating within 4-6 years than students residing off-campus during the same time period.
- The Admissions Partnership Program (APP) offered eligible students enrolled at Iowa community colleges the opportunity to contract for a variety of student services, including on-campus housing and meal plans. The number of APP students who contracted for on-campus housing and dining doubled from ten students in FY 2007 to twenty students in FY 2008.
- Funding for major capital improvements to the residence halls and apartments, including building and fire safety improvements, and dining renovations projected at \$33.9 million for FY 2009 through FY 2013, will come from surplus funds. The improvements are necessary to maintain good stewardship of facilities and retain student interest in on-campus housing.
  - FY 2010 building improvements reflect the decision to fund a portion of the East Campus Dining improvements internally. The Board issued bonds in October 2007 to fund \$12 million of the project costs; remaining costs will be funded from the surplus fund.
- Fire and life safety continues to be a priority for the Department of Residence. Heat and smoke detection will be installed in Helser Hall during FY 2009 and in Friley Hall over a four-year period. Sprinklers are scheduled to be installed in several residence halls from FY 2009 through FY 2013. Surplus funds of approximately \$14.9 million will be reinvested in the fire safety renovations from FY 2009 through FY 2013.
- Voluntary reserve balances at June 30, 2008, are projected to be \$17.4 million, and are projected to decrease to \$4.6 million by the end of FY 2013 due to improvement projects being funded from reserves.
- The preliminary budget for FY 2009 projects net revenues, before debt service and mandatory transfers, to be \$16.6 million.
- The budgeted FTE increase for FY 2009 is due to the opening of the new Hub (Caribou and Hub Grill), which will require significantly higher levels of student employment. ISU's Department of Residence will employ a headcount of approximately 1,235 students in FY 2009.
- The proposed FY 2009 rate for the traditional double room with full board of \$6,884 represents a 3.6% increase when compared to FY 2008 rates. The proposed increase in rates for University apartments range from 1.75% to 2.00%. The Department continually evaluates rate increases and manages costs in order to remain competitive with the external housing market.
- The meal plans offered will remain relatively static for FY 2009. However, a new plan (200 Block Plus Zero) which includes 200 meals each semester and does not include dining dollars will be available to continuing students. Student committees requested such a plan.
- The outstanding bond principal was \$128.4 million as of June 30, 2007.

**Iowa State University's Five Year Plan Summary  
Department of Residence  
(Dollars in Thousands)**

	Actual	Estimated	Proposed	Constant Dollars			
	<u>FY_07</u>	<u>FY_08</u>	<u>FY_09</u>	<u>FY_10</u>	<u>FY_11</u>	<u>FY_12</u>	<u>FY_13</u>
<b>1 - ENROLLMENT &amp; OCCUPANCY</b>							
(a) Fall Enrollment Head Count	25,462	26,160	26,300	26,412	26,411	26,263	26,033
Residence Hall Housing							
(b) Current Operating Capacity (# of beds)	5,918	6,184	6,315	6,315	6,315	6,315	6,315
(c) Occupancy (permanent beds)	5,626	5,920	5,732	5,728	5,724	5,732	5,712
(d) Occupancy Ratio	95.1%	95.7%	90.8%	90.7%	90.6%	90.8%	90.5%
Apartment Housing							
(e) Current Operating Capacity (Units)	3,048	2,843	2,725	2,725	2,725	2,725	2,725
(f) Units Occupied	2,528	2,659	2,366	2,365	2,364	2,351	2,366
(g) Occupancy Ratio	82.9%	93.5%	86.8%	86.8%	86.8%	86.3%	86.8%
<b>2 - CAPITAL IMPROVEMENTS &amp; REPAIRS</b>							
(a) Improvements from Bond Proceeds	\$ -	\$ -	\$ 1,339	\$ 6,750	\$ 4,000	\$ -	\$ -
(b) Improvements from Voluntary Reserves	2,908	8,377	9,977	9,220	5,793	4,986	3,948
(c) Repairs from Current Revenues	1,987	1,917	1,746	1,746	1,746	1,746	1,746
(d) Gross Square Feet Maintained (000's)	2,911	2,911	2,911	2,911	2,911	2,911	2,911
<b>3 - OPERATING REVENUES &amp; EXPENDITURES</b>							
(a) Total Revenues	\$ 63,483	\$ 65,103	\$ 66,792	\$ 67,047	\$ 67,149	\$ 67,296	\$ 67,457
(b) Less Expenditures (Excluding Univ O.H.)	44,149	46,144	50,191	50,193	50,089	50,196	50,198
(c) Net Operating Revenues	19,334	18,959	16,601	16,854	17,060	17,100	17,259
(d) Less Mandatory Transfers	500	500	500	500	500	500	500
(e) Less Debt Service <sup>1</sup>	9,970	10,329	10,943	10,970	10,996	11,015	11,017
(f) Less Voluntary Transfers	1,264	1,691	1,738	1,752	1,755	1,758	1,762
(g) Net to Voluntary Reserves	\$ 7,600	\$ 6,439	\$ 3,420	\$ 3,632	\$ 3,809	\$ 3,827	\$ 3,980
<b>4 - VOLUNTARY (UNRESTRICTED) RESERVES</b>							
(a) Beginning Balance	\$ 12,226	\$ 18,831	\$ 17,393	\$ 11,336	\$ 6,248	\$ 4,764	\$ 4,105
(b) Add Mandatory Transfers from (3d)	500	500	500	500	500	500	500
(c) Add Net to Voluntary Reserves from (3g)	7,600	6,439	3,420	3,632	3,809	3,827	3,980
(d) Less Improvements (2b) & Other Costs <sup>2</sup>	1,495	8,377	9,977	9,220	5,793	4,986	3,948
(e) Year-End Balance	\$ 18,831	\$ 17,393	\$ 11,336	\$ 6,248	\$ 4,764	\$ 4,105	\$ 4,637

<sup>1</sup>Scheduled debt service for FY07 was \$9,997,894. Actual expense was reduced by a \$27,743 credit balance in the Sinking Fund, which was a result of the September 2006 defeasement. \$9,970,151 was reported as actual debt service paid from operating on FY07 year-end financials.

<sup>2</sup>Includes for FY 2007:

2(b) Improvements from voluntary reserves	(2,908)
Reversal of Conference revenue accrual for FY06 OM	1,394
Year-end adjusting entries	36
Non capital expenditures paid from Surplus account	(17)
	<u>(1,495)</u>

**Iowa State University  
Residence System Preliminary Budget 2008-09**

	<b>Actual 2006-07</b>	<b>Approved Budget 2007-08</b>	<b>Revised Estimate 2007-08</b>	<b>Proposed Budget 2008-09</b>
<b>OPERATIONS</b>				
Revenues	\$ 63,482,699	\$ 63,338,095	\$ 65,102,985	\$ 66,792,205
Expenditures for Operations	44,148,587	47,346,301	46,144,011	50,190,988
Net Revenues	19,334,112	15,991,794	18,958,974	16,601,217
% of Revenues	30.5%	25.2%	29.1%	24.9%
Debt Service (due July 1)	9,970,151	9,935,444	10,328,888	10,942,527
Mandatory Transfers	500,000	500,000	500,000	500,000
Net After Debt Service & Mandatory Transfers	\$ 8,863,961	\$ 5,556,350	\$ 8,130,086	\$ 5,158,690
% of Revenues	14.0%	8.8%	12.5%	7.7%
Debt Service Coverage Ratio	194%	161%	184%	152%
University Overhead Payment From Surplus	\$ 1,264,020	\$ 1,670,077	\$ 1,691,233	\$ 1,738,391
Overhead as % of Expenditures	2.9%	3.5%	3.7%	3.5%
<b>FUND BALANCES (June 30)</b>				
Revenue Fund	\$ -	\$ -	\$ -	\$ -
Operation & Maintenance Fund	-	-	-	-
Improvement Fund	1,026,416	-	-	-
Surplus Fund	17,803,965	9,128,551	17,361,694	11,304,989
Subtotal--Voluntary Reserves	18,830,381	9,128,551	17,361,694	11,304,989
Sinking Fund	-	7,092,722	-	-
Bond Reserve Fund	10,068,779	10,068,779	11,017,019	11,017,019
Bond Construction Fund	-	-	10,750,000	4,000,000
Subtotal--Mandatory Reserves	10,068,779	17,161,501	21,767,019	15,017,019
<b>Total Fund Balances (June 30)</b>	<b>\$ 28,899,160</b>	<b>\$ 26,290,052</b>	<b>\$ 39,128,713</b>	<b>\$ 26,322,008</b>
<b>REVENUES AND EXPENDITURES DETAIL</b>				
<b>Revenues</b>				
Contracts	\$ 47,139,125	\$ 48,263,280	\$ 49,069,923	\$ 49,278,995
Interest	1,595,477	885,160	1,264,514	1,320,123
Other Income	14,748,097	14,189,655	14,768,548	16,193,087
Total Revenues	\$ 63,482,699	\$ 63,338,095	\$ 65,102,985	\$ 66,792,205
<b>Expenditures for Operations</b>				
Salaries, Wages & Benefits	\$ 22,168,497	\$ 24,016,411	\$ 22,720,240	\$ 25,356,703
Cost of Food or Goods Sold	7,003,565	7,392,493	7,762,272	8,297,086
Other Operating Expense	7,714,470	7,279,598	8,232,596	8,800,717
Utilities	5,274,924	6,997,262	5,512,226	5,990,633
Repairs & Maintenance	1,987,131	1,660,537	1,916,677	1,745,849
Total Expenditures	\$ 44,148,587	\$ 47,346,301	\$ 46,144,011	\$ 50,190,988
Estimated FTE	559	559	573	594

**IOWA STATE UNIVERSITY**  
**Department of Residence & ISU Dining**  
**Proposed Residence System Rates for Fiscal Year 2008-2009**  
(effective May 11, 2008)

**Residence Halls - Academic Year Rates**

Meal plans required in all residence halls, except Wallace Hall.

<b>Traditional Style Rooms</b>	<b>Beds</b>	<b>Occupancy</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Triple - Richardson Court	39	33	\$ 3,360	\$ 3,452	\$ 92	2.75%
Triple - Friley A/C	66	60	\$ 3,455	\$ 3,550	\$ 95	2.75%
Triple - Friley/Helser No A/C	12	10	\$ 3,427	\$ 3,521	\$ 94	2.75%
Triple - Linden	24	23	\$ 3,610	\$ 3,709	\$ 99	2.75%
Double - Richardson Court	1077	956	\$ 3,491	\$ 3,587	\$ 96	2.75%
Double - Friley A/C	900	783	\$ 3,604	\$ 3,703	\$ 99	2.75%
Double - Friley/Helser No A/C	828	714	\$ 3,561	\$ 3,659	\$ 98	2.75%
Double - Larch/Willow	1084	992	\$ 3,535	\$ 3,632	\$ 97	2.75%
Double - Linden	282	256	\$ 3,751	\$ 3,854	\$ 103	2.75%
Double - Maple	448	421	\$ 4,029	\$ 4,140	\$ 111	2.75%
Single - Richardson Court	132	126	\$ 4,530	\$ 4,655	\$ 125	2.75%
Single - Friley A/C	64	63	\$ 4,707	\$ 4,836	\$ 129	2.75%
Single - Friley/Helser No A/C	34	32	\$ 4,618	\$ 4,745	\$ 127	2.75%
Single - Linden	5	5	\$ 4,790	\$ 4,922	\$ 132	2.75%
Super Single - Richardson Court <sup>1</sup>	3	36	\$ 4,900	\$ 5,035	\$ 135	2.75%
Super Single - Friley A/C <sup>1</sup>	0	48	\$ 5,226	\$ 5,370	\$ 144	2.75%
Super Single - Friley/Helser No A/C <sup>1</sup>	0	25	\$ 5,163	\$ 5,305	\$ 142	2.75%
Super Single - Larch/Willow <sup>1</sup>	0	37	\$ 4,988	\$ 5,125	\$ 137	2.75%
Super Single - Linden <sup>1</sup>	10	20	\$ 5,251	\$ 5,395	\$ 144	2.75%
Super Single - Maple <sup>1</sup>	0	12	\$ 5,641	\$ 5,796	\$ 155	2.75%
Super Single - Wallace	271	224	\$ 4,744	\$ 4,874	\$ 130	2.75%
Triple as Double - Richardson Court <sup>1</sup>	0	4	\$ 4,196	\$ 4,311	\$ 115	2.75%
Triple as Double - Friley A/C <sup>1</sup>	0	0	\$ 4,301	\$ 4,419	\$ 118	2.75%
Triple as Double - Friley/Helser No A/C <sup>1</sup>	0	0	\$ 4,270	\$ 4,387	\$ 117	2.75%
Triple as Double - Linden <sup>1</sup>	0	0	\$ 4,471	\$ 4,594	\$ 123	2.75%

<b>Suite Style Rooms</b>	<b>Beds</b>	<b>Occupancy</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Suite Triple - Maple	48	47	\$ 4,216	\$ 4,332	\$ 116	2.75%
Suite Double - Eaton/Martin	534	515	\$ 5,005	\$ 5,143	\$ 138	2.75%
Corner Suite Double - Martin	27	27	\$ 5,828	\$ 5,988	\$ 160	2.75%
Lofted Suite Double - Martin	74	73	\$ 6,651	\$ 6,834	\$ 183	2.75%
Suite Single - Eaton/Martin	17	17	\$ 6,446	\$ 6,623	\$ 177	2.75%
Super Single - Eaton/Martin <sup>1</sup>	0	4	\$ 7,045	\$ 7,239	\$ 194	2.75%
Single - Buchanan - 12 month	6	6	\$ 6,041	\$ 6,207	\$ 166	2.75%
Double - Buchanan - 12 month	16	11	\$ 5,251	\$ 5,395	\$ 144	2.75%
Super Single - Buchanan - 12 month <sup>1</sup>	0	2	\$ 6,564	\$ 6,745	\$ 181	2.75%
Single - Buchanan - 9 month	148	147	\$ 5,241	\$ 5,385	\$ 144	2.75%
Double - Buchanan - 9 month	234	193	\$ 4,560	\$ 4,685	\$ 125	2.75%
Super Single - Buchanan - 9 month <sup>1</sup>	0	27	\$ 5,700	\$ 5,857	\$ 157	2.75%

**Student Apartments - Academic Year Rates**

Meal plans encouraged, but not required in all student apartments.

<b>Frederiksen Court</b>	<b>Beds</b>	<b>Occupancy</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
2 Bedroom Shared - 12 month	35	35	\$ 4,284	\$ 4,359	\$ 75	1.75%
4 Bedroom Single - 12 month	44	44	\$ 5,376	\$ 5,470	\$ 94	1.75%
2 Bedroom Super Single - 12 month <sup>1</sup>	0	0	\$ 6,573	\$ 6,688	\$ 115	1.75%
2 Bedroom Shared - 9 month	619	527	\$ 3,720	\$ 3,785	\$ 65	1.75%
4 Bedroom Single - 9 month	1267	1240	\$ 4,667	\$ 4,749	\$ 82	1.75%
2 Bedroom Super Single - 9 month <sup>1</sup>	0	26	\$ 5,704	\$ 5,804	\$ 100	1.75%

<b>Schilletter Village (Rates per unit, per month)</b>	<b>Units</b>	<b>Occupancy</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
2 Bedroom Standard - Schilletter	8	6	\$ 529	\$ 540	\$ 11	2.00%
2 Bedroom Large - Schilletter	124	101	\$ 540	\$ 551	\$ 11	2.00%
2 Bedroom Deluxe - Schilletter	47	42	\$ 552	\$ 563	\$ 11	2.00%
Non-Student - Schilletter <sup>1</sup>	0	0	\$ 683	\$ 697	\$ 14	2.00%
Guest - Schilletter <sup>2</sup>	10	10	\$ 868	\$ 885	\$ 17	2.00%

<b>University Village (Rates per unit, per month)</b>	<b>Beds</b>	<b>Occupancy</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
2 Bedroom Townhouse - University	212	200	\$ 521	\$ 531	\$ 10	2.00%
Large 2 Bedroom Townhouse - University	193	183	\$ 532	\$ 543	\$ 11	2.00%
2 Bedroom, 1 Level - University	24	21	\$ 500	\$ 510	\$ 10	2.00%
1 Bedroom, 1 Level - University	4	4	\$ 466	\$ 475	\$ 9	2.00%
Deluxe 2 Bedroom, 2 Level - University	4	4	\$ 562	\$ 573	\$ 11	2.00%
Non-Student - University <sup>1</sup>	0	0	\$ 683	\$ 697	\$ 14	2.00%
Guest - University <sup>2</sup>	47	47	\$ 868	\$ 885	\$ 17	2.00%
UV Furnished Apt. (Add-on per apt, per month)	19	19	\$ 31	\$ 32	\$ 1	2.00%

**Summer 2008 Rates**

Meal plan participation required in Buchanan Hall. Meal plans encouraged, but not required in all student apartments.

<b>Buchanan Hall</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Single - Buchanan - 3 month	\$ 1,660	\$ 1,706	\$ 46	2.75%
Double - Buchanan - 3 month	\$ 1,444	\$ 1,484	\$ 40	2.75%
Super Single - Buchanan - 3 month	\$ 1,805	\$ 1,855	\$ 50	2.75%

<b>Eaton Hall - Used to house APEX students</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Suite Single - Eaton - (61 days)	\$ 1,098	\$ 1,128	\$ 30	2.75%
Suite Double - Eaton - (61 days)	\$ 854	\$ 877	\$ 23	2.75%
Super Single - Eaton - (61 days)	\$ 1,220	\$ 1,254	\$ 34	2.75%

<b>Frederiksen Court</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
2 Bedroom Shared - 3 month	\$ 1,177	\$ 1,198	\$ 21	1.75%
4 Bedroom Single - 3 month	\$ 1,478	\$ 1,504	\$ 26	1.75%
2 Bedroom Super Single - 3 month	\$ 1,806	\$ 1,838	\$ 32	1.75%

<b>Schilletter and University Villages</b>	SUV available for summer at the regular monthly rates.
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1 - These options are not generally offered as standard. Availability is based on resident demand and space constraints.

2 - Guest apartments are being relocated from University Village to Schilletter Village.

**Cyclone Plans - Academic Year Rates**

Cyclone Plans are available to all system residents and all non-residents.  
All Cyclone Plans include an amount of Dining Dollars, as indicated in plan name.

Plan Name	Units Sold	Current FY08 Rate	Proposed FY09 Rate	\$ Increase	% Increase
Premium Cy Plan 200	550	\$ 3,751	\$ 3,929	\$ 178	4.7%
Cyclone 17 Plus 300	1,147	\$ 3,154	\$ 3,297	\$ 143	4.5%
Cyclone 14 Plus 300	2,013	\$ 3,035	\$ 3,172	\$ 137	4.5%
Cyclone 10 Plus 500	1,398	\$ 2,940	\$ 3,062	\$ 122	4.1%
Cyclone 7 Plus 700	814	\$ 2,704	\$ 2,805	\$ 101	3.7%

**Block Plus Plans - Academic Year Rates**

Block Plus Plans are available to system residents and non-residents.  
All Block Plus Plans include an amount of Dining Dollars, as indicated in plan name.

Plan Name	Units	Current FY08 Rate	Proposed FY09 Rate	\$ Increase	% Increase
200 Meal Block Plan Plus 0*	NA	NA	\$ 2,900	NA	NA
175 Meal Block Plan Plus 300	116	\$ 3,035	\$ 3,172	\$ 137	4.5%
225 Meal Block Plan Plus 300	80	\$ 3,154	\$ 3,297	\$ 143	4.5%

**Block Plans - Academic Year Rates**

Block Plans area available to system residents in Wallace, Frederiksen Court and SUV and all non-residents.

Plan Name	Units	Current FY08 Rate	Proposed FY09 Rate	\$ Increase	% Increase
25 Meal Block Plan	362	\$ 188	\$ 197	\$ 9	4.8%
50 Meal Block Plan	400	\$ 373	\$ 391	\$ 18	4.8%
75 Meal Block Plan	255	\$ 551	\$ 579	\$ 28	5.1%
100 Meal Block Plan	375	\$ 729	\$ 765	\$ 36	4.9%

**Dining Dollar\$ - Academic Year Rates**

Rates listed are per dollar.

Dining Dollar\$ Range	Units	Current FY08 Rate	Proposed FY09 Rate	\$ Increase	% Increase
\$10-\$190 Dining Dollars (Face Value)	98,647.20	\$ 1.00	\$ 1.00	\$ -	0.0%
\$200-390 Dining Dollars (5.00% discount)	135,725.00	\$ 0.95	\$ 0.95	\$ -	0.0%
\$400-590 Dining Dollars (7.50% discount)	58,075.00	\$ 0.93	\$ 0.93	\$ -	0.0%
\$600 Plus Dining Dollars (10.00% discount)	69,250.00	\$ 0.90	\$ 0.90	\$ -	0.0%

\* The 200 Block Plus 0 Plan is for continuing students only.



**Dining - Summer 2008 Rates**

Cyclone Plans and the Block Plus Plan are available to all system residents and all non-residents.

All Cyclone and Block Plus Plans include an amount of Dining Dollars, as indicated in plan name.

Block Plans area available to system residents in Frederiksen Court and SUV and all non-residents.

<b>Cyclone Plans - Single Session</b>	<b>Units Sold</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Premium Cy Plan Plus 50	2	\$ 946	\$ 991	\$ 45	4.7%
Cyclone 17 Plus 75	3	\$ 795	\$ 831	\$ 36	4.5%
Cyclone 14 Plus 75	6	\$ 765	\$ 799	\$ 35	4.5%
Cyclone 10 Plus 125	4	\$ 741	\$ 771	\$ 31	4.2%
Cyclone 7 Plus 175	5	\$ 681	\$ 706	\$ 25	3.7%

<b>Cyclone Plans - Both Sessions</b>	<b>Units Sold</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Premium Cy Plan Plus 75	0	\$ 1,387	\$ 1,452	\$ 66	4.7%
Cyclone 17 Plus 115	15	\$ 1,169	\$ 1,222	\$ 53	4.5%
Cyclone 14 Plus 115	35	\$ 1,125	\$ 1,176	\$ 51	4.5%
Cyclone 10 Plus 185	25	\$ 1,086	\$ 1,131	\$ 45	4.2%
Cyclone 7 Plus 260	18	\$ 1,000	\$ 1,037	\$ 37	3.7%

<b>Cyclone Plans - Trial Enrollment Session</b>	<b>Units Sold</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
Premium Cy Plan Plus 75	2	\$ 1,051	\$ 1,100	\$ 49	4.6%
Cyclone 17 Plus 115	55	\$ 899	\$ 938	\$ 39	4.4%
Cyclone 14 Plus 115	3	\$ 867	\$ 904	\$ 37	4.3%
Cyclone 10 Plus 185	5	\$ 855	\$ 889	\$ 34	4.0%
Cyclone 7 Plus 260	3	\$ 811	\$ 838	\$ 27	3.4%

<b>Block Plus and Block Plans</b>	<b>Units</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
40 Meal Block Plus 250	72	\$ 549	\$ 564	\$ 15	2.7%
25 Meal Block Plan	35	\$ 188	\$ 197	\$ 9	4.8%
50 Meal Block Plan	20	\$ 373	\$ 391	\$ 18	4.8%

<b>Dining Dollar\$ Range</b>	<b>Units</b>	<b>Current FY08 Rate</b>	<b>Proposed FY09 Rate</b>	<b>\$ Increase</b>	<b>% Increase</b>
\$10-\$190 Dining Dollars (Face Value)	8,470.00	\$ 1.00	\$ 1.00	\$ -	0.0%
\$200-390 Dining Dollars (5.00% discount)	5,575.00	\$ 0.95	\$ 0.95	\$ -	0.0%
\$400-590 Dining Dollars (7.50% discount)	1,600.00	\$ 0.93	\$ 0.93	\$ -	0.0%
\$600 Plus Dining Dollars (10.00% discount)	4,200.00	\$ 0.90	\$ 0.90	\$ -	0.0%

The double room in Richardson Court with the "Cyclone 17 Plus 300" meal plan is used for comparative purposes.

**UNIVERSITY OF NORTHERN IOWA  
DEPARTMENT OF RESIDENCE**

- The Department of Residence experienced growth in campus occupancy for the fourth consecutive year. UNI projects continued growth in the residence system occupancy for FY 2009 and then remain relatively stable through FY 2013.
- Students residing on campus for their first two years have a significantly higher graduation rate than students living off-campus during the same period.
- The University's Two-Year Advantage Plan allows students to commit to a two-year contract which keeps room and board rates the same level the second year. 47% of residents are currently participating in the Plan. UNI plans to continue the Two-Year Advantage Plan as long as it is economically feasible.
- The Department will continue to utilize student assessment to improve the service levels provided in housing and dining operations, and facilities.
- The University plans to substantially increase spending from reserves beginning in FY 2009. Expenditures from voluntary reserves for capital renewals, including fire/life safety needs, are projected to total \$21.1 million from FY 2009 to FY 2013. No new bonding is projected at this time.
- Voluntary reserve balances at June 30, 2008, are projected to be \$7.9 million, and are projected to gradually decrease to \$4.3 million at the end of FY 2013 as fire/life safety and maintenance projects are completed.
- Installation of fire sprinklers in the residence halls continues to be a priority. One residence hall (Hageman) is scheduled to have sprinklers installed during the summer of 2008. Two additional halls (Towers) are planned for sprinkler installation in the summer of 2009. From that point, the Department currently plans to sprinkle one residence hall per summer.
- The majority of the student room windows have been replaced. One major window replacement project remains outstanding.
- The University has updated all fire alarm systems since the buildings were constructed and has an on-going preventative maintenance program.
- Estimated FY 2008 revenues exceed the Board approved budget by \$1 million primarily due to increased occupancy; expenses are projected to be at or near the budget.
- The preliminary budget for FY 2009 projects net revenues, before debt service and mandatory transfers, to be \$7.6 million.
- UNI's Department of Residence employees a headcount of approximately 1,290 students.
- Students in the second year of the Two-Year Advantage Plan will realize no increase in FY 2009 and continue to pay FY 2008 room and board rates. The proposed FY 2009 rate for the traditional double room with full board of \$6,790 represents an 8.3% increase when compared to FY 2008 rates. UNI is proposing a 2% increase in the Roth suites and no increase in apartment rates.
- The proposed rate increases provide the necessary reserves to fund the fire installation project and inflationary adjustments.
- The residence hall activity fee pays for programming and activities in the residence halls. There is no proposed increase in the activity fee for FY 2009, which is listed separately on the proposed rate schedule.
- The outstanding bond principal was \$34.0 million as of June 30, 2007.

**University of Northern Iowa's Five Year Plan Summary  
Department of Residence  
(Dollars in Thousands)**

	Actual	Estimated	Proposed	Constant Dollars			
	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>
<b>1 - ENROLLMENT &amp; OCCUPANCY</b>							
(a) Fall Enrollment Head Count	12,260	12,609	12,490	12,445	12,394	12,233	12,083
Residence Hall Housing							
(b) Current Operating Capacity (# of beds)	4,609	4,609	4,609	4,609	4,609	4,609	4,609
(c) Occupancy (permanent beds)	4,041	4,177	4,207	4,207	4,207	4,207	4,207
(d) Occupancy Ratio	87.7%	90.6%	91.3%	91.3%	91.3%	91.3%	91.3%
Apartment Housing							
(e) Current Operating Capacity (Units)	363	363	363	363	363	363	363
(f) Units Occupied	361	360	350	352	354	356	356
(g) Occupancy Ratio	99.4%	99.2%	96.4%	97.0%	97.5%	98.1%	98.1%
<b>2 - CAPITAL IMPROVEMENTS &amp; REPAIRS</b>							
(a) Improvements from Bond Proceeds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
(b) Improvements from Voluntary Reserves	1,668	1,409	3,489	4,476	4,365	4,365	4,365
(c) Repairs from Current Revenues	1,319	1,219	1,759	1,759	1,759	1,759	1,759
(d) Gross Square Feet Maintained (000's)	1,456	1,456	1,456	1,456	1,456	1,456	1,456
<b>3 - OPERATING REVENUES &amp; EXPENDITURES</b>							
(a) Total Revenues	\$ 30,323	\$ 32,056	\$ 34,018	\$ 34,018	\$ 34,018	\$ 34,018	\$ 34,018
(b) Less Expenditures (Excluding Univ O.H.)	22,701	24,789	26,455	26,455	26,455	26,455	26,455
(c) Net Operating Revenues	7,622	7,267	7,563	7,563	7,563	7,563	7,563
(d) Less Mandatory Transfers	330	330	330	330	330	330	330
(e) Less Debt Service	3,291	3,290	3,285	3,281	3,294	3,281	3,304
(f) Net to Voluntary Reserves	\$ 4,001	\$ 3,647	\$ 3,948	\$ 3,952	\$ 3,939	\$ 3,952	\$ 3,929
<b>4 - VOLUNTARY (UNRESTRICTED) RESERVES</b>							
(a) Beginning Balance	\$ 4,014	\$ 5,985	\$ 7,883	\$ 7,961	\$ 6,975	\$ 6,088	\$ 5,214
(b) Add Mandatory Transfers from (3d)	330	330	330	330	330	330	330
(c) Add Net to Voluntary Reserves from (3g)	4,001	3,647	3,948	3,952	3,939	3,952	3,929
(d) Add Transfer from Plant & Other Revenues	4						
(e) Less Improvements (2b) & Other Costs	2,364	2,079	4,200	5,268	5,156	5,156	5,156
(e) Year-End Balance	\$ 5,985	\$ 7,883	\$ 7,961	\$ 6,975	\$ 6,088	\$ 5,214	\$ 4,317

**University of Northern Iowa  
Residence System Preliminary Budget 2008-09**

	<b>Actual 2006-07</b>	<b>Approved Budget 2007-08</b>	<b>Revised Estimate 2007-08</b>	<b>Proposed Budget 2008-09</b>
<b>OPERATIONS</b>				
Revenues	\$ 30,322,572	\$ 31,039,399	\$ 32,055,567	\$ 34,018,087
Expenditures for Operations	22,701,254	25,067,262	24,789,238	26,455,070
Net Revenues	7,621,318	5,972,137	7,266,329	7,563,017
% of Revenues	25.1%	19.2%	22.7%	22.2%
Debt Service (due July 1)	3,291,491	3,290,449	3,290,449	3,285,136
Mandatory Transfers	330,000	330,000	330,000	330,000
Net After Debt Service & Mandatory Transfers	\$ 3,999,827	\$ 2,351,688	\$ 3,645,880	\$ 3,947,881
% of Revenues	13.2%	7.6%	11.4%	11.6%
Debt Service Coverage Ratio	232%	181%	221%	230%
University Overhead Payment From Surplus	\$ 695,308	\$ 756,682	\$ 669,731	\$ 711,377
Overhead as % of Expenditures	3.1%	3.0%	2.7%	2.7%
<b>FUND BALANCES (June 30)</b>				
Revenue Fund	\$ 1,378,253	\$ -	\$ -	\$ -
Operation & Maintenance Fund	-	-	-	-
Improvement Fund	660,283	374,068	2,781,783	2,123,283
Surplus Fund	3,946,500	2,951,081	5,100,902	5,837,406
Subtotal--Voluntary Reserves	5,985,036	3,325,149	7,882,685	7,960,689
Sinking Fund	-	-	-	-
Bond Reserve Fund	3,347,123	3,347,123	3,347,123	3,347,123
Bond Construction Fund	-	-	-	-
Subtotal--Mandatory Reserves	3,347,123	3,347,123	3,347,123	3,347,123
<b>Total Fund Balances (June 30)</b>	<b>\$ 9,332,159</b>	<b>\$ 6,672,272</b>	<b>\$ 11,229,808</b>	<b>\$ 11,307,812</b>
<b>REVENUES AND EXPENDITURES DETAIL</b>				
<b>Revenues</b>				
Contracts	\$ 23,995,639	\$ 25,676,445	\$ 26,384,607	\$ 28,685,429
Interest	747,095	340,000	300,000	100,000
Other Income	5,579,838	5,022,954	5,370,960	5,232,658
Total Revenues	\$ 30,322,572	\$ 31,039,399	\$ 32,055,567	\$ 34,018,087
<b>Expenditures for Operations</b>				
Salaries, Wages & Benefits	\$ 12,301,501	\$ 14,238,648	\$ 13,792,774	\$ 14,446,718
Cost of Food or Goods Sold	3,884,658	4,161,469	4,390,261	4,604,467
Other Operating Expense	3,199,652	3,448,474	3,234,469	3,357,232
Utilities	1,996,825	2,023,933	2,152,623	2,287,763
Repairs & Maintenance	1,318,618	1,194,738	1,219,111	1,758,890
Total Expenditures	\$ 22,701,254	\$ 25,067,262	\$ 24,789,238	\$ 26,455,070
Estimated FTE	388	391	391	393

Proposed UNI Residence Rates  
Academic Year 2008-09

Room and Board Combined

	2007-2008	2008-09	\$	%
	Rate	Proposed Rate (a)	Increase	Increase
<b>Double Room w/meal plan</b>				
Premium Plan (b)	\$7,113	\$7,730	\$617	8.7%
Any 19 (b) - <b>Full Board</b>	\$6,268	\$6,790	\$522	8.3%
19 Plus (b)	\$6,553	\$7,100	\$547	8.3%
14 Plus (b)	\$6,493	\$7,030	\$537	8.3%
Any 14 (b)	\$6,208	\$6,730	\$522	8.4%
Any 150	\$5,978	\$6,470	\$492	8.2%
150 Basic	\$5,378	\$5,870	\$492	9.1%
Any 125	\$5,293	\$5,730	\$437	8.3%
10 Plus	\$5,808	\$6,290	\$482	8.3%
Any 10	\$5,663	\$6,140	\$477	8.4%
Bartlett Hall additional charge	\$101	\$109	\$8	8.3%
Single room additional charge	\$825	\$825	\$0	0.0%
Double room contracted as a single room additional charge	\$1,200	\$1,200	\$0	0.0%
(a) Students in the second year of the 2-Year Advantage Plan will continue to pay 2007-08 rates.				
(b) Plans available to freshmen.				
Overflow housing credit	\$50 plus \$25 for each week beginning the third week			
Residence Hall activity fee	\$20	\$20	\$0	0.0%
<b>ROTH (Room only option)</b>				
8 Person Suite Double	\$2,927	\$2,986	\$59	2.0%
8 Person Suite Single	\$3,891	\$3,969	\$78	2.0%
6 Person Apt. Double	\$3,468	\$3,537	\$69	2.0%
6 Person Apt. Single	\$4,592	\$4,684	\$92	2.0%
4 Person Apt. Double	\$3,468	\$3,537	\$69	2.0%
4 Person Apt. Single	\$4,592	\$4,684	\$92	2.0%
2 Person Apt. Double	\$4,025	\$4,106	\$81	2.0%
2 Person Apt. Single	\$5,292	\$5,398	\$106	2.0%
<b>Meal Plans for Off-Campus Students</b>				
Any 10	\$2,680	\$2,910	\$230	8.6%
Any 7	\$2,040	\$2,175	\$135	6.6%
Any 5	\$1,530	\$1,650	\$120	7.8%
Any 5 (lunch and dinner)	\$1,230	\$1,335	\$105	8.5%
Any 150	\$2,995	\$3,240	\$245	8.2%
Any 125	\$2,310	\$2,500	\$190	8.2%
Any 50	\$885	\$950	\$65	7.3%
150 Basic	\$2,395	\$2,640	\$245	10.2%

	2007-2008 Rate	2008-09 Proposed Rate (effective July 1, 2008)	\$ Increase	% Increase
<b>University Apartments</b>				
One Bedroom	\$356.50	\$356.50	\$0	0.0%
Two Bedroom/Central Air	\$459.00	\$459.00	\$0	0.0%
Townhouse	\$518.50	\$518.50	\$0	0.0%
Jennings Dr.	\$508.00	\$508.00	\$0	0.0%
College Courts	\$405.25	\$405.25	\$0	0.0%
Summer 2008 - room only - weekly rates				
Bartlett Hall				
Double	\$96.85	\$104.89	\$8	8.3%
Single	\$123.76	\$131.86	\$8	6.5%
Double as single	\$135.06	\$143.13	\$8	6.0%
ROTH				
8 Person Suite Double	\$93.13	\$94.99	\$2	2.0%
8 Person Suite Single	\$123.80	\$126.28	\$2	2.0%
6 Person Apt. Double	\$110.34	\$112.55	\$2	2.0%
6 Person Apt. Single	\$146.11	\$149.03	\$3	2.0%
4 Person Apt. Double	\$110.34	\$112.55	\$2	2.0%
4 Person Apt. Single	\$146.11	\$149.03	\$3	2.0%
2 Person Apt. Double	\$128.06	\$130.62	\$3	2.0%
2 Person Apt. Single	\$168.35	\$171.72	\$3	2.0%

The double room with "Any 19 (b) – Full Board" meal plan is used for comparative purposes.

Contact: Andrea Anania

### PROPOSED UNIVERSITY PARKING

**Action Requested:** Consider the proposed annual parking rate increases at the three Regent universities.

Details including justification for the proposed rate increases, information on bond indebtedness, recent improvements, and long-term plans for each parking system are provided in pages 2 - 8.

**Executive Summary:** Each university has parking systems that are self-supporting. User fees and fines support operation, maintenance, and capital improvements. The parking systems do not receive any state appropriated funds.

The proposed increases are scheduled for Board action at its May 2008 meeting. If approved as presented:

- University of Iowa annual charges would range from \$50 - \$1,980;
- Iowa State University annual charges would range from \$40 - \$763; and
- University of Northern Iowa annual charges would range from \$22 - \$354.

**Background:** Iowa Code Chapter 262 allows the Board to make rules regarding policing, control, and regulation of traffic and parking on the property of any institution under its control. It also requires notification to students 30 days prior to action by the Board to increase charges or fees at the universities. The Board gives preliminary consideration to the parking system rates and manual changes in March and final approval in May.

Written notification of the amount of the proposed parking rate increases will be mailed to the student government president at each of the universities.

Each university has a:

- Parking manual that contains rules and regulations for parking on campus and includes information such as vehicle registration, parking permits, and fees and fines.
- System that provides many services including patrol, maintenance, repair, snow removal, resurfacing, construction, as well as meters, signage, salt/sand, equipment, and supplies.
- Committee that oversees parking operations and proposes changes to parking and traffic regulations as well as fees and fines for their comprehensive parking program.

**UNIVERSITY OF IOWA**

Nearly 15,100 parking spaces are available for visitors, faculty, staff, and students.

Outstanding bond indebtedness on the University of Iowa parking system as of January 1, 2008, totaled nearly \$24.6 million.

The University reports a high demand for parking while capacity declines due to campus development. The University anticipates that an additional 400 parking spaces will be lost due to the Campus Recreation and Wellness Center and the College of Public Health projects.

The high demand for parking is primarily from employee transportation/housing choices; the increased number of student commuters, motorcycles, and bus passes offsets the decreased number of first-year students with cars on campus. SUI reports increased use of cashiered facilities serving patients and visitors at UIHC and across campus.

Over the last year, the University has:

- Opened the 599-space Melrose Avenue parking facility, significantly improving access to UIHC;
- Expanded parking spaces leased from the City of Iowa City to 494;
- Continued to accommodate nearly 50% of employees and students who park in peripheral parking facilities with Cambus, the University's free bus system. (Cambus service links nearly 7,000 parking spaces in peripheral lots to the center of campus. During FY 2008, Cambus will provide more than 24,000 hours of service);
- Managed commuter programs (van and car pools) and discounted bus passes for use on the Iowa City and Coralville transit systems. These programs moderate parking rate increases by reducing demand; participation has risen from 626 staff in 1997 to 4,500 staff and students today;
- Implemented an on-line student registration system for parking permits, bus passes, and bicycle registration; and
- Continued to improve the quality, placement, and maintenance of bicycle racks, eliminating most illegal bicycle parking and inhibiting the use of and damage to trees, handrails, signs, and outdoor furniture;

The University plans to develop a new 1,000 space commuter lot and a strategy to address parking for UIHC patients and employees in 2008. The long-term parking and transportation plan includes improved patient and visitor parking, expanded employee and student commuter parking facilities and increased Cambus service, expanded commuter programs, and modest additions to employee parking.

This is the fourth and final year of a multi-year rate increase. The University reports that the increases over the last four years have offset debt service for the expansion of the Melrose Avenue parking facility and supported operations, expansion, maintenance, commuter programs, and Cambus.

The University proposes increases to its published parking rate schedule, effective July 1, 2008, for hourly, metered, and cashiered rates, and August 1, 2008, for all annual and temporary rates. Annual charges for FY 2009 would range from \$50 - \$1,980 and are illustrated in the table on the following page.



**UNIVERSITY OF IOWA**

**PARKING RATES**

Permit Type	Actual FY 2008	Proposed FY 2009	Proposed Increase	Percent Increase
<b>Annual Rate Basis</b>				
FACULTY / STAFF / STUDENT				
Physicians Permit <sup>1</sup>	\$1,920.00	\$1,980.00	\$60.00	3.1%
Prepaid Public Meter Permits <sup>1</sup>	900.00	984.00	84.00	9.3%
Ramp Reserved <sup>1</sup>	900.00	984.00	84.00	9.3%
Ramp Night <sup>1</sup>	528.00	552.00	24.00	4.5%
Surface Reserved A <sup>1</sup>	528.00	552.00	24.00	4.5%
Bus Pass with parking <sup>1</sup>	276.00	276.00	0.00	0.0%
Surface Night <sup>1</sup>	264.00	276.00	12.00	4.5%
Surface Reserved B <sup>1</sup>	336.00	384.00	48.00	14.3%
Commuter <sup>1</sup>	228.00	240.00	12.00	5.3%
Night and Weekend	96.00	120.00	24.00	25.0%
Bus Pass without parking <sup>1</sup>	120.00	120.00	0.00	0.0%
Motorcycle	75.00	81.00	6.00	8.0%
Vanpool <sup>5</sup>	Variable	Variable	--	--
STUDENT ONLY				
9-MONTH PERMITS				
Prepaid Student Meter Permit R <sup>2</sup>	\$594.00	\$621.00	\$27.00	4.5%
Storage <sup>2</sup>	270.00	288.00	18.00	6.7%
Surface Night <sup>2</sup>	198.00	207.00	9.00	4.5%
Surface Reserved B <sup>2</sup>	252.00	288.00	36.00	14.3%
Commuter <sup>2</sup>	171.00	180.00	9.00	5.3%
Night and Weekend	72.00	90.00	18.00	25.0%
Motorcycle	50.00	54.00	4.00	8.0%
SEMESTER PASSES				
Bus Pass with parking	\$80.00	\$80.00	0.00	0.0%
Bus Pass without parking	50.00	50.00	0.00	0.0%
<b>Hourly Rate Basis</b>				
FACULTY / STAFF / STUDENT / PUBLIC				
7-Day Patient Ramp Pass	\$38.00	\$42.00	\$4.00	10.5%
Public Meters	0.85	0.90	0.05	5.9%
Standard / Cashiered <sup>3</sup>				
1 <sup>st</sup> Hour	\$0.70	\$0.75	\$0.05	7.1%
Subsequent Hours Each	0.85	0.90	0.05	5.9%
Daily Maximum	14.00	15.00	1.00	7.1%
Graduated / Cashiered <sup>4</sup>				
1 <sup>st</sup> Hour	\$0.70	\$0.75	\$0.05	7.1%
2 <sup>nd</sup> and 3 <sup>rd</sup> Hours Each	0.85	0.90	0.05	5.9%
Subsequent Hours Each	2.40	2.55	0.15	6.3%
Daily Maximum	14.00	15.00	1.00	7.1%
STUDENT ONLY				
Student Meters / Cashiered	\$0.60	\$0.60	\$0.00	0.0%
<b>Each</b>				
FACULTY / STAFF / STUDENT				
Exit Pass Booklet (20 passes)	\$70.00	\$80.00	\$10.00	14.3%
Access Key / Card Deposit, Replacement	20.00	20.00	0.00	0.0%
Placard Replacement	20.00	20.00	0.00	0.0%
Bus Pass – 30-ride pass (Iowa City only)	\$15 or \$20	\$15 or \$20	0.00	0.0%
STUDENT				
Park Card (prepaid card)	\$10, \$25, 50	\$10, \$25, 50	0.00	0.0%
DEPARTMENT				
Service Vehicle Placard	\$264.00	\$276.00	\$12.00	4.5%
Business Placard – 1 <sup>st</sup> Placard	0.00	0.00	0.00	0.0%
Business Placard – Additional cards	264.00	276.00	12.00	4.5%
Lost or Stolen Placards	30.00	30.00	0.00	0.0%
Pentacrest Placard	\$0.00	\$0.00	0.00	0.0%
<b>Temporary Permits / Per Day</b>				
Ramp Reserved	\$7.00	\$8.00	\$1.00	14.3%
Surface Reserved A	4.00	4.50	0.50	12.5%
Storage	3.00	3.00	0.00	0.0%
Surface Reserved B	2.50	3.00	0.50	20.0%
Commuter	2.00	2.00	0.00	0.00%
<b>Other</b>				
Field Services (per hour)	\$25.00	\$26.00	\$1.00	4.0%
Hooded Meters (per day)	15.50	16.00	0.50	3.2%

1 On a monthly basis, rates equal one-twelfth of the annual amount. Summer rates are based on the monthly charge.  
2 On a monthly basis, rates equal one-ninth of the annual amount.  
3 Charged in all cases except for patrons entering between 5:00 a.m. and 9:00 a.m., Monday – Friday. Patrons entering between 5:00 a.m. and 9:00 a.m., Monday – Friday, are charged the graduated rate unless they show an authorized patient or visitor's pass or waiver.  
4 Charged to patrons entering between 5:00 a.m. and 9:00 a.m., Monday – Friday, unless they show an authorized patient or visitor's pass or waiver.  
5 Rates depend on participation, originating locations, types of vehicles used, and fuel expense.

**FINANCIAL  
INFORMATION**

UNIVERSITY OF IOWA	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<b>Revenues</b>			
Fees	\$13,145,229	\$13,903,179	\$14,500,000
Fines	797,834	800,000	800,000
Other	<u>765,966</u>	<u>550,000</u>	<u>550,000</u>
<b>Total Revenues</b>	<b>\$14,709,029</b>	<b>\$15,253,179</b>	<b>\$15,850,000</b>
<b>Expenses</b>			
Salaries / Wages	\$4,590,260	\$5,039,841	\$5,237,038
Supplies / Equipment	3,737,907	3,792,812	3,941,216
Other	<u>780,216</u>	<u>900,000</u>	<u>935,000</u>
<b>Total Expenses</b>	<b>\$9,108,383</b>	<b>\$9,732,653</b>	<b>\$10,113,254</b>
<b>Net Income from Operations</b>	<b>\$5,600,646</b>	<b>\$5,520,526</b>	<b>\$5,736,746</b>
Debt Service	\$2,287,703	\$2,281,728	\$2,273,503
Improvements from Reserves	\$1,600,547	\$2,837,700	\$3,500,000
Bond Proceeds	\$0	\$0	\$0
Improvements from Bond Proceeds	\$0	\$0	\$0

**IOWA STATE UNIVERSITY**

Approximately 19,600 parking spaces are available for visitors, faculty, staff, and students on campus.

Outstanding bond indebtedness on the Iowa State University parking system as of January 1, 2008, totaled over \$5.0 million.

The Department of Public Safety's Parking Division primarily manages ISU campus parking operations. The Memorial Union manages the Memorial Union Ramp. Functions between ISU and the Memorial Union are coordinated, but have separate operations and fee structures.

During 2007, ISU seal-coated approximately 50,000 square yards of asphalt, completing its fifth year of a project to extend the life of existing asphalt lots, and completed two improvement projects: (1) reconstruction of two existing asphalt parking lot bays at the College of Veterinary Medicine, which added eight new motorcycle stalls in one of the bays; and (2) construction of a parking lot using experimental permeable pavement. Parking Division personnel worked in conjunction with Center for Transportation Research and Education faculty on the project, which added nine parking stalls. ISU plans to continue its work with the academic community to construct environmentally sensitive parking facilities.

ISU reports that its long-range plan is to (1) continue the maintenance, rehabilitation, and upgrade of existing parking lots; and (2) gather information on the viability, location, and size for a possible west campus parking facility due to the changes in campus expansion priorities, new campus growth projections, and additional data gathered from studies.

The University goal for the parking fines increase in 2005 was to gain greater compliance. ISU reports that the number of written citations have declined since the increase and anticipates that they will continue to decrease resulting in reduced revenues from fines.

The University proposes increases to its published parking rate schedule as illustrated on the following page. Annual parking rates for FY 2009 would range from \$40 to \$763 and hourly charges for the Memorial Union parking ramp would range from \$0.50 to a maximum of \$8.00 daily. The University reports that additional revenues generated from the proposed increases will be applied to maintenance, rehabilitation, and the upgrade of existing parking lots.

**PARKING RATES**

Permit Type	Actual FY 2008	Proposed FY 2009	Proposed Increase	Percent Increase
<b>Annual Fee Basis<sup>1</sup></b>				
24-Hour Reserved	\$734.00	\$763.00	\$29.00	4.0%
Reserved	409.00	425.00	16.00	3.9%
Vendor	148.00	154.00	6.00	4.1%
General Staff (includes Residence Hall & Ames Lab staff)	114.00	119.00	5.00	4.4%
Departmental	114.00	119.00	5.00	4.4%
Motorcycle (staff)	38.00	40.00	2.00	5.3%
<b>Academic Year Basis<sup>2</sup></b>				
SUV (2 <sup>nd</sup> car) <sup>3</sup>	\$104.00	\$108.00	\$4.00	3.8%
SUV (1 <sup>st</sup> car) <sup>3</sup>	96.00	100.00	4.00	4.2%
Commuter Student	96.00	100.00	4.00	4.2%
Residence Halls	96.00	100.00	4.00	4.2%
Student Accessible	96.00	100.00	4.00	4.2%
Student Government	96.00	100.00	4.00	4.2%
Stadium	62.00	64.00	2.00	3.2%
Motorcycle (student)	38.00	40.00	2.00	5.3%
<b>Hourly Rate Basis</b>				
Parking Meters	\$0.50	\$0.50	\$0.00	0.0%
Metered Parking Lots	0.75	0.75	0.00	0.0%
Commuter parking at the Iowa State Center and the Orange Route shuttle remain free.				

1. Sold on a fiscal year basis (July 1 – June 30) and are available primarily to faculty, staff, and business associates that regularly operate on campus.
2. Sold on an academic year basis (1<sup>st</sup> day of fall classes – last day of spring finals) and are available primarily to students. Summer rates would be half the annual rate.
3. Schilleter and University Villages (SUV) formerly known as "University Family Housing".

**FINANCIAL  
INFORMATION**

IOWA STATE UNIVERSITY	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<b>Revenues</b>			
Fees	\$1,762,552	\$1,677,000	\$1,700,000
Fines	976,498	900,000	950,000
Other	<u>304,901</u>	<u>290,000</u>	<u>311,000</u>
<b>Total Revenues</b>	\$3,043,951	\$2,867,000	\$2,961,000
<b>Expenses</b>			
Salaries / Wages	\$956,033	\$967,000	\$1,000,000
Supplies / Equipment	1,142,713	1,115,000	1,121,000
Other	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Expenses</b>	\$2,098,746	\$2,082,000	\$2,121,000
<b>Net Income from Operations</b>	\$945,204	\$785,000	\$840,000
Debt Service	\$471,528	\$473,773	\$482,048
Improvements from Reserves	\$305,525	\$300,000	\$400,000
Bond Proceeds	\$0	\$0	\$0
Improvements from Bond Proceeds	\$0	\$0	\$0

**MEMORIAL UNION  
RAMP RATES**

Type	Actual FY 2008	Proposed FY 2009	Proposed Increase	Percent Increase
Permit Basis <sup>1</sup>				
Memorial Union Employee <sup>2</sup>	\$417.00	\$429.00	\$12.00	2.9%
Annual <sup>3</sup>	417.00	429.00	12.00	2.9%
Fall <sup>3</sup>	173.00	178.00	5.00	2.9%
Spring <sup>3</sup>	173.00	178.00	5.00	2.9%
Summer <sup>3</sup>	139.00	143.00	4.00	2.9%
Hourly Rate Basis				
First ½ hour only <sup>4</sup>	\$0.75	\$0.75	\$0.00	0.0%
1 hour	1.25	1.25	0.00	0.0%
2 hours	1.00	1.00	0.00	0.0%
3 hours	1.00	1.00	0.00	0.0%
4 hours	0.75	1.00	0.25	33.3%
5 hours	0.50	0.75	0.25	50.0%
6 hours +	0.25	0.50	0.25	100.0%
Maximum Daily Rate <sup>5</sup>	8.00	8.00	0.00	0.0%
Church Rate (per car) <sup>6</sup>	1.25	1.25	0.00	0.0%
Specialized Fee Basis				
Illegal Exit	\$50.00	\$50.00	\$0.00	0.0%
Lost Ticket Fee	20.00	20.00	0.00	0.0%
Delayed Payment	10.00	10.00	0.00	0.0%
Lost Permit Replacement	10.00	10.00	0.00	0.0%

1. This is the third year permit-basis rates are presented.
2. Valid July 1 – June 30; can be purchased on a pro rated, monthly basis.
3. Annual permit valid July 1 – June 30; Fall permit valid approximately 19 weeks; Spring permit valid approximately 20 weeks; and Summer permit valid approximately 13 weeks.
4. Hourly rate applies after 37 minutes. Standard procedure in parking ramps allow 6-7 minutes for traffic issues that may occur when exiting.
5. New rates would result in maximum daily rate at fewer hours.
6. Arrangements for churches located near Memorial Union for Saturday nights and Sundays only.

ISU reports that the Memorial Union completed the change to an automated system from a personnel-staffed operation in the spring of 2007. The new automated system expedites departure time, captures revenue 24 hours a day, reduces labor costs, and improves internal controls. Memorial Union parking pays a portion of the debt service on the outstanding Memorial Union bonds.

**FINANCIAL  
INFORMATION**

MEMORIAL UNION	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<b>Revenues</b>			
Fees	\$428,490	\$487,529	\$511,905
Other	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Revenues</b>	\$428,490	\$487,529	\$511,905
<b>Expenses</b>			
Salaries / Wages	\$88,996	\$68,972	\$75,673
Supplies / Equipment	30,538	46,110	47,032
Other	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Expenses</b>	\$119,534	\$115,082	\$122,705
<b>Net Income from Operations</b>	\$308,956	\$372,447	\$389,200
Debt Service	\$221,480	\$221,376	\$221,466
Improvements from Reserves	\$0	\$0	\$0
Bond Proceeds	\$0	\$0	\$0
Improvements from Bond Proceeds	\$0	\$0	\$0

**UNIVERSITY OF NORTHERN IOWA**

There are 8,300 parking spaces available on campus for visitors, faculty, staff, and students.

UNI has no outstanding bond indebtedness on its parking system.

UNI reports that the lot south of the UNI-Dome was rebuilt during the past year, with a portion of it delayed due to a steam tunnel system problem, and that expansion of the lot near the Wellness Recreation Center is currently underway.

The University's long-range plan includes continued planning on the Parking Deck and Transit Facility, with construction expected to begin in May 2008 and end in July 2009.

The University proposes increases to its published parking rates, effective August 1, 2008, and plans to apply additional revenue generated from the increases to ongoing operational costs, including lot repair and maintenance as well as increased salaries and benefits.

**PARKING RATES**

	Permit Type <sup>1</sup>	Actual FY 2008	Proposed FY 2009	Proposed Increase	Percent Increase
G	Reserved	\$336.00	\$354.00	\$18.00	5.4%
A	Faculty and Staff	126.00	132.00	6.00	4.8%
S	Service (Vendor)	118.00	122.00	4.00	3.4%
B	Faculty and Staff	72.00	75.00	3.00	4.2%
B	Students	67.00	69.00	2.00	3.0%
CP	Residence Hall Preferred	58.00	60.00	2.00	3.4%
C	Residence Hall Students	45.00	47.00	2.00	4.4%
M	Married Student Housing	45.00	47.00	2.00	4.4%
	Additional Vehicle	22.50	23.50	1.00	4.4%
R	Night / Remote	25.00	26.00	1.00	4.0%
L	Lab School	25.00	26.00	1.00	4.0%
MC	Motorcycle	21.50	22.00	0.50	2.3%
T	Temporary (per week) <sup>2</sup>	6.25	6.25	0.00	0.0%
	Metered (per hour) <sup>3</sup>	0.50	0.50	0.00	0.0%

1. Second semester rates would be one-half and summer rates would be one fourth of the proposed annual amounts.
2. Temporary (per week) permits remain \$6.25 year round.
3. Monday – Friday 7:00 a.m. to 9:00 p.m.; not enforced Saturday and Sunday 7:00 a.m. – 1:00 a.m. Metered areas must be vacated 1:00 a.m. – 7:00 a.m. seven days a week.

**FINANCIAL  
INFORMATION**

UNIVERSITY OF NORTHERN IOWA	Actual FY 2007	Estimated FY 2008	Estimated FY 2009
<b>Revenues</b>			
Fees	\$685,316	\$680,000	\$700,000
Fines	359,664	350,000	400,000
Other	25,372	26,250	26,000
<b>Total Revenues</b>	<b>\$1,070,352</b>	<b>\$1,056,250</b>	<b>\$1,126,000</b>
<b>Expenses</b>			
Salaries / Wages	\$556,010	\$650,000	\$675,000
Supplies / Equipment	282,229	300,000	325,000
Other	0	0	0
<b>Total Expenses</b>	<b>\$838,239</b>	<b>\$950,000</b>	<b>\$1,000,000</b>
<b>Net Income from Operations</b>	<b>\$232,113</b>	<b>\$106,250</b>	<b>\$126,000</b>
Debt Service	\$0	\$0	\$0
Improvements from Reserves	\$507,769	\$700,000	\$600,000
Bond Proceeds	\$0	\$0	\$0
Improvements from Bond Proceeds	\$0	\$0	\$0

Contact: Andrea Anania

**INVESTMENT AND CASH MANAGEMENT REPORT  
FOR THE QUARTER ENDED DECEMBER 31, 2007**

**Recommended Action:** Receive the Investment and Cash Management Report for the quarter ended December 31, 2007.

**Executive Summary:** The Regent institutions maintain two investment portfolios — operating and endowment/quasi-endowment.

**Institutional Investment Portfolios  
Market Value  
(in thousands)  
As of December 31, 2006, and December 31, 2007**

	<u>Operating</u>		<u>Endowment/ Quasi-Endowment</u>	
	<u>Dec 2006</u>	<u>Dec 2007</u>	<u>Dec 2006</u>	<u>Dec 2007</u>
University of Iowa <sup>1</sup>	\$700,736	\$821,043	\$353,407 <sup>2</sup>	\$356,312 <sup>2</sup>
Iowa State University	279,867	325,341	173,031 <sup>3</sup>	176,612 <sup>3</sup>
University of Northern Iowa	105,204	95,421	-	-
Iowa School for the Deaf	1,482	1,951	-	-
Iowa Braille & Sight Saving School	721	1,211	-	-
<b>Total</b>	<b>\$1,088,010</b>	<b>\$1,244,967</b>	<b>\$526,438</b>	<b>\$532,924</b>

<sup>1</sup> Includes UIHC.

<sup>2</sup> Includes UNI.

<sup>3</sup> Includes ISD and IBSSS.

As of December 31, 2007, the Regent combined operating and endowment portfolios totaled nearly \$1.8 billion.

**OPERATING**

The Merrill Lynch 1-3 year Government/Corporate Index rate for the quarter was 2.15%. Internal and external managers underperformed the benchmark.

**ENDOWMENT**

The combined endowment managers' returns for the quarter were -2.0% for both SUI and ISU, while the blended asset allocation benchmark posted returns of -0.8%. The SUI quasi-endowment returned 2.4% for the quarter ended December 31, 2007, which underperformed the benchmark of 3.0%. The endowment fund manager performance overview for the quarter ended December 31, 2007, may be found on page 3 in the Wilshire Executive Summary report.

**COMPLIANCE**

The Director of Internal Audit reported that SUI's operating and endowment activities and ISU's endowment portfolio for the quarter ended September 30, 2007, were in compliance with Board policies. The December 31, 2007, compliance reports will be available at the next Board meeting.

Internal audit compliance reports for operating investment purchases and holdings of ISU, UNI and ISD for the quarter ended December 31, 2007, noted that investments were in compliance with respective Board and institutional investment policies.

**Background and Analysis:**

The Board monitors institutional investment, treasury management practices, performance, and compliance with policy. The Board's policies identify broad investment strategy to be followed in the investment of the assets and any general limitations on the discretion given to the institutions' investment managers (both internal and external). Board policy requires university internal auditors to verify operating investment transactions and holdings for compliance at their respective universities.

The Board of Regents employs an investment advisor and money managers to guide its policy of active, diversified investment management. Wilshire Associates has been the investment advisor to the Board and Regent institutions since May 1996. Wilshire assists with the evaluation of the Board's investment policies and provides quarterly endowment portfolio summary reports.

The Board authorized the following fund managers (See page 7 for values):

*Artisan Partners*, a small capitalization fund manager, was authorized by the Board in December 2004.

*BlackRock*, a fixed income manager, was authorized by the Board in February 1996.

*Commonfund (CF)*, a short-term manager, was authorized by the Board in September 2005.

*Dodge & Cox*, a fixed income manager, was authorized by the Board in February 2004.

*Goldman Sachs Asset Management*, a large capitalization domestic equity fund manager, was authorized by the Board in September 2004.

*Grantham, Mayo, Van Otterloo & Co. (GMO Foreign Fund)*, an international equity fund manager, was authorized by the Board in February 2004.

*Lehman Brothers Asset Management*, a private equity manager, was authorized by the Board in November 2005.

*Lotsoff Capital Management*, a large capitalization domestic equity fund manager, was authorized by the Board in September 2004.

*LSV Asset Management* manages mid cap value domestic stock portfolios and was authorized by the Board in January 2002.

*Post Advisory* (a subsidiary of Iowa's Principal Financial Group), a high-yield bonds manager, was authorized by the Board in November 2005.

*Principal Group* (based in Iowa), a real estate manager, was authorized by the Board in November 2005.

*Reams Asset Management*, a market core fixed income manager, began handling SUI quasi-endowment funds in July 2001. In January 2002, the Board authorized the use of Reams for institutional endowments.

*Wellington*, a short duration fixed income manager, was authorized by the Board in March 2003.



**OPERATING PORTFOLIOS**

The primary goals for investment prudence of the operating portfolio include safety of principal, maintenance of liquidity to match expected liabilities, and a reasonable return. The operating portfolio is to be managed to ensure funds are available to support operational needs.

**Market Value  
(in thousands)  
As of December 31, 2007**

	<u>Restricted</u>	<u>Unrestricted</u>				<u>Total</u>
	<u>Internal</u>	<u>Internal</u>	<u>BlackRock</u>	<u>Wellington</u>	<u>Commonfund</u>	
SUI	\$138,912	\$308,024	\$160,822	\$161,013	\$52,272	\$821,043
ISU	84,104	160,131	N/I	N/I	81,106	325,341
UNI	29,129	45,066	N/I	N/I	21,226	95,421
ISD	9	1,670	N/I	N/I	272	1,951
IBSSS	N/I	1,211	N/I	N/I	N/I	1,211
Total	\$252,154	\$516,102	\$160,822	\$161,013	\$154,876	\$1,244,967

N/I = No investments of this type.

Total rate of return measures all income and market valuation changes in the portfolios during the period. Rates of return for the quarter are provided in the following table.

**Quarterly Rates of Return  
For the Quarter Ended December 31, 2007**

	<u>Restricted</u>	<u>Unrestricted</u>				<u>Total</u>
	<u>Internal</u>	<u>Internal</u>	<u>BlackRock</u>	<u>Wellington</u>	<u>Commonfund</u>	
SUI	1.36%	1.23%	1.79%	1.20%	1.03%	1.34%
ISU	1.16%	1.40%	N/I	N/I	1.03%	1.27%
UNI	1.31%	1.33%	N/I	N/I	1.02%	1.23%
ISD	1.13%	1.14%	N/I	N/I	1.03%	1.12%
IBSSS	N/I	1.26%	N/I	N/I	N/I	1.26%

N/I = No investments of this type.

The comparable industry standard rate of return for the quarter ended December 31, 2007, includes the Merrill Lynch 1-3 year Government/Corporate Index rate of 2.15%. Internal and external managers underperformed the benchmark.

**Operating Investment Summary**  
**Unrestricted, Restricted, BlackRock, Wellington, and Commonfund**  
**(in thousands)**  
**As of December 31, 2007**

	<u>Market Value</u>	<u>Percent Market Value</u>
<b>University of Iowa</b>		
Money Market / Cash Equivalents	\$426,380	51.9%
Corporate Notes and Bonds	46,577	5.7%
Agency Securities	83,464	10.2%
Asset Backed	157,797	19.2%
Commonfund	52,272	6.4%
U.S. Obligations	53,899	6.5%
Municipals	<u>654</u>	<u>0.1%</u>
Total	\$821,043	100.0%
<b>Iowa State University</b>		
Money Market / Cash Equivalents	\$136,406	41.9%
Agency Securities	80,252	24.7%
Commonfund	81,106	24.9%
U.S. Obligations	<u>27,577</u>	<u>8.5%</u>
Total	\$325,341	100.0%
<b>University of Northern Iowa</b>		
Money Market / Cash Equivalents	\$35,439	37.1%
Agency Securities	26,491	27.8%
Commonfund	21,226	22.2%
U.S. Obligations	<u>12,265</u>	<u>12.9%</u>
Total	\$95,421	100.0%
<b>Iowa School for the Deaf</b>		
Money Market / Cash Equivalents	\$1,679	86.1%
Commonfund	<u>272</u>	<u>13.9%</u>
Total	\$1,951	100.0%
<b>Iowa Braille &amp; Sight Saving School</b>		
Money Market / Cash Equivalents	\$11	0.9%
Repurchase Agreements	<u>1,200</u>	<u>99.1%</u>
Total	\$1,211	100.0%
<b>Regent Composite</b>		
Money Market / Cash Equivalents	\$599,915	48.2%
Corporate Notes and Bonds	46,577	3.7%
Agency Securities	190,207	15.3%
Asset Backed	157,797	12.7%
Commonfund	154,876	12.4%
U.S. Obligations	93,741	7.5%
Repurchase Agreements	1,200	0.1%
Municipals	<u>654</u>	<u>0.1%</u>
Total	\$1,244,967	100.0%

The top three investment categories for the combined Regent operating portfolios included Money Market / Cash Equivalents, Agency Securities, and Asset Backed.

**ENDOWMENT PORTFOLIOS**

Two primary endowment portfolios are maintained – the University of Iowa and Iowa State University. The University of Northern Iowa endowment portfolio is invested through the University of Iowa. The Iowa School for the Deaf and the Iowa Braille and Sight Saving School endowment portfolios are invested through Iowa State University.

In recognition of their long-term charter, the Board’s investment policy indicates that these funds shall be managed actively with the intention of obtaining the highest possible total return while accepting only prudent risk. These funds are to be managed to maintain and preserve, over time, the real value of the funds and shall consist of a prudent, diversified investment portfolio.

**Endowment Asset Class Allocation Policy\*  
As of December 31, 2007**

	<u>Target</u>	<u>Range</u>
Domestic Stocks (U.S. equities)	45%	-5/+15%
Domestic Bonds (U.S. fixed income)	30%	+/-5%
International Stocks (foreign equities)	15%	+/-5%
Real Estate	5%	+/-5%
Private Equity	5%	-5/+2%
	100%	

**Endowment Manager Allocations\*  
As of December 31, 2007**

<u>Asset Class</u>	<u>Target</u>	<u>Allowable Range</u>	<u>Benchmark</u>
<u>Domestic Stocks</u>	45%	40-60%	Wilshire 5000
Large Cap Core	80%	75-85%	S&P 500 Index
Large Cap Index	0%	n/a	n/a
Small / Mid Cap Growth	10%	5-15%	Russell 2500 Growth
Small / Mid Cap Value	10%	5-15%	Russell 2500 Value
<u>Domestic Bonds</u>	30%	25-35%	Lehman Aggregate
Investment Grade Core	83%	75-100%	Lehman Aggregate
High Yield	17%	0-25%	Merrill Lynch HY Master II
<u>International Stocks</u>	15%	10-20%	MSCI EAFE
International Developed	95%	95-100%	MSCI EAFE
International Emerging Markets	5%	0-5%	MSCI Emerging Markets
<u>Real Estate</u>	5%	0-10%	NACREIF
<u>Private Equity</u>	5%	0-7%	Wilshire 5000

\*Approved at the September 2005 meeting.

**Endowment Allocations  
Net of Fees  
As of December 31, 2007**

MANAGER	University of Iowa			Iowa State University		
	Value (thousands)	Value (percent)	Fees (thousands)	Value (thousands)	Value (percent)	Fees (thousands)
<u>Domestic Stocks</u>						
Artisan	\$12,717	4.8%	\$36	\$9,715	5.5%	\$27
Goldman Sachs	50,405	19.2%	51	30,913	17.5%	32
Lotsoff Capital	52,172	19.8%	48	32,960	18.6%	29
LSV	<u>11,134</u>	<u>4.2%</u>	<u>21</u>	<u>8,608</u>	<u>4.8%</u>	<u>15</u>
Subtotal	\$126,428	48.0%	\$156	\$82,196	46.4%	\$103
<u>Domestic Bonds</u>						
Dodge and Cox	\$31,855	12.1%	\$36	\$22,064	12.5%	\$25
Reams	31,589	12.0%	19	23,079	13.0%	17
Post Advisory	<u>13,979</u>	<u>5.3%</u>	<u>21</u>	<u>9,233</u>	<u>5.2%</u>	<u>14</u>
Subtotal	\$77,423	29.4%	\$76	\$54,376	30.7%	\$56
<u>International Stocks</u>						
GMO Foreign Fund	\$41,397	15.8%	\$77	\$28,198	16.0%	\$53
<u>Real Estate</u>						
Principal Group	\$14,507	5.5%	\$43	\$10,092	5.7%	\$30
<u>Private Equity</u>						
Lehman Brothers	\$2,631	1.0%	\$14	\$1,644	0.9%	\$9
CF Int'l Partners VI*	83	0.1%	*	55	0.1%	*
CF Private Equity VII*	52	0.1%	*	35	0.1%	*
CF Venture Capital VIII*	<u>26</u>	<u>0.1%</u>	<u>*</u>	<u>16</u>	<u>0.1%</u>	<u>*</u>
Subtotal	\$2,792	1.3%	\$14	\$1,750	1.2%	\$9
<b>Total Fund</b>	<b>\$262,547</b>	<b>100.0%</b>	<b>\$366</b>	<b>\$176,612</b>	<b>100.0%</b>	<b>\$251</b>

\* This is the second quarter results are reported for the Commonfund (CF); the Board approved these funds at the March 2007 Board meeting; no fees were reported.

**Endowment Performance  
Net of Fees  
As of December 31, 2007**

	Assets (thousands)	Net Returns	
		Quarter	One Year
SUI	\$262,547	-2.0%	5.0%
ISU	176,612	-2.0%	4.8%
Asset Allocation Benchmark*		-0.8%	7.4%
SUI Quasi-Endowment	<u>93,765</u>	2.4%	6.2%
Fixed Income Benchmark **		3.0%	7.0%
<b>Total</b>	<b>\$532,924</b>		

\* 50% Wilshire 5000, 30% Lehman Aggregate, 15% MSCI EAFE (N), 5% NCREIF Property Index.

\*\* 100% Lehman Aggregate.

The quasi-endowment fund is 100% fixed income investments. There are no Board-established fund manager allocations target ranges for the quasi-endowment.

**University of Iowa Quasi-Endowment (100% Fixed Income)  
As of December 31, 2007**

	Value (thousands)	Value (percent)	Fees (thousands)	Net Returns	
				Quarter	Year
Dodge and Cox	\$46,513	49.6%	\$52	1.3%	4.7%
Reams	<u>47,252</u>	<u>50.4%</u>	<u>30</u>	3.5%	7.8%
<b>Total Fund</b>	<b>\$93,765</b>	<b>100.0%</b>	<b>\$82</b>		
<b>Fixed Income Benchmark **</b>				<b>3.0%</b>	<b>7.0%</b>

\*\*100% Lehman Aggregate.

**Endowment / Quasi-Endowment Portfolios**  
**Market Value - Accrual Basis**  
**(in thousands)**  
**As of December 31, 2007**

Portfolio Manager	Endowment Market Value	Quasi-Endowment Market Value	Total Market Value	Percent of Total
Reams Asset Management				
SUI	\$31,589	\$47,252	\$78,841	
ISU	<u>23,079</u>	<u>-</u>	<u>23,079</u>	
Total	\$54,668	\$47,252	\$101,920	19.1%
Dodge and Cox				
SUI	\$31,855	\$46,513	\$78,368	
ISU	<u>22,064</u>	<u>-</u>	<u>22,064</u>	
Total	\$53,919	\$46,513	\$100,432	18.8%
Lotsoff Capital				
SUI	\$52,172	-	\$52,172	
ISU	<u>32,960</u>	<u>-</u>	<u>32,960</u>	
Total	\$85,132	-	\$85,132	16.0%
Goldman Sachs				
SUI	\$50,405	-	\$50,405	
ISU	<u>30,913</u>	<u>-</u>	<u>30,913</u>	
Total	\$81,318	-	\$81,318	15.2%
GMO Foreign Fund				
SUI	\$41,397	-	\$41,397	
ISU	<u>28,198</u>	<u>-</u>	<u>28,198</u>	
Total	\$69,595	-	\$69,595	13.0%
Principal Group				
SUI	\$14,507	-	\$14,507	
ISU	<u>10,092</u>	<u>-</u>	<u>10,092</u>	
Total	\$24,599	-	\$24,599	4.6%
Artisan				
SUI	\$12,717	-	\$12,717	
ISU	<u>9,715</u>	<u>-</u>	<u>9,715</u>	
Total	\$22,432	-	\$22,432	4.2%
Post Advisory				
SUI	\$13,979	-	\$13,979	
ISU	<u>9,233</u>	<u>-</u>	<u>9,233</u>	
Total	\$23,212	-	\$23,212	4.3%
LSV Asset Management				
SUI	\$11,134	-	\$11,134	
ISU	<u>8,608</u>	<u>-</u>	<u>8,608</u>	
Total	\$19,742	-	\$19,742	3.7%
Lehman Brothers				
SUI	\$2,631	-	\$2,631	
ISU	<u>1,644</u>	<u>-</u>	<u>1,644</u>	
Total	\$4,275	-	\$4,275	0.8%
Commonfund International Partners VI				
SUI	\$83	-	\$83	
ISU	<u>55</u>	<u>-</u>	<u>55</u>	
Total	\$138	-	\$138	0.1%
Commonfund Private Equity VII				
SUI	\$52	-	\$52	
ISU	<u>35</u>	<u>-</u>	<u>35</u>	
Total	\$87	-	\$87	0.1%
Commonfund Venture Capital VIII				
SUI	\$26	-	\$26	
ISU	<u>16</u>	<u>-</u>	<u>16</u>	
Total	\$42	-	\$42	0.1%
TOTAL				
SUI	\$262,547	\$93,765	\$356,312	
ISU	<u>176,612</u>	<u>-</u>	<u>176,612</u>	
Total	\$439,159	\$93,765	\$532,924	100.0%

**PRINCIPAL DEMUTUALIZATION FUNDS**

In November 2001, the Board established an endowment with proceeds from the demutualization of Principal Mutual Holding Company for the benefit of employees and the institutions. The balances of the proceeds are reported on a quarterly basis.

**Market Value  
(in thousands)  
As of December 31, 2007**

University of Iowa	\$51,078
Iowa State University	28,652
University of Northern Iowa	8,348
Iowa School for the Deaf	348
Iowa Braille and Sight Saving School	178
Board Office	58
Total	<u>\$88,662</u>



**Board of Regents, State of Iowa**

# Wilshire Consulting

***Board of Regents, State of Iowa  
Executive Summary of Investment Performance  
Quarter Ending December 31, 2007***



210 Sixth Avenue, Suite 3720

Pittsburgh, PA 15222

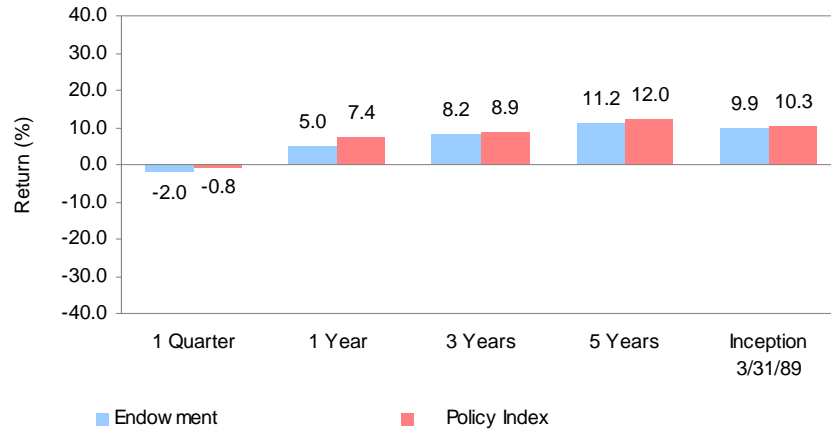
T: 412-434-1580 F: 412-434-1584

# Total Endowment Fund Results

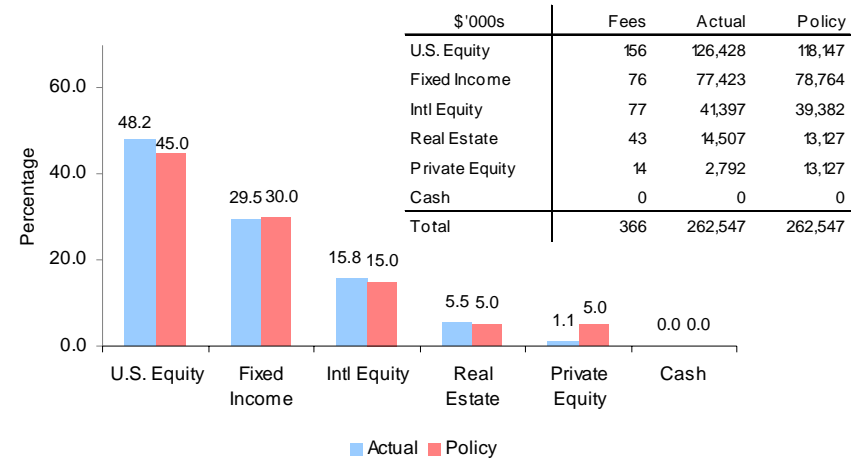
University of Iowa



## Investment Performance



## Asset Allocation vs. Policy

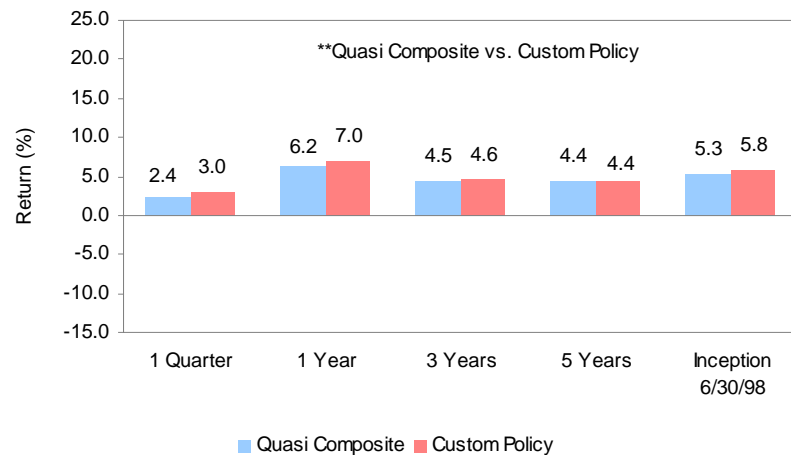


\$'000s	Fees	Actual	Policy
U.S. Equity	156	126,428	118,147
Fixed Income	76	77,423	78,764
Intl Equity	77	41,397	39,382
Real Estate	43	14,507	13,127
Private Equity	14	2,792	13,127
Cash	0	0	0
<b>Total</b>	<b>366</b>	<b>262,547</b>	<b>262,547</b>

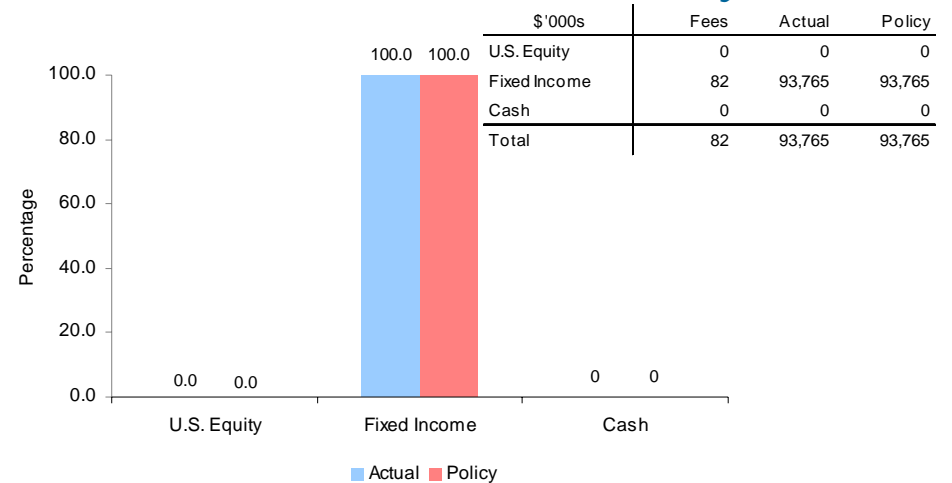
# Total Quasi-Endowment Fund Results

University of Iowa

## Investment Performance



## Asset Allocation vs. Policy



\$'000s	Fees	Actual	Policy
U.S. Equity	0	0	0
Fixed Income	82	93,765	93,765
Cash	0	0	0
<b>Total</b>	<b>82</b>	<b>93,765</b>	<b>93,765</b>

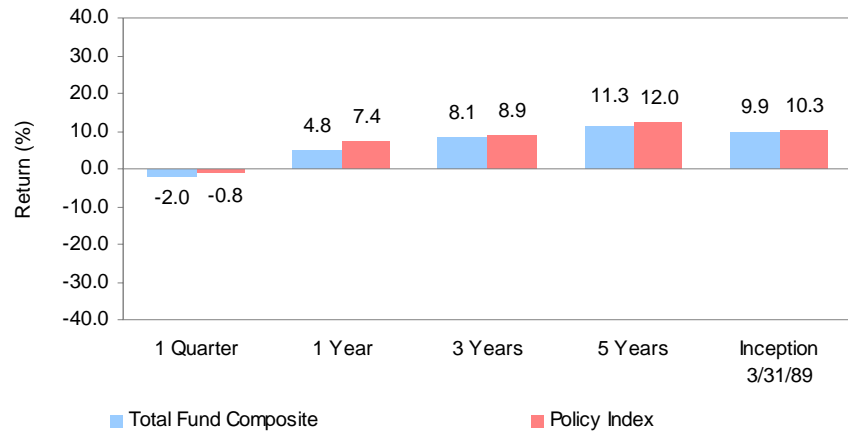
(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

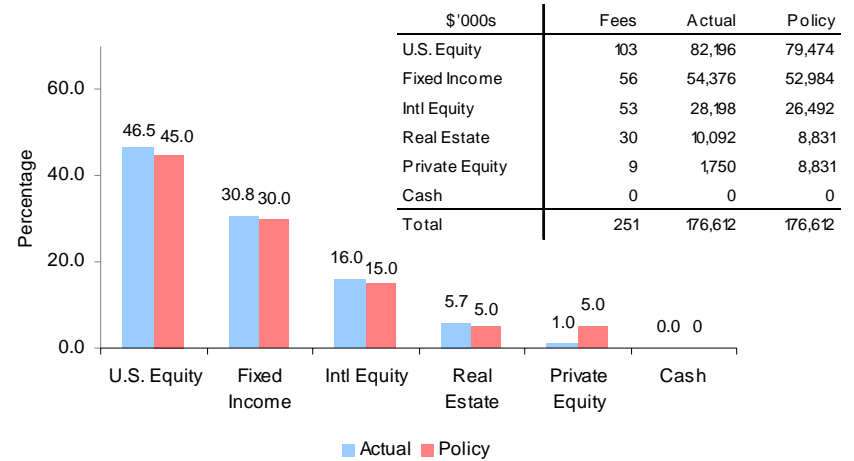


# Total Endowment Fund Results

## Investment Performance



## Asset Allocation vs. Policy



\$'000s	Fees	Actual	Policy
U.S. Equity	103	82,196	79,474
Fixed Income	56	54,376	52,984
Intl Equity	53	28,198	26,492
Real Estate	30	10,092	8,831
Private Equity	9	1,750	8,831
Cash	0	0	0
<b>Total</b>	<b>251</b>	<b>176,612</b>	<b>176,612</b>

(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

# Endowment Fund Manager Performance Overview

## University of Iowa

Inception	Asset Class / Manager	Assets (thousands)	Net Return 1 Quarter	Benchmark 1 Quarter	Variance (bps) 1 Quarter	Net Return 1 Year	Benchmark 1 Year	Variance (bps) 1 Year	Net Return 5 Years	Benchmark 5 Years	Variance (bps) 5 Years
	<b>Domestic Equity</b>	<b>\$126,428</b>	<b>-4.6%</b>	<b>-3.2%</b>	<b>-140</b>	<b>2.0%</b>	<b>5.6%</b>	<b>-360</b>	<b>12.4%</b>	<b>14.0%</b>	<b>-160</b>
3/31/2005	Goldman Sachs	\$50,405	-5.0%	-3.3%	-170	0.0%	5.5%	-550	--	--	--
3/31/2005	Lotsoff Capitol	\$52,172	-3.3%	-3.3%	0	5.9%	5.5%	40	--	--	--
6/30/2002	LSV	\$11,134	-8.3%	-7.0%	-130	-7.7%	-7.3%	-40	12.9%	16.2%	-330
3/31/2005	Artisan	\$12,717	-5.5%	-2.1%	-340	3.3%	7.1%	-380	--	--	--
	<b>International Equity</b>	<b>\$41,397</b>	<b>-2.0%</b>	<b>-1.8%</b>	<b>-20</b>	<b>10.2%</b>	<b>11.2%</b>	<b>-100</b>	<b>22.5%</b>	<b>21.6%</b>	<b>90</b>
3/31/2004	GMO Foreign Fund	\$41,397	-2.0%	-1.8%	-20	10.2%	11.2%	-100	--	--	--
	<b>Fixed Income</b>	<b>\$77,423</b>	<b>1.8%</b>	<b>3.0%</b>	<b>-120</b>	<b>5.7%</b>	<b>7.0%</b>	<b>-130</b>	<b>4.3%</b>	<b>4.4%</b>	<b>-10</b>
3/31/2004	Dodge & Cox	\$31,855	1.3%	3.0%	-170	4.7%	7.0%	-230	--	--	--
9/30/2002	Reams	\$31,589	3.5%	3.0%	50	7.7%	7.0%	70	4.6%	4.4%	20
3/31/2006	Post Advisory	\$13,979	-0.7%	-1.2%	50	3.8%	2.1%	170	--	--	--
	<b>Real Estate</b>	<b>\$14,507</b>	<b>2.8%</b>	<b>3.6%</b>	<b>-80</b>	<b>14.3%</b>	<b>17.3%</b>	<b>-300</b>	<b>--</b>	<b>--</b>	<b>--</b>
3/31/2006	Principal Group	\$14,507	2.8%	3.6%	-80	14.3%	17.3%	-300	--	--	--
	<b>Private Equity</b>	<b>\$2,792</b>	<b>0.4%</b>	<b>-3.2%</b>	<b>360</b>	<b>-1.6%</b>	<b>5.6%</b>	<b>-720</b>	<b>--</b>	<b>--</b>	<b>--</b>
12/31/2006	Lehman Brothers	\$2,631	0.8%	-3.2%	400	-0.5%	5.6%	-610	--	--	--
3/31/2007	CF Int'l Partners VI	\$83	-1.9%	-3.2%	130	--	--	--	--	--	--
3/31/2007	CF Private Equity VII	\$52	-8.4%	-3.2%	-520	--	--	--	--	--	--
6/30/2007	CF Private Equity VIII	\$26	-4.6%	-3.2%	-140	--	--	--	--	--	--
	<b>Total Endowment</b>	<b>\$262,547</b>	<b>-2.0%</b>	<b>-0.8%</b>	<b>-120</b>	<b>5.0%</b>	<b>7.4%</b>	<b>-240</b>	<b>11.2%</b>	<b>12.0%</b>	<b>-80</b>

## Iowa State University

Inception	Asset Class / Manager	Assets (thousands)	Net Return 1 Quarter	Benchmark 1 Quarter	Variance (bps) 1 Quarter	Net Return 1 Year	Benchmark 1 Year	Variance (bps) 1 Year	Net Return 5 Years	Benchmark 5 Years	Variance (bps) 5 Years
	<b>Domestic Equity</b>	<b>\$82,196</b>	<b>-4.9%</b>	<b>-3.2%</b>	<b>-170</b>	<b>1.4%</b>	<b>5.6%</b>	<b>-420</b>	<b>12.2%</b>	<b>14.0%</b>	<b>-180</b>
3/31/2005	Goldman Sachs	\$30,913	-5.5%	-3.3%	-220	-0.8%	5.5%	-630	--	--	--
3/31/2005	Lotsoff Capitol	\$32,960	-3.3%	-3.3%	0	5.9%	5.5%	40	--	--	--
6/30/2002	LSV	\$8,608	-7.9%	-7.0%	-90	-7.6%	-7.3%	-30	13.2%	16.2%	-300
3/31/2005	Artisan	\$9,715	-5.5%	-2.1%	-340	3.3%	7.1%	-380	--	--	--
	<b>International Equity</b>	<b>\$28,198</b>	<b>-2.0%</b>	<b>-1.8%</b>	<b>-20</b>	<b>10.2%</b>	<b>11.2%</b>	<b>-100</b>	<b>22.1%</b>	<b>21.6%</b>	<b>50</b>
3/31/2004	GMO Foreign Fund	\$28,198	-2.0%	-1.8%	-20	10.2%	11.2%	-100	--	--	--
	<b>Fixed Income</b>	<b>\$54,376</b>	<b>1.8%</b>	<b>3.0%</b>	<b>-120</b>	<b>5.7%</b>	<b>7.0%</b>	<b>-130</b>	<b>4.3%</b>	<b>4.4%</b>	<b>-10</b>
3/31/2004	Dodge & Cox	\$22,064	1.3%	3.0%	-170	4.5%	7.0%	-250	--	--	--
9/30/2002	Reams	\$23,079	3.4%	3.0%	40	7.6%	7.0%	60	4.7%	4.4%	30
3/31/2006	Post Advisory	\$9,233	-0.7%	-1.2%	50	3.8%	2.1%	170	--	--	--
	<b>Real Estate</b>	<b>\$10,092</b>	<b>2.8%</b>	<b>3.6%</b>	<b>-80</b>	<b>14.3%</b>	<b>17.3%</b>	<b>-300</b>	<b>--</b>	<b>--</b>	<b>--</b>
3/31/2006	Principal Group	\$10,092	2.8%	3.6%	-80	14.3%	17.3%	-300	--	--	--
	<b>Private Equity</b>	<b>\$1,750</b>	<b>0.4%</b>	<b>-3.2%</b>	<b>360</b>	<b>-1.7%</b>	<b>5.6%</b>	<b>-730</b>	<b>--</b>	<b>--</b>	<b>--</b>
12/31/2006	Lehman Brothers	\$1,644	0.8%	-3.2%	400	-0.5%	5.6%	-610	--	--	--
3/31/2007	CF Int'l Partners VI	\$55	-1.9%	-3.2%	130	--	--	--	--	--	--
3/31/2007	CF Private Equity VII	\$35	-8.4%	-3.2%	-520	--	--	--	--	--	--
6/30/2007	CF Private Equity VIII	\$16	-4.6%	-3.2%	-140	--	--	--	--	--	--
	<b>Total Endowment</b>	<b>\$176,612</b>	<b>-2.0%</b>	<b>-0.8%</b>	<b>-120</b>	<b>4.8%</b>	<b>7.4%</b>	<b>-260</b>	<b>11.3%</b>	<b>12.0%</b>	<b>-70</b>

### Manager Watch List:

Goldman Sachs was removed from the manager watch list as a result of the Board's decision to terminate their investment management assignment. Assets managed by Goldman Sachs were transferred to the Vanguard Institutional S&P 500 Index Fund in February of 2008.

(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

# Operating Account Review (External Managers)

	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Investment Fee \$'000
<b>University of Iowa External Mgr. Composite</b>	<b>(12/31/96)</b>	<b>374,107</b>	<b>100%</b>	<b>1.4</b>	<b>5.0</b>	<b>3.8</b>	<b>3.1</b>	<b>5.0</b>	<b>161</b>
<i>Merrill Lynch 1-3 Yr. G/C</i>				2.1	6.8	4.2	3.3	5.1	
<i>Merrill Lynch 1-5 Yr. Govt/Corp</i>				2.3	7.1	4.2	3.6	5.5	
BlackRock Short Duration	(12/31/96)	160,822	43.0%	1.7	5.8	4.1	3.2	5.0	84
<i>Merrill Lynch 1-3 Yr. G/C</i>				2.1	6.8	4.2	3.3	5.1	
<i>Merrill Lynch 1-5 Yr. Govt/Corp</i>				2.3	7.1	4.2	3.6	5.5	
Wellington Short Bond	(3/31/03)	161,013	43.0%	1.2	4.6	3.7	--	3.1	66
<i>Merrill Lynch 1-3 Yr. G/C</i>				2.1	6.8	4.2	--	3.3	
<i>Merrill Lynch 1-5 Yr. Govt/Corp</i>				2.3	7.1	4.2	--	3.5	
CF Intermediate Term Fund	(12/31/06)	52,272	14.0%	1.0	3.9	--	--	3.9	11
<i>Merrill Lynch 1-3 Yr. Treasury</i>				2.3	7.2	--	--	7.2	

	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Investment Fee \$'000
<b>Iowa State University External Mgr. Composite</b>	<b>(6/30/05)</b>	<b>81,106</b>	<b>100%</b>	<b>1.0</b>	<b>4.0</b>	<b>--</b>	<b>--</b>	<b>3.9</b>	<b>14</b>
<i>Operating Benchmark</i>				2.3	7.2	--	--	4.8	
CF Intermediate Term Fund	(9/30/05)	81,106	100.0%	1.0	4.0	--	--	4.4	14
<i>Merrill Lynch 1-3 Yr. Treasury</i>				2.3	7.2	--	--	5.3	

	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Investment Fee \$'000
<b>University of Northern Iowa External Mgr. Composite</b>	<b>(12/31/04)</b>	<b>21,226</b>	<b>100%</b>	<b>1.0</b>	<b>3.9</b>	<b>3.7</b>	<b>--</b>	<b>3.7</b>	<b>7</b>
<i>Operating Benchmark</i>				2.3	7.2	4.3	--	4.3	
CF Intermediate Term Fund	(12/31/05)	21,226	100.0%	1.0	3.9	--	--	4.3	7
<i>Merrill Lynch 1-3 Yr. Treasury</i>				2.3	7.2	--	--	5.6	

(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

\*Please see page 10 for policy specifications.

# Total Endowment Fund Results

	Inception Date	Mkt. Value \$'000	Comp %	QTR %	1 Year %	3 Years %	5 Years %	Inception %	Qtr. Inv. Fee \$'000
<b>University of Iowa Total Endowment</b>	(3/31/89)	<b>262,547</b>	<b>100.0%</b>	<b>-2.0</b>	<b>5.0</b>	<b>8.2</b>	<b>11.2</b>	<b>9.9</b>	<b>366</b>
<b>Iowa State University Total Endowment</b>	(3/31/89)	<b>176,612</b>	<b>100.0%</b>	<b>-2.0</b>	<b>4.8</b>	<b>8.1</b>	<b>11.3</b>	<b>9.9</b>	<b>251</b>
<i>Policy Index</i>				<i>-0.8</i>	<i>7.4</i>	<i>8.9</i>	<i>12.0</i>	<i>10.3</i>	
<b>University of Iowa Domestic Equity Composite</b>	(3/31/89)	<b>126,428</b>	<b>48.2%</b>	<b>-4.6</b>	<b>2.0</b>	<b>7.7</b>	<b>12.4</b>	<b>11.1</b>	<b>156</b>
<b>Iowa State University Domestic Equity Composite</b>	(3/31/89)	<b>82,196</b>	<b>46.5%</b>	<b>-4.9</b>	<b>1.4</b>	<b>7.3</b>	<b>12.2</b>	<b>10.8</b>	<b>103</b>
<i>Dow Jones Wilshire 5000</i>				<i>-3.2</i>	<i>5.6</i>	<i>9.2</i>	<i>14.0</i>	<i>11.2</i>	
University of Iowa: Goldman Sachs Large Cap	(3/31/05)	50,405	19.2%	-5.0	0.0	--	--	9.2	51
Iowa State University: Goldman Sachs Large Cap	(3/31/05)	30,913	17.5%	-5.5	-0.8	--	--	8.2	32
<i>S&amp;P 500</i>				<i>-3.3</i>	<i>5.5</i>			<i>10.3</i>	
University of Iowa: Lotsoff Large Cap Equity	(3/31/05)	52,172	19.9%	-3.3	5.9	--	--	10.4	48
Iowa State University: Lotsoff Large Cap Equity	(3/31/05)	32,960	18.7%	-3.3	5.9	--	--	10.4	29
<i>S&amp;P 500</i>				<i>-3.3</i>	<i>5.5</i>			<i>10.3</i>	
University of Iowa: LSV Asset Management	(6/30/02)	11,134	4.2%	-8.3	-7.7	3.7	12.9	8.6	21
Iowa State University: LSV Asset Management	(6/30/02)	8,608	4.9%	-7.9	-7.6	4.0	13.2	8.9	15
<i>Russell 2500 Value</i>				<i>-7.0</i>	<i>-7.3</i>	<i>6.3</i>	<i>16.2</i>	<i>11.5</i>	
University of Iowa: Artisan Small Cap Growth	(3/31/05)	12,717	4.8%	-5.5	3.3	--	--	8.2	36
Iowa State University: Artisan Small Cap Growth	(3/31/05)	9,715	5.5%	-5.5	3.3	--	--	8.2	27
<i>Russell 2000 Growth</i>				<i>-2.1</i>	<i>7.1</i>			<i>11.7</i>	
<b>University of Iowa International Equity Composite</b>	(9/30/94)	<b>41,397</b>	<b>15.8%</b>	<b>-2.0</b>	<b>10.2</b>	<b>16.7</b>	<b>22.5</b>	<b>8.8</b>	<b>77</b>
<b>Iowa State University International Equity Composite</b>	(9/30/94)	<b>28,198</b>	<b>16.0%</b>	<b>-2.0</b>	<b>10.2</b>	<b>16.7</b>	<b>22.1</b>	<b>8.6</b>	<b>53</b>
<i>MSCI EAFE (N) Index</i>				<i>-1.8</i>	<i>11.2</i>	<i>16.8</i>	<i>21.6</i>	<i>7.9</i>	
University of Iowa: GMO Foreign Fund	(3/31/04)	41,397	15.8%	-2.0	10.2	16.7	--	17.8	77
Iowa State University: GMO Foreign Fund	(3/31/04)	28,198	16.0%	-2.0	10.2	16.7	--	17.8	53
<i>MSCI EAFE (N) Index</i>				<i>-1.8</i>	<i>11.2</i>	<i>16.8</i>		<i>17.6</i>	
<b>University of Iowa Fixed Income Composite</b>	(3/31/89)	<b>77,423</b>	<b>29.5%</b>	<b>1.8</b>	<b>5.7</b>	<b>4.4</b>	<b>4.3</b>	<b>7.4</b>	<b>76</b>
<b>Iowa State University Fixed Income Composite</b>	(3/31/89)	<b>54,376</b>	<b>30.8%</b>	<b>1.8</b>	<b>5.7</b>	<b>4.4</b>	<b>4.3</b>	<b>6.8</b>	<b>56</b>
<i>Custom Policy</i>				<i>3.0</i>	<i>7.0</i>	<i>4.6</i>	<i>4.4</i>	<i>7.6</i>	
University of Iowa: Dodge & Cox Income Fund	(3/31/04)	31,855	12.1%	1.3	4.7	3.9	--	3.6	36
Iowa State University: Dodge & Cox Income Fund	(3/31/04)	22,064	12.5%	1.3	4.5	3.9	--	3.6	25
<i>Lehman Aggregate</i>				<i>3.0</i>	<i>7.0</i>	<i>4.6</i>		<i>4.1</i>	
University of Iowa: Reams Asset Management	(9/30/02)	31,589	12.0%	3.5	7.7	4.8	4.6	4.7	19
Iowa State University: Reams Asset Management	(9/30/02)	23,079	13.1%	3.4	7.6	4.8	4.7	4.8	17
<i>Lehman Aggregate</i>				<i>3.0</i>	<i>7.0</i>	<i>4.6</i>	<i>4.4</i>	<i>4.5</i>	
University of Iowa: Post Advisory	(3/31/06)	13,979	5.3%	-0.7	3.8	--	--	6.4	21
Iowa State University: Post Advisory	(3/31/06)	9,233	5.2%	-0.7	3.8	--	--	6.4	14
<i>Merrill Lynch High Yield Master II</i>				<i>-1.2</i>	<i>2.1</i>			<i>6.1</i>	

(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

\*Please see page 10 for policy specifications.

# Total Endowment Fund Results

	Inception Date	Mkt. Value \$'000	Comp %	QTR %	1 Year %	3 Years %	5 Years %	Inception %	Qtr. Inv. Fee \$'000
<b>University of Iowa Real Estate Composite</b>	<b>(03/31/06)</b>	<b>14,507</b>	<b>5.5%</b>	<b>2.8</b>	<b>14.3</b>	<b>--</b>	<b>--</b>	<b>17.2</b>	<b>43</b>
<b>Iowa State University Real Estate Composite</b> <i>NCREIF Property Index</i>	<b>(03/31/06)</b>	<b>10,092</b>	<b>5.7%</b>	<b>2.8</b> <i>3.6</i>	<b>14.3</b> <i>17.3</i>	<b>--</b> <i>--</i>	<b>--</b> <i>--</i>	<b>17.2</b> <i>16.6</i>	<b>30</b>
University of Iowa: Principal Enhanced Property Fund	(03/31/06)	14,507	5.5%	2.8	14.3	--	--	17.2	43
Iowa State University: Principal Enhanced Property Fund <i>NCREIF Property Index</i>	(03/31/06)	10,092	5.7%	2.8 <i>3.6</i>	14.3 <i>17.3</i>	-- <i>--</i>	-- <i>--</i>	17.2 <i>16.6</i>	30
<b>University of Iowa Private Equity Composite</b>	<b>(12/31/06)</b>	<b>2,792</b>	<b>1.1%</b>	<b>0.4</b>	<b>-1.6</b>	<b>--</b>	<b>--</b>	<b>-1.6</b>	<b>14</b>
<b>Iowa State University Private Equity Composite</b> <i>Dow Jones Wilshire 5000</i>	<b>(12/31/06)</b>	<b>1,750</b>	<b>1.0%</b>	<b>0.4</b> <i>-3.2</i>	<b>-1.7</b> <i>5.6</i>	<b>--</b> <i>--</i>	<b>--</b> <i>--</i>	<b>-1.7</b> <i>5.6</i>	<b>9</b>
University of Iowa: Lehman Brothers Crossroads XVII	(12/31/06)	2,631	1.0%	0.8	-0.5	--	--	-0.5	14
Iowa State University: Lehman Brothers Crossroads XVII <i>Dow Jones Wilshire 5000</i>	(12/31/06)	1,644	0.9%	0.8 <i>-3.2</i>	-0.5 <i>5.6</i>	-- <i>--</i>	-- <i>--</i>	-0.5 <i>5.6</i>	9
University of Iowa: CF Int'l Partners VI	(3/31/07)	83	0.0%	-1.9	--	--	--	-5.1	--
Iowa State University: CF Int'l Partners VI <i>Dow Jones Wilshire 5000</i>	(3/31/07)	55	0.0%	-1.9 <i>-3.2</i>	-- <i>--</i>	-- <i>--</i>	-- <i>--</i>	-5.1 <i>-1.8</i>	--
University of Iowa: CF Private Equity VII	(3/31/07)	52	0.0%	-8.4	--	--	--	-32.7	--
Iowa State University: CF Private Equity VII <i>Dow Jones Wilshire 5000</i>	(3/31/07)	35	0.0%	-8.4 <i>-3.2</i>	-- <i>--</i>	-- <i>--</i>	-- <i>--</i>	-32.7 <i>-1.8</i>	--
University of Iowa: CF Venture Capital VIII	(6/30/07)	26	0.0%	-4.6	--	--	--	-4.6	--
Iowa State University: CF Venture Capital VIII <i>Dow Jones Wilshire 5000</i>	(6/30/07)	16	0.0%	-4.6 <i>-3.2</i>	-- <i>--</i>	-- <i>--</i>	-- <i>--</i>	-4.6 <i>-3.2</i>	--

# Total Quasi-Endowment Fund Results

	Inception Date	Mkt. Value \$'000	Comp %	Qtr %	1 Yr %	3 Yrs %	5 Yrs %	Inception %	Qtr. Inv. Fee \$'000
<b>University of Iowa Quasi Composite</b> <i>Custom Policy</i>	<b>(6/30/98)</b>	<b>93,765</b>	<b>100%</b>	<b>2.4</b> <i>3.0</i>	<b>6.2</b> <i>7.0</i>	<b>4.5</b> <i>4.6</i>	<b>4.4</b> <i>4.4</i>	<b>5.3</b> <i>5.8</i>	<b>82</b>
Dodge & Cox Income Quasi <i>Lehman Aggregate</i>	(3/31/04)	46,513	49.6%	1.3 <i>3.0</i>	4.7 <i>7.0</i>	3.9 <i>4.6</i>	-- <i>--</i>	3.7 <i>4.1</i>	52
Reams Asset Management Quasi <i>Lehman Aggregate</i>	(9/30/01)	47,252	50.4%	3.5 <i>3.0</i>	7.8 <i>7.0</i>	5.0 <i>4.6</i>	4.8 <i>4.4</i>	5.0 <i>5.2</i>	30

(Periods Ending December 31, 2007)

Note: At the direction of the Board of Regents, slight adjustments have been made to composite market values to account for rounding.

\*Please see page 10 for policy specifications.

# Manager Overview

## Goldman Sachs Asset Management

- **Style:** Large Capitalization U.S. Core Equity
- **Construction Process:** Optimization
- **Investment Philosophy:** Enhanced Index
- **Selection Method:** Quantitative Valuation

## Lotsoff Capital Management

- **Style:** Large Capitalization U.S. Core Equity
- **Construction Process:** Optimization
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative Valuation

## LSV Asset Management

- **Style:** Small / Mid Capitalization U.S. Value Equity
- **Construction Process:** Optimization
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative Valuation

## Artisan Partners

- **Style:** Small Capitalization U.S. Growth Equity
- **Construction Process:** Optimization
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Fundamental Valuation

## GMO International

- **Style:** International Value Non-U.S. Equity
- **Construction Process:** Valuation Measures
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Fundamental Earnings Forecast

## Dodge & Cox

- **Style:** Market Core Fixed Income
- **Construction Process:** Fundamental, Favors Securities with Yield Greater than the Market
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative & Qualitative Valuation

## Reams Asset Management

- **Style:** Market Core Fixed Income
- **Construction Process:** Optimization
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Quantitative & Qualitative Valuation

## Post Asset Management

- **Style:** High Yield Fixed Income
- **Construction Process:** Fundamental Evaluation / Selection
- **Investment Philosophy:** Active-Bottom Up
- **Selection Method:** Scoring Model Based on Quantitative & Qualitative Inputs

# Manager Overview

## Principal Enhanced Property Fund

- **Style:** Value-Added Private Real Estate Fund
- **Selection Method:** Quantitative Valuation
- **Fund Size:** \$1.0 Billion

## Lehman Brothers Crossroads Fund XVII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 20-30% Venture Capital, 45-65% Buyouts, 15-25% Distressed Securities, <20% Secondary & Direct Co-Investments
- **Fund Size:** \$1.0 Billion +

## Common Fund Int'l Partners VI

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% Int'l Buyout
- **Fund Size:** \$0.5 Billion - \$0.75 Billion

## Common Fund Private Equity VII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% U.S. Buyout
- **Fund Size:** \$0.75 Billion - \$1 Billion

## Common Fund Venture Capital VIII

- **Style:** Private Equity Fund of Funds
- **Asset Allocation %:** 100% Venture Capital
- **Fund Size:** \$0.5 Billion – \$0.65 Billion

# Quarterly Manager Attribution

## Goldman Sachs Asset Management

- Poor stock selection within the Energy and Financials sectors were the main drivers of underperformance during the 4<sup>th</sup> quarter.
- A slight underweight to Utilities and an overweight to the Consumer Discretionary sector also detracted from performance during the quarter.

## Lotsoff Capital Management

- Stock selection within Information Technology, Consumer Staples, and Industrials added significant value to the portfolio during the 4<sup>th</sup> quarter.
- An underweight to the outperforming Utilities sector detracted value from the portfolio during the quarter.
- Poor stock selection within the Telecom Services and Materials sectors negatively impacted performance during the 4<sup>th</sup> quarter.

## LSV Asset Management

- Poor stock selection in Financials and Health Care were the main drivers of underperformance during the quarter.
- Strong stock selection within the Energy, Consumer Staples, and Information Technology sectors added value to the portfolio.
- A combination of an overweight to Consumer Discretionary and an underweight to Utilities detracted value from the portfolio during the 4<sup>th</sup> quarter.

## Artisan Partners

- Stock selection within the Health Care and Industrials sectors were the main drivers of underperformance during the 4<sup>th</sup> quarter.
- An underweight to both the Health Care and Materials sectors detracted value, as both of these sectors posted relatively strong performance during the quarter.
- Stock selection within Consumer Staples and Utilities were the lone bright spots as both added value to the portfolio.

## GMO International

- Poor stock selection within Japan and Finland were the main drivers of underperformance during the 4<sup>th</sup> quarter.
- An overweight to the German markets combined with an underweight to the Swedish markets added significant value to the portfolio during the quarter.

## Dodge & Cox

- Dodge & Cox underperformed the Lehman Aggregate Index by ~168 bps during the 4<sup>th</sup> quarter.
- The average quality of the bonds within the portfolio is A, compared to the Lehman Aggregate's AAA rating.
- The portfolio has a duration of 3.97 years, versus the benchmark's duration of 4.41 years.

## Reams Asset Management

- Reams Core Fixed Income outperformed the Lehman Aggregate Index by ~48 bps during the 4<sup>th</sup> quarter.
- The average quality of bonds within the portfolio is AA, compared to the Lehman Aggregate's AAA rating.
- The portfolio has a duration of 3.95 years, versus the Lehman Aggregate's duration of 4.41 years.

## Post Asset Management

- Post Advisory High Yield outperformed its benchmark by 53 bps during the 4<sup>th</sup> quarter.
- The average quality of bonds within the portfolio is a B rating, a slightly lower rating than the Merrill Lynch High Yield Master II's rating of BB.
- The portfolio has a duration of 3.82 years lagging the benchmark's duration of 4.74 years.



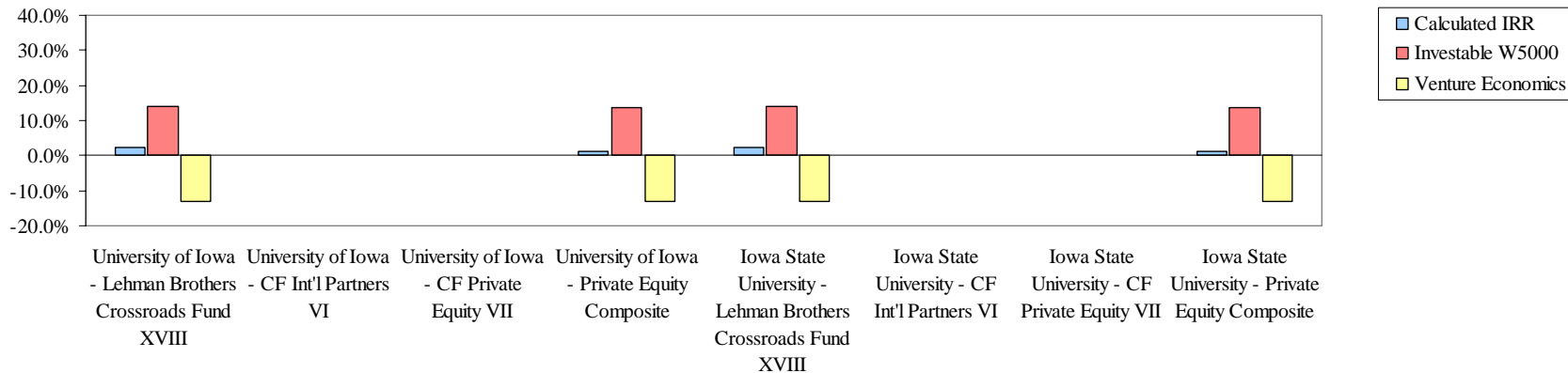
# Private Equity Composite Review

Fund	Inception	Total Commitment	Capital Called	Distributions	Investment Gain/Loss	Market Value	Performance			
							Calculated IRR	Investable W5000	Venture Economics	
University of Iowa - Lehman Brothers Crossroads Fund XVIII	4q2006	6,000,000	2,700,000 45%	56,985	133,040	2,630,437	2.2%	14.1%	-12.9%	1
University of Iowa - CF Int'l Partners VI	2q2007	1,200,000	87,000 7%	220	-3,712	83,068	--	--	--	
University of Iowa - CF Private Equity VII	2q2007	2,400,000	62,400 3%	159	-10,346	51,895	--	--	--	
University of Iowa - CF Venture Capital VIII	3q2007	1,000,000	27,500 3%	0	-1,239	26,261	--	--	--	
<b>University of Iowa - Private Equity Composite</b>	<b>4q2006</b>	<b>10,600,000</b>	<b>2,876,900 27%</b>	<b>57,364</b>	<b>117,743</b>	<b>2,791,661</b>	<b>1.2%</b>	<b>13.8%</b>	<b>-12.9%</b>	<b>2</b>

Fund	Inception	Total Commitment	Capital Called	Distributions	Investment Gain/Loss	Market Value	Performance			
							Calculated IRR	Investable W5000	Venture Economics	
Iowa State University - Lehman Brothers Crossroads Fund XVIII	4q2006	3,750,000	1,687,500 45%	35,616	83,148	1,644,022	2.2%	14.1%	-12.9%	1
Iowa State University - CF Int'l Partners VI	2q2007	800,000	58,000 7%	148	-2,476	55,376	--	--	--	
Iowa State University - CF Private Equity VII	2q2007	1,600,000	41,600 3%	107	-6,897	34,596	--	--	--	
Iowa State University - CF Venture Capital VIII	3q2007	600,000	16,500 3%	0	-743	15,757	--	--	--	
<b>Iowa State University - Private Equity Composite</b>	<b>4q2006</b>	<b>6,750,000</b>	<b>1,803,600 27%</b>	<b>35,871</b>	<b>73,032</b>	<b>1,749,751</b>	<b>1.2%</b>	<b>13.8%</b>	<b>-12.9%</b>	<b>2</b>

- (1) Venture Economics – Median return of all private equity funds with vintage year 2006
- (2) Venture Economics – Median return of all private equity funds with vintage year 2006



(Periods Ending December 31, 2007)

<u>Endowment Policy Index</u>	<u>%</u>	<u>Description</u>
6/89 -6/99	60.00	S&P 500
	30.00	Lehman Gov't/Credit
	10.00	MSCI EAFE Index (N)
9/99 -6/01	63.00	S&P 500
	30.00	Lehman Gov't/Credit
	7.00	MSCI EAFE Index (N)
9/01 -3/02	63.00	S&P 500
	30.00	Lehman Aggregate
	7.00	MSCI EAFE Index (N)
6/02 -3/06	63.00	Wilshire 5000
	30.00	Lehman Aggregate
	7.00	MSCI EAFE Index (N)
6/06 - Present	50.00	Wilshire 5000
	30.00	Lehman Aggregate
	15.00	MSCI EAFE (N)
	5.00	NCREIF Property Index
<u>Fixed Income/ Quasi Policy</u>	<u>%</u>	<u>Description</u>
9/98 -6/01	100.00	Lehman Gov't/Credit
9/01 - Present	100.00	Lehman Aggregate



# Appendix

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# Market Review (Periods Ending December 31, 2007)

## *Market Observations*

The Federal Reserve lowered rates from 4.75% to 4.25% with two quarter point cuts during the 4th quarter of 2007. These moves brought the target rate down 1% from 5.25% since the current easing cycle began in mid-August. A flight to quality stimulated a rally in treasuries and pushed yields lower. The 10-year Treasury yield was down 0.55% from September, closing at 4.04% at year end.

In the third quarter Real GDP grew at 4.9%, reconfirming the second quarter growth of 3.8%.

Core measures of consumer inflation (which excludes food & energy) continued to stabilize near 2%, although headline inflation spiked during the quarter. Fueled by rising energy and food prices, November YOY CPI and PCE were 4.3% and 3.6% respectively, versus much more benign readings of 1.9% and 1.8% three months earlier. Oil prices soared during the quarter, ending the year at \$96 per barrel after nearly breaking the \$100 threshold in late November.

After only creating 44,000 jobs in September (lowest growth since Feb 2004), the employment picture improved as 264,000 jobs were created in October and November.

The housing market continued to drag on the economy. Existing home sales fell 20.0% year over year in November (5.00 million vs. 6.25 million units).

## *US Stock Market*

The U.S. equity market trended lower during the 4<sup>th</sup> quarter with the Dow Jones Wilshire 5000 posting a -3.22% loss. A 1.91% advance in October was reversed by a sell-off of -5.03% through November and December. Concerns of a slowing economy and a continued series of rising sub-prime related write-downs by major financial institutions fueled the equity market retreat. Federal Reserve cuts on Oct. 31<sup>st</sup> and Dec. 11<sup>th</sup> did little to ease investor pessimism regarding the slumping housing market and the increased risks of a consumer driven recession.

Large cap growth stocks were the only equity style group that outperformed the broader market, as the DJ Wilshire Large Growth Index lost -0.61% during the quarter. Large growth stocks recorded an impressive 10.97% return for the year. Small value and Microcap stocks were the worst performers, down -6.36% and -8.43% for the quarter, respectively, and were the only style groups to end the year in the red with returns of -4.13% and -8.52%. The best performing industries for the quarter and year were Basic Materials, Oil & Gas, and Utilities, which posted quarterly gains of 4.03%, 4.24%, and 6.56%, respectively, and annual returns of 31.33%, 33.01% and 17.51%. Financials were the biggest loser posting a -11.91% loss for the quarter.

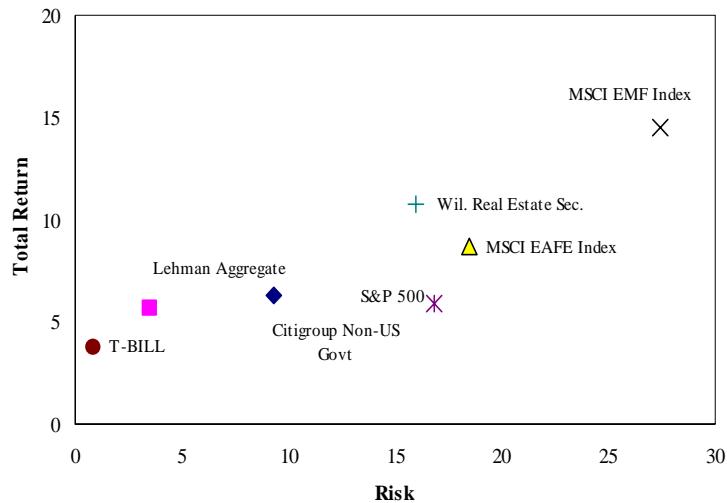
Headline inflation data came in above expectations during the quarter, casting doubt in the minds of investors regarding the likelihood of future Fed rate cuts. While the Fed has historically focused on Core inflation, Chairman Bernanke made explicit comments about headline inflation and the potential detrimental affects on personal income and the Fed's ability to meet its price stability mandate.

# Capital Markets Review (Periods Ending December 31, 2007)

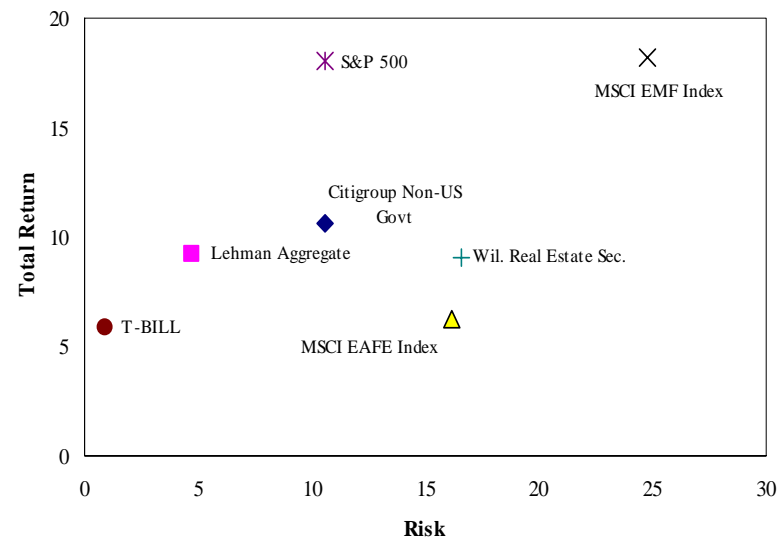
## Major Asset Class Returns (%)

	QTR	1 yr	3 yr	5 yr	10yr
<b>Equity</b>					
Dow Jones - Wilshire 5000	-3.2	5.6	9.2	14.0	6.3
Standard and Poor's 500	-3.3	5.5	8.6	12.8	5.9
International Stock (MSCI EAFE)(USD)	-1.8	11.2	16.8	21.6	8.7
Emerging Markets (MSCI EMF)(USD)	3.7	39.8	35.6	37.5	14.5
Dow Jones - Wilshire Real Estate Securities	-13.7	-17.7	8.3	18.6	10.8
<b>Fixed Income</b>					
Lehman Aggregate Bond	3.0	7.0	4.6	4.4	6.0
First Boston High Yield	-1.1	2.7	5.5	11.0	6.1
International Bonds (Citigroup Non-US)	3.9	11.5	2.7	7.6	6.3
Treasury Bills (91 Day)	1.1	5.0	4.3	3.1	3.8
<b>Consumer Price Index</b>					
	0.7	4.1	3.3	3.0	2.7

*Risk versus Return (9/30/97 – 9/30/07)*



*Risk versus Return (9/30/87 – 9/30/97)*

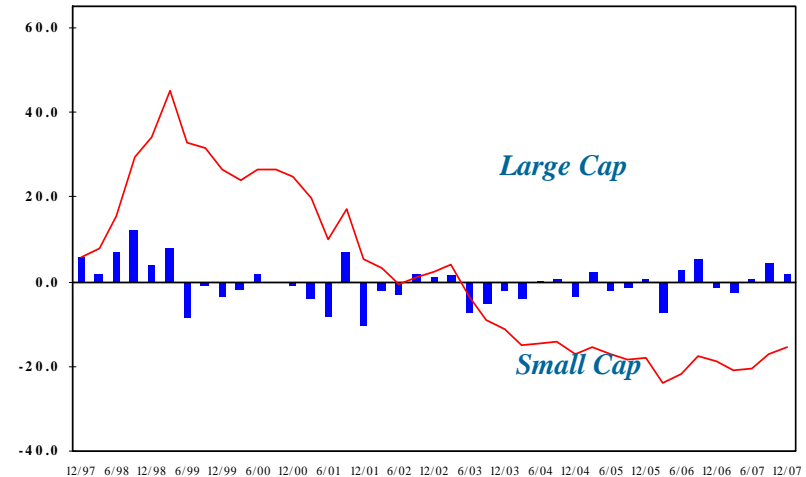


# Domestic Equity Markets (Periods Ending December 31, 2007)

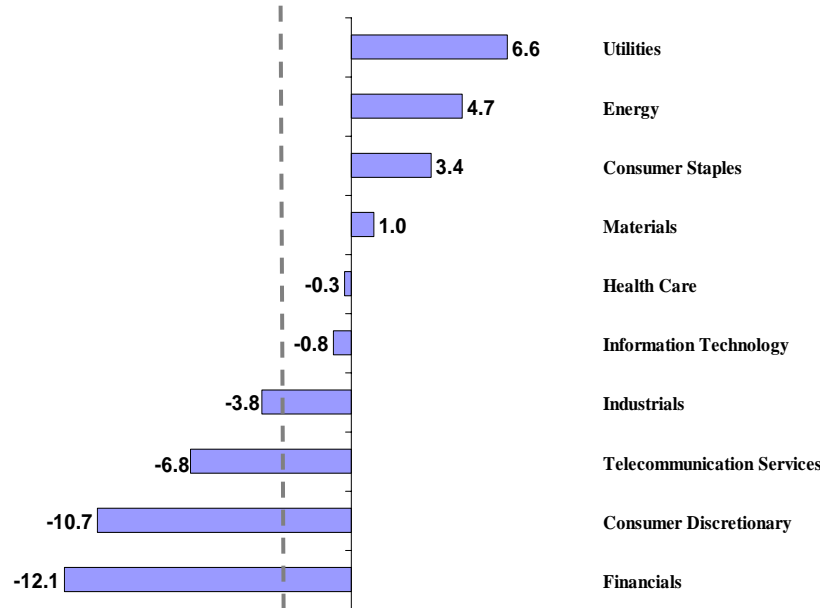
## US Equity Returns (%)

	QTR	1 yr	3 yr	5 yr	10yr
DJ Wilshire 4500	-3.3	5.4	10.2	17.8	7.7
DJ Wilshire 5000	-3.2	5.6	9.2	14.0	6.3
DJ Wilshire Real Est. Secs	-13.7	-17.7	8.3	18.6	10.8
DJ Wilshire Large Cap	-2.9	6.4	9.4	13.5	6.1
DJ Wilshire Mid Cap	-3.9	5.6	10.0	16.9	9.1
DJ Wilshire Small Cap	-4.9	1.9	8.6	17.9	8.5
DJ Wilshire Micro Cap	-8.4	-8.5	2.1	18.0	10.9
DJ Wilshire Large Growth	-0.6	11.0	9.1	12.6	4.3
DJ Wilshire Large Value	-5.3	1.9	9.5	14.2	7.6
DJ Wilshire Mid Growth	-3.3	11.2	13.1	19.8	6.6
DJ Wilshire Mid Value	-4.9	-1.3	6.4	13.9	9.7
DJ Wilshire Small Growth	-3.5	8.1	10.5	19.4	6.1
DJ Wilshire Small Value	-6.4	-4.1	6.6	16.3	10.1

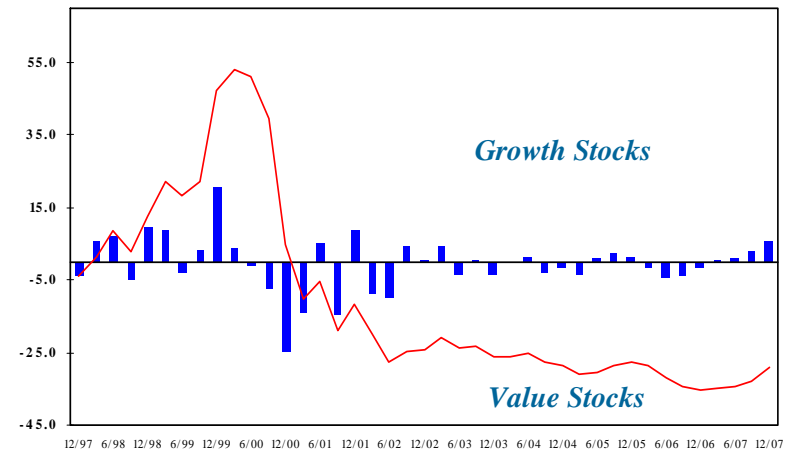
## Large Cap Vs. Small Cap



## DJ Wilshire 5000 Sector Returns (%)



## Growth Stocks Vs. Value Stocks



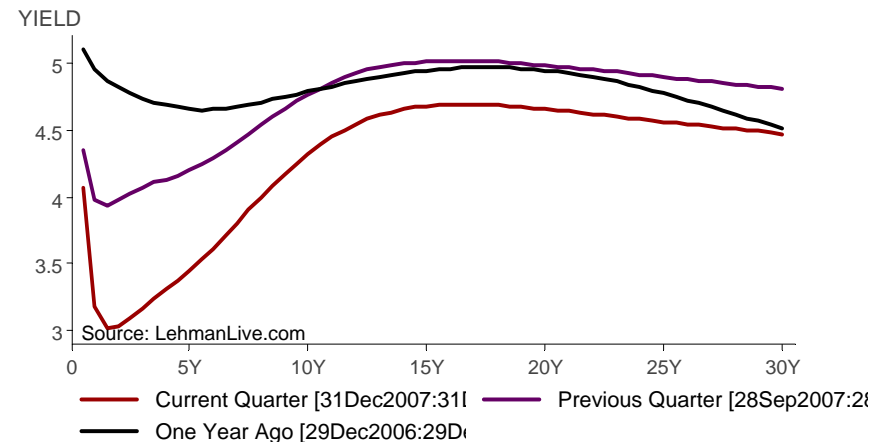
-- -- Represents DJ Wilshire 5000 Quarterly Return

# Domestic Fixed Income Markets (Periods Ending December 31, 2007)

## US Fixed Income Returns (%)

	QTR	1 yr	3 yr	5 yr	10yr
Lehman Aggregate	3.0	7.0	4.6	4.4	6.0
Lehman ABS	-0.8	2.2	3.0	3.2	5.4
Lehman Credit	2.2	5.1	3.8	4.8	6.1
Lehman Gov't	3.7	8.7	4.9	4.1	5.9
Lehman Gov / Credit	3.1	7.3	4.4	4.4	6.0
Lehman Long Treasury	5.7	9.8	6.0	5.6	7.1
Lehman Mortgage	3.0	6.9	4.9	4.5	5.9
Lehman Agency	3.2	7.9	4.9	4.1	5.9
First Boston High Yield	-1.1	2.7	5.5	11.0	6.1
Citigroup World Gov't Bond	3.9	11.0	3.1	6.8	6.3
Citigroup Non-US Bond	3.9	11.5	2.7	7.5	6.3
Lehman US TIPS	5.0	11.6	4.9	6.3	7.5
BGI Inflation-Linked Bond Index	5.1	11.6	4.8	6.3	7.5

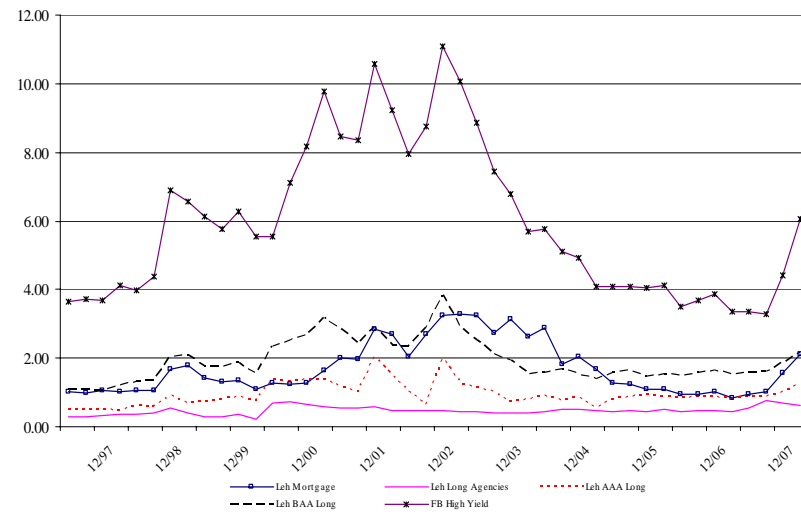
## Treasury Yield Curve



## Market Commentary

The Federal Reserve injected \$41 billion of extra liquidity into the banking system in November, in response to liquidity constraints in the U.S. credit markets. A flight to quality in the fixed income markets pushed the yield on the 10-Year Treasury from 4.71% at the close of 2006 to a 2007 year-end closing yield of 4.04%. In a related move, spreads on high yield bonds widened substantially as credit market participants tried to estimate the increase in default risks associated with the current liquidity environment. As a result, the Lehman High Yield index was off 1.30% for the quarter and posted a disappointing 1.87% return for the year.

## Historical Yield Spread Comparison to Treasuries



# International Equity Markets (Periods Ending December 31, 2007)

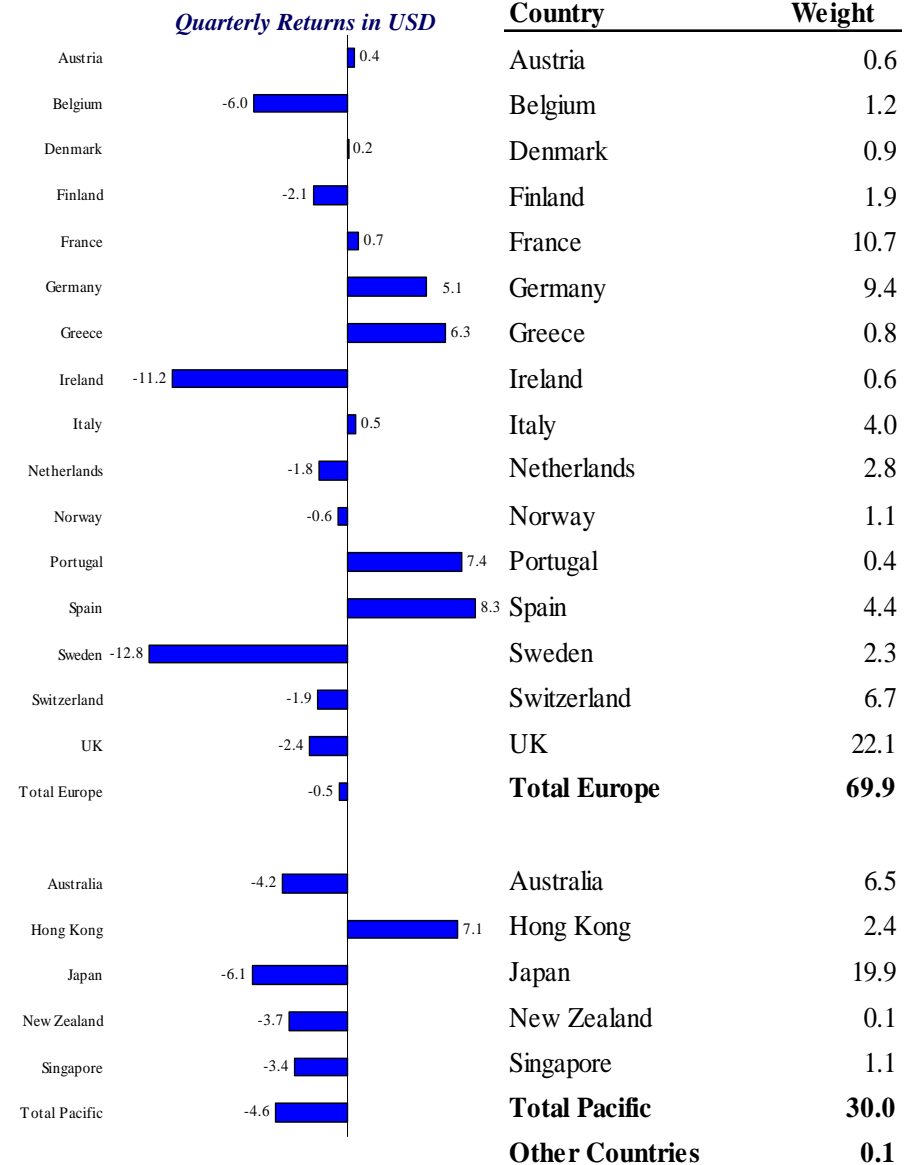
## International Index Returns (%)

Equity (in U.S. \$)	QTR	1 yr	3 yr	5 yr	10yr
Non U.S. (ACWI X U.S)	-0.7	16.7	19.9	24.0	--
Developed (EAFE)	-1.8	11.2	16.8	21.6	8.7
Emerging (EMF)	3.6	39.4	35.2	37.0	14.2
Europe	-0.5	13.9	18.5	22.8	9.6
Pacific	-4.6	5.3	13.2	19.0	6.8
France	0.7	13.2	18.7	22.7	11.5
Germany	5.1	35.2	26.4	30.9	9.8
Japan	-6.1	-4.2	8.5	15.0	4.5
United Kingdom	-2.4	8.4	15.0	19.1	7.4
<b>Currencies (% change)</b>					
Euro vs Dollar	2.8	10.9	2.5	6.9	--
Yen vs Dollar	3.0	6.7	-2.8	1.2	1.5
Pound vs Dollar	-2.3	1.7	1.2	4.3	1.9

## Market Commentary

The Non-U.S. equity market finished the 4th quarter outperforming the U.S. equity market with a return of -0.66%, marking the 5th consecutive quarter that international stocks topped the U.S. market. Non-U.S. markets returned strong positive performance for the year, except Japan which lost -4.23%. Quarter-to-date performance for the major indices was negative with the exception of emerging markets. Performance spreads between markets began to widen notably in mid-October. Japan fell quite substantially from the pack with quarter-to-date performance of -6.07%. Emerging markets continued a 5-year streak of positive double digit performance with a 2007 return of 39.39% to round out the year.

## MSCI EAFE Index





**CONSENT AGENDA**

- a. Minutes of February 7, 2008, Board Meeting
- b. Institutional Personnel Transactions
- c. University of Iowa Equipment Purchase
- d. Request for a Name Change at the University of Iowa – Department of Speech Pathology and Audiology to Department of Communication Sciences and Disorders
- e. Request for a Name Change at the University of Northern Iowa – Department of Philosophy and Religion to Department of Philosophy and World Religions
- f. Request to Award an Honorary Doctor of Humane Letters Degree
- g. Request to Award an Honorary Doctor of Humane Letters Degree
- h. Request to Award an Honorary Doctor of Humane Letters Degree
- i. Request for Credit Hour Change at the University of Northern Iowa
- j. Proposed New Program at the University of Northern Iowa – Bachelor of Arts in Biochemistry
- k. Request to Suspend Admissions to the Master of Arts in Technology Program at the University of Northern Iowa
- l. Proposed New Program at the University of Northern Iowa – MS in Technology
- m. Report on Title II Grant Program
- n. Request to Re-Name the Dr. W. Eugene and Linda Lloyd Veterinary Teaching Hospital at Iowa State University
- o. Conflict of Interest Vendor

**Contact: Andrea Anania**

**MINUTES OF FEBRUARY 7, 2008  
BOARD OF REGENTS, STATE OF IOWA  
MEMORIAL UNION SUN ROOM  
IOWA STATE UNIVERSITY  
AMES, IOWA**

**Board Members**

	<b>February 7</b>
Bonnie Campbell	Present
Jenny Connolly	Present
Robert Downer	Present
Jack Evans	Present
Michael Gartner	Absent
Ruth Harkin	Present
Craig Lang	Present
David Miles	Present
Rose Vasquez	Present

**Staff Members**

Andrea Anania, Andy Baumert, Brad Berg, Marcia Brunson, Tim Cook, Sheila Doyle, Tom Evans, Diana Gonzalez, Joan Racki, Patrice Sayre, Todd Stewart, Ilene Tuttle

**Regent Institutions**

SUI Sally Mason, Ken Fisher, Meredith Hay, Lola Lopes, Deb Miller, Jean Robillard, Tom Rocklin, Doug True, Gordon Williams, Ann Williamson

ISU Gregory Geoffroy, Lucas Carlson, Laura Doering, Laurie Fiegel, Elizabeth Hoffman, Anumantha Kanthasamy, Warren Madden, Brian Phillips, Gene Takle, Lisa Willman

UNI Benjamin Allen, Terry Hogan, Jim Lubker, Andrew Morse, Robin Sandberg, Tom Schellhardt, Jeff Weld, David Zarifis

ISD Jeanne Prickett, James Heuer

IBSSS Jeananne Schild, Don Boddicker

**Others**

Robert Anderson, former Iowa Lieutenant Governor, and Executive Director, Institute for Tomorrow's Workforce  
David Fredrick, Associate Director for International Admissions, Wartburg College, Waverly, Iowa  
Mark LeMay, Springsted Incorporated  
Mike Meinders, Carney, Alexander, Marold & Co., L.L.P.  
Andy Nielsen, Office of Auditor of State  
Patricia Parker, Assistant Director of International and Graduate Admissions, Iowa State University  
Allen Patch, Director of U.S. Export Assistance Center of the U.S. Department of Commerce, Des Moines  
David Vaudt, Office of Auditor of State  
Laurie Wolf, Des Moines Area Community College

The corresponding docket memorandum for each agenda item, an integral component of the minutes, is available on the Board of Regents web site: [www2.state.ia.us/regents](http://www2.state.ia.us/regents).

Copies of these memoranda can also be obtained from the Board Office by calling 515-281-3934.

**President Miles called the meeting to order at 8:30 a.m. on February 7, 2008.**

**Personnel Appeal**

- MOVED by EVANS, SECONDED by HARKIN, to enter into closed session pursuant to Iowa Code section 21.5(1)(c) to discuss strategy with counsel in a matter where litigation is imminent and its disclosure would likely prejudice or disadvantage the Board's position in that litigation.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

The Board convened in closed session at 8:35 a.m.

The Board reconvened in open session at 9:45 a.m.

- MOVED by MILES, SECONDED by CAMPBELL, to affirm Iowa State University's final decision to deny promotion and tenure to Dr. Guillermo Gonzalez.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x		x	x
Nay							x		
Absent					x				

MOTION APPROVED by ROLL CALL.

**Election of President Pro Tem**

President Miles nominated Regent Evans as President Pro Tem. He stated that Regent Evans has done a terrific job as a Regent and is willing to serve the Board in this capacity. President Miles noted that the term for both the President and the President Pro Tem concludes on April 30<sup>th</sup> and that the Board would be asked to vote for both positions at the March meeting for the two-year term beginning May 1, 2008.

- MOVED by CAMPBELL, SECONDED by LANG, to elect Jack Evans as President Pro Tem of the Board of Regents.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x			x	x	x	x
Nay									
Absent					x				
Abstain				x					

MOTION APPROVED by ROLL CALL.

**Report on the Search for the Executive Director**

President Miles, Chair of the Executive Director Search Committee, said that the Committee has met several times and is making progress.

Regent Harkin asked if it is possible to determine how long the process is likely to take. Chair Miles said that the Committee is on schedule for what it wanted to accomplish and that it continues to accept names of possible candidates.

➤ MOVED by LANG, SECONDED by HARKIN, to:

- ◆ Receive the update from President Miles, Chair of the Executive Director Search Committee;
- ◆ Ratify the agreement with Francis & Associates, the executive search firm assisting the Committee and the Board in the search; and
- ◆ Approve the revised position description for the Executive Director.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Fund Manager Issues**

Patrice Sayre reported that inter-institutional meetings were held with the Board’s investment advisor in December and January and briefed the Board on the proposed motion.

➤ MOVED by EVANS, SECONDED by DOWNER, to:

- ◆ Receive the report; and
- ◆ Approve the transition from Goldman Sachs as manager of large cap core domestic equities to an institutional index fund managed by Vanguard.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Revenue Bond Fund Audits**

Representatives from the State Auditor’s Office (ISU), and Carney, Alexander, Marold & Co., L.L.P. (UNI) presented the revenue bond fund audits for the fiscal year ended June 30, 2007. (Weather conditions prevented McGladrey & Pullen LLP (SUI) representatives from participating.)

State Auditor David Vaudt stated that there were no findings on ISU’s eleven bond audits. In response to a question from Regent Downer about there being no bond fund audit conducted on Hilton Coliseum, State Auditor Vaudt said that there is no access to defeased bonds.

➤ The Board received the 26 revenue bond fund audits by GENERAL CONSENT.

**Audit of Iowa State Center Business Office**

State Auditor Vaudt stated that there were no significant findings that needed to come to the attention of the Board.

➤ The Board received the audit by GENERAL CONSENT.

**Audit of Selected Programs**

State Auditor Vaudt said that the University has responded to the audit findings and that follow up will be performed.

In response to Regent Lang’s question, Auditor Vaudt reported that UIHC is audited by an outside CPA firm.

➤ The Board received the audit by GENERAL CONSENT.

**Audit of Quad-Cities Graduate Study Center**

Patrice Sayre reported that no significant findings were reported.

President Pro Tem Evans asked how the audit firm was selected. Ms. Sayre said that she would find out and provide that information to him.

Regent Downer noted that television ads were placed with a local station in which a Board member is President and General Manager and asked if all stations in the market were treated equally. Ms. Sayre said that she would find out and provide that information to him.

- The Board received the audit by GENERAL CONSENT.

**Audit of UIHC**

Dan Koraleski of KPMG LLP discussed the UIHC audit presented this month for the fiscal years ended June 30, 2007, and June 30, 2006. He stated that an unqualified opinion was issued and reported on two internal control findings.

Regent Downer asked if the findings were expressed previously, if UIHC's process deteriorated causing these comments to be made, and if corrective actions are being implemented. Mr. Koraleski said that they are repeat recommendations, UIHC's process did not deteriorate during the year, there was evidence of improved controls, and UIHC reassured the auditors that these issues would not be there next year.

President Pro Tem Evans asked Mr. Koraleski to explain the audit comment regarding possible material changes to recorded estimates for Medicare and Medicaid revenues. Mr. Koraleski explained that hospital reimbursements are subject to audit by a Medicare intermediary after the fact which may disagree with the stance that the hospital took.

In response to a question from President Miles, Mr. Koraleski reported that UIHC and KPMG are working together to complete the annual fiscal year-end audits sooner than the following January. Vice President Doug True added that UIHC and KPMG share information and discuss issues on an ongoing basis.

- The Board received the audit by GENERAL CONSENT.

**Internal Audit Reports**

Internal Audit Director Todd Stewart discussed the reports presented this month.

President Miles asked if there were any responsiveness or cooperation concerns with any of the departments. Internal Audit Director Stewart replied no.

President Miles noted that the original report date on the Post Season Athletic Participation (Outback Bowl) was September, 13, 2006, and that follow up has not occurred. Internal Director Stewart replied that follow up is conducted after the next bowl game so that auditors can determine if corrective actions have been implemented.

In response to President Miles' question on the dashboard, Internal Audit Director Stewart elaborated on current practices.

- The Board received the reports by GENERAL CONSENT.

**Comprehensive Human Resources Report**

Marcia Brunson explained that the Comprehensive Human Resources Report includes the following annual governance reports: Fringe Benefits, Sick and Annual Leave Usage, Regent Merit System, Retirement, Faculty Resignations, Salary Report, Faculty Salary Comparisons and Employee Award Programs.

President Miles asked how the peer groups were established. Ms. Brunson stated that the peer groups were established by the Board in the early 1980's. Each institution is compared with ten other institutions. For the purpose of broader comparison, the faculty salary data for the other AAU institutions is also provided. She stated the same 11-member peer groups are used for other comparisons such as tuition and residence system rates.

President Miles asked about the validity of the peer groups. President Mason stated she felt they were a good representation for comparison purposes. President Geoffroy said ISU had, from time to time, thought about other possible comparison groups but felt the current grouping which includes both land grant and AAU institutions was a good comparison group. President Allen stated he would like an opportunity to revisit the UNI group in the context of their next planning process.

Regent Downer stated there were three areas at ISU where faculty salaries fell below the 90<sup>th</sup> percentile in average salaries as a percent of the peer average – Business, LAS – Social Sciences, and LAS – Humanities. He asked if that presented a problem and if there is something that should be done.

President Geoffroy stated it does indeed represent a problem, but the serious problem is the overall salary ranking. He stated ISU should at least be at the midpoint of the group instead of at the bottom. He indicated ISU does a very careful salary analysis every year using data from the AAU data exchange comparing salaries by department, discipline, and college. Last year, special salary distribution allocations were given to a couple of colleges including Business where salaries were significantly below the mean. Special allocations were also given to several departments where salaries were low and for strategic purposes.

Regent Harkin asked if the salary amounts were straight salary or total compensation. Ms. Brunson responded the charts included only salary.

Regent Harkin asked how the Iowa institutions compared with total compensation packages. President Geoffroy stated ISU had an excellent benefits package, but some of the comparison institutions also had excellent benefits.

President Miles asked if total compensation data was available for the peer institutions. Vice President Madden stated the data would be available. Regent Harkin stated the total compensation data would be useful in recruiting.

Provost Hoffman stated ISU has one of the best benefit packages in the country and Iowa has a cost of living considerably lower than other areas of the country. She stated ISU has a very aggressive partner accommodation program where both parts of a couple are brought to the campus. In addition, the University is working on many other family-friendly policies to make ISU a place where people want to come.

Vice President True stated we have to be sure the total compensation comparisons with the peer institutions are valid. He said the University of Iowa also has a robust benefit package. He noted Michigan State University and University of Michigan both have very rich post retirement benefit programs. He said when compensation packages include such programs, it is harder to make valid comparisons in benefit programs.

Regent Harkin asked how the faculty resignations reported compared to peer institutions. Both President Mason and President Geoffroy stated the resignations were at a level to be considered normal turnover. President Allen stated he did not have the peer group comparison, but he was not concerned with the current number of resignations.

➤ The Board received the report by GENERAL CONSENT.

### **Annual Diversity Report**

Ms. Brunson explained that, in order to meet the statutory deadline of January 31, the Annual Diversity Report had been forwarded to the Iowa General Assembly prior to the Board of Regents meeting and it would be necessary for the Board to ratify the submission.

President Miles asked how the Regent universities were doing in the diversity area as compared to peers. President Mason stated the metrics used for the report are the same as those used at most institutions. She indicated the numbers are out there but making good comparisons might be difficult. She also noted the peer group for diversity might be different from the one for salaries. She stated the numbers and trends shown in the current report were very similar to what she saw when she was in Indiana.

President Miles asked how we decide if our programs are successful. President Geoffroy stated this is an area where we should always assume we are not doing well enough and have to continually work very hard on diversity issues.

Regent Downer stated all the employment categories are important, and he noted there has been great effort expended with regard to faculty. He voiced concerns with clerical and blue collar areas where there appears to have been some slippage over time.

- MOVED by EVANS, SECONDED by DOWNER, to receive the Annual Diversity Report and to ratify its submission to the Iowa General Assembly.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Iowa Braille and Sight Saving School and Statewide System for Vision Services**

Ms. Brunson explained the Board is asked to approve a number of items related to the creation of the Statewide System for Vision Services. These include an intergovernmental agreement for the development of the statewide system through collaboration of the Department for the Blind, the Department for Education and the Area Education Agencies. The second agreement allows the Department of Education to contract with the Board for 40% of the time of the Superintendent of IBSSS to serve as the administrator of the statewide system. Other items the Board is asked to approve include a Statement of Responsibilities for the Superintendent, creation of a search committee, and modifying the current faculty matrix for the school.

Interim Superintendent Schild stated the Coordinating Council for Vision Services headed by former Regent Mary Ellen Becker and Sister Jude Fitzpatrick established the blueprint for the statewide system. She added she was pleased AmeriCorps would be locating to the campus by July 1 with about 160 members. It is anticipated in the next two years the number will be increased to 250 with 17 administrative positions. She thanked the staff at Iowa State University for the assistance given in relocating the IBSSS services into the main building.

- MOVED by LANG, SECONDED by CONNOLLY, to approve the:
  - ◆ Intergovernmental Agreement between the Board of Regents and the State Board of Education;
  - ◆ Intergovernmental Agreement between the Board of Regents, State Board of Education, Department for the Blind and Association of Area Education Agencies;
  - ◆ Statement of Responsibilities for the Superintendent/Administrator of the Statewide System for Vision Services;
  - ◆ Establishment of a search and screen committee for the position of Superintendent/Administrator of the Statewide System for Vision Services; and
  - ◆ Revised 2007-08 faculty pay matrix.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Consent Agenda**

- ◆ Minutes of December 4, 2007, Board Meeting
- ◆ Minutes of December 5, 2007, Board Meeting
- ◆ Institutional Personnel Transactions
- ◆ Semi-Annual Claims Activity Reports: July 1 Through December 31, 2007
- ◆ Conflict of Interest Vendors
- ◆ Revisions to Policy Manual
- ◆ Proposed Department Name Change at the University of Iowa - Department of Biological Sciences
- ◆ Request to Award an Honorary Doctor of Humane Letters Degree
- ◆ IBSSS Monthly Report

President Pro Tem Evans asked for further explanation on the proposed policy manual revision concerning meal rate reimbursement. Patrice Sayre said that the intent of the changes is to be current with federal government rates and to remain flexible.

➤ **MOVED** by HARKIN, **SECONDED** by CONNOLLY, to approve the Consent Agenda.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

**MOTION APPROVED** by ROLL CALL.

**Campus Sustainability**

Vice President Madden highlighted the national and global importance of sustainability and its importance on the Regent campuses. He indicated that the focus at ISU has been conservation and the importance of establishing baselines for energy conservation and sustainability. He also stressed the importance of educating students so they will have the background to seize opportunities in this field. He stated ISU has been involved in energy conservation for a very long time; the University has generated power for 100 years and the cogeneration plant is currently 55% efficient.

Vice President Madden also stated that significant progress has been made in building standards using LEED (Leadership in Energy and Environmental Design) certification measures. ISU also cooperates with municipal utilities and has back-up systems. The University is actively exploring the purchase of wind power. Vice President Madden indicated the universities will most likely be presenting policy modifications for Board consideration in the form of building and design standards, and expectations for architects.

Vice President Schellhardt noted that the UNI Energy Conservation Committee is comprised of faculty, staff, students, and community leaders. The Iowa Waste Reduction Center and the Recycling and Reuse Technology Transfer Center work with small business and the University on the reuse of materials. They work collaboratively with the City of Cedar Falls on recycling initiatives, and storm water runoff and erosion in the Dry Run Creek area.

Vice President True reported that the goal of the University's Green Power Task Force is to reduce the use of natural gas and coal and supply 40% of the University's fuel needs from biomass. SUI is currently burning 20% of its fuel needs from biomass. The University has joined the Chicago Climate Exchange and is working to achieve the goals outlined by the Exchange.

Regent Harkin asked if each university had its own committee on sustainability. Vice President Madden indicated yes, and they collaboratively share information where applicable at the vice presidential level.



President Miles inquired about the level of student engagement compared to five years ago. Vice President True responded that it has increased. More publicity from media outlets has resulted in increased student engagement, to extraordinary levels. Vice President Schellhardt indicated that students have been very active in residence hall sustainability programs.

Regent Lang asked if the universities were considering carbon trading. Vice President Madden responded that several questions would need to be answered before the University would consider purchasing someone else's sequestered carbon and if it was the right thing for ISU to pursue. Many of those decisions would be based on economics.

Regent Lang inquired if the Regent universities were receiving satisfactory flexibility from the Department of Natural Resources (DNR). Vice President Madden said that DNR is trying to streamline its permit processes that allow entities to burn alternative fuel sources.

Regent Connolly asked if faculty and staff were being trained and educated on ways to reduce energy consumption on campus. Vice President True said yes, but probably not enough. He said that engaging faculty and staff in committees and improving communication is very important in the sustainability education process.

President Geoffroy indicated ISU's faculty has been very enthusiastic and have contacted him with their ideas; they are glad it has become an institutional priority.

Regent Connolly asked if classes were being consolidated into one building whenever possible to reduce energy usage. Vice President Madden said it is very difficult to do so at a large research institution when buildings were designed in a period when conservation was not a priority. Vice Presidents Madden and True stated the importance of using technology, instead of people, to control lighting and HVAC systems.

➤ The Board received the report by GENERAL CONSENT.

### **Legislative Update**

Interim Director Andy Baumert introduced Joan Racki and Dean McCormick, Director of Design and Construction Services at ISU. Mr. McCormick discussed the universities' request to pursue legislation which would provide for integrated project delivery options for Regent capital projects.

Regent Downer said that he would like to see specific language on what exactly is being proposed. He said that the only thing he would be willing to support at this time is an increase in the bid threshold and that he would not support authorization for fast-track projects.

President Miles asked if any specific language has been prepared. Interim Executive Director Baumert said that the broad concepts presented in the memorandum are what would be incorporated into any potential legislation.

In response to Regent Downer's comments, Mr. McCormick said that the universities are committed to an open and objective process. He added that it would be a value-based selection process and be based on legislation proven to be successful in other states.

Regent Downer stated that the Board needs to know a great deal more than what has been presented at this point given the magnitude of the decision and the large dollar amounts involved in the projects.

Ms. Racki stated that this is a proposal to amend the statute, it does not give the universities blanket authority to use either method, and each individual project would need specific Board approval for use of an integrated delivery method. She added that it would not change how the universities conduct most of their business; it would just be another option.

In response to Regent Harkin's questions, Interim Director Baumert reported that building construction and trade organizations are interested in this topic and that there are opinions on both sides. Mr. Baumert said that it has been a topic of discussion in several different sessions and that it is up to the Board to determine whether or not to be actively engaged this session. Regent Harkin added that, if the Board moves forward with this request, it would be important to spell out the benefit to taxpayers.

Regent Lang asked about the authority the Regents would have if this is passed. Ms. Racki said that it would amend the Regents statute related to improvements (Chapter 262.34.)

Vice President Madden said that this is a useful tool in certain circumstances. Vice President True added that it could be useful in unusual circumstances.

In response to a question from Regent Vasquez, Mr. McCormick said that Iowa would rank 47 out of the 50 states to adopt language, lagging behind the rest of the country.

Regent Lang moved approval of the universities' request to pursue legislation which would provide for integrated project delivery options for Regents capital projects, as outlined in the memorandum. Motion failed due to lack of a second.

➤ **MOVED** by LANG, **SECONDED** by CONNOLLY, to table discussion until the March Board of Regents meeting. **MOTION PASSED UNANIMOUSLY.**

President Miles stated that the Board would like to review specific language prior to taking any action and thanked everyone for their hard work.

Interim Director Baumert discussed the Regents appropriations requests and the Governor's budget recommendations. He reported that the Presidents and Superintendents have been before the Education Appropriations Subcommittee and a variety of other programs have been before other subcommittees, and that the Vice Presidents will appear before the Infrastructure and Capitals Subcommittee.

Regent Lang asked what the status quo budget is on Economic Development. Interim Director Baumert said that those programs are collectively \$3.6 million and that \$4.4 million was requested this year to bring it back to the level of 2001.

President Miles thanked Interim Director Baumert and the Board Office for their hard work.

Interim Executive Director Baumert introduced student government representatives Brian Philips (ISU) and Andrew Morse (UNI). They reported on current student activities, including meetings with the Governor and legislators to discuss full funding for the Regent enterprise and other policy initiatives; resolutions in support of the Board of Regents and the Generation Iowa Commission Report; research on the brain drain issue; student lobbying efforts; and tracking legislation on tuition, tuition waivers, student debt, textbook costs, landlords and deposit retention, and other student-related issues.

President Miles thanked them for their hard work and said that he is looking forward to working with them.

➤ The Board received the update by **GENERAL CONSENT.**

**Resolution for the Sale and Award of \$25,000,000 Academic Building Revenue Bonds, Series I.S.U. 2008**

Mark LeMay from Springsted, Incorporated, reported that two bids were received. He said the winning bid was submitted by UBS Securities, had a true interest cost of 4.32%, and added that they were sold without insurance.

Regent Downer asked if having no insurance has any impact on the issuance of the Board of Regents Bonds. Mr. LeMay said that the Regents bonds have traditionally sold on their own recognizance and added that the appeal and strength of the bonds, and demand in the market for Regent bonds returned a favorable result, with or without the insurance.

- **MOVED** by EVANS, **SECONDED** by DOWNER, to approve A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$25,000,000 Academic Building Revenue Bonds, Series I.S.U. 2008, for the purpose of paying a portion of the costs of constructing additions and improving, remodeling, repairing, and equipping the veterinary teaching hospital and diagnostic lab, Coover Hall, Chemistry Building facilities, fire and environmental safety, deferred maintenance, and campus security improvements on the campus of Iowa State University of Science and Technology, funding a reserve fund, and paying the costs of issuance.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Facilities Governance Report**

Joan Racki stated the Regents are responsible for 35 million gross square feet (GSF) of space in the Regent Enterprise facilities with a replacement value of over \$12 billion, of which 17 million GSF are academic/research/administrative (general fund) facilities with a replacement value of \$6.3 billion. This includes responsibility for the large facility issues of deferred maintenance and fire safety. The universities report approximately \$460 million in deferred maintenance in the general fund facilities. The bonding authorization approved last year included many projects that will help reduce deferred maintenance and fire safety items.

President Miles asked how fire safety projects are prioritized relative to other deferred maintenance items after those that present an immediate danger are addressed.

Vice President True responded that if a space is determined to be unsafe, it is vacated immediately. A comprehensive review, which includes input from the Fire Marshal's Office and the University's Department of Public Safety, including qualitative and quantitative assessments, is used to determine the priority of remaining projects. Fire safety projects are embedded in larger projects, when possible. Many fire safety and deferred maintenance issues can be corrected by tearing down old buildings. One example is the possibility of tearing down Oakdale Hall after the new facility for the Hygienic Laboratory is complete.

Vice President Madden concurred with Vice President True's response and added that University personnel meet with the State Fire Marshal's staff to help prioritize projects. Life safety is the first priority and then property protection items are addressed.

President Miles noted that the Regent institutions are spending one quarter to one half of the minimum 1% that should be spent on building repair and inquired about the spending deficiency when compared to the 1% standard.

Vice President True stated that the amount spent on building repair is first determined on the availability of funds and the establishment of internal policies. Funds are set-aside for future repair/replacement of items in new buildings. The University makes it a priority to ensure that those set-aside funds are used for the intended purposes so deferred maintenance items do not accrue. The University would like this to be the model going forward.

President Miles inquired about capacity utilization and if there are benchmarks or averages on classroom utilization measures that the universities strive to attain and if the institutions are fully utilizing space in existing buildings before constructing a new building.

Vice President Madden responded that the University centrally manages classrooms, which includes upgrading existing classrooms. Classrooms comprise approximately five percent of the space on the ISU campus; the University continues to look at the hours classrooms are utilized. Benchmark utilization is used from peer institutions for capacity utilization.

- The Board received the report by GENERAL CONSENT.

**Institutional Agreements, Leases and Easements**

- MOVED by EVANS, SECONDED by CONNOLLY, to approve the lease and easement for the benefit of the University of Iowa, and the lease for the benefit of the University of Northern Iowa, as summarized in the agenda item, subject to approval of the final documents by the Board Office and Attorney General’s Office.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

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

After Vice President True provided an overview of the items on the capital register, Regent Lang asked about the total cost of all components of the **Dental Science Building – Construct Addition – Phase 1** project. Vice President True indicated that the early cost estimate is \$17 million; however, there is a need to engage professional consultants at this early stage of the project to confirm that the University’s vision is consistent with the \$17 million budget estimate. He noted that the University has spent considerable time carefully developing the project budget since there is no state funding involved and limited opportunities for additional funding. He further explained that if the project cannot be completed with the identified funding, the University would likely cut back the project, or determine what other funding sources are available (without state money), or something in between, and return to the Board. Such changes would only occur after the University has engaged professional consultants to develop the best assessment of the project costs. Both Regent Lang and Vice President True noted that the bidding environment will be critical in determining the total cost of the project.

- MOVED by CONNOLLY, SECONDED by HARKIN, to authorize permission to proceed with project planning, including the architectural selection process for the **Dental Science Building – Construct Addition – Phase 1** project, and the selection of Stanley Consultants for the **Lindquist Center – Upgrade Utility Support Systems for Room 14** project; permission to proceed with project planning, and the selection of Stanley Consultants, Muscatine, Iowa, for the **Oakdale Renewable Energy Plant – Central Chilled Water Production** project; and permission to proceed with project planning, and the selection of Shive-Hattery, Cedar Rapids, Iowa, for the **Oakdale Renewable Energy Plant – Mechanical Distribution** project.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**University of Iowa Proposed Property Purchases**

- MOVED by CAMPBELL, SECONDED by HARKIN, to approve the purchase of a fifty-foot wide strip of land approximately 914.24 feet long totaling approximately 45,712 square feet located adjacent to the south side of the University’s International Center at the purchase price of \$182,848, and the purchase of a two-story house located at 111 Church Street at the purchase price of approximately \$475,000 plus accrued interest.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Register of Iowa State University Capital Improvement Business Transactions and Building Naming**

Vice President Madden provided an overview of the **Biorenewables Complex** and introduced Provost Hoffman to outline the building program. Provost Hoffman expressed the University’s thanks to the Board of Regents and the State for funding the Biorenewables Research Laboratory, which is one of three wings of the **Biorenewables Complex**. She emphasized that biorenewables research is the future of Iowa State University; this will include research on climate change solutions, the creation of new biofuels and biologically-based chemicals, and development of methods to reduce atmospheric carbon. Given these research initiatives, she expressed the need to complete as quickly as possible the two additional wings of the **Biorenewables Complex** for use by the Department of Agricultural and Biosystems Engineering (ABE).

Provost Hoffman explained the importance of the **Biorenewables Complex** due to the strength of ABE (which is ranked second in the country by U.S. News and World Report), and the new and critical interest in the bioeconomy which has been consolidated and focused with the University’s Bioeconomy Institute. The Institute, which consists of 150 affiliate faculty members (including faculty of ABE), was recently identified for possible designation as the first Engineering Research Center at ISU, and has garnered \$43 million in sponsored research funding from industry and federal agencies.

Provost Hoffman explained that ABE offers some of the University’s most popular undergraduate programs; as a result, the University is considering development of an undergraduate degree in biorenewables. She reported that ISU has new graduate programs related to biorenewables, and students in these programs are obtaining employment immediately upon completion of their degrees. However, despite the success of ABE, Provost Hoffman reported that the Department is currently housed in some of the worst space on campus.

Vice President Madden explained that the Biorenewables Complex would be constructed on the west campus in one of the last available areas for campus development. He indicated that the University plans to bid construction of the Biorenewables Research Laboratory this fall for occupancy by the end of calendar year 2009.

Regent Downer expressed his concern that the net-to-gross ratios for the Biorenewables Research Laboratory were slightly low. Vice President Madden explained that since the Biorenewables Research Laboratory would be the first of the three building wings constructed at the site, it would have more space committed to the infrastructure needs for the entire Complex. He reported that the net-to-gross ratio for the Complex would improve when all three wings are constructed.

President Geoffroy expressed the University’s gratitude to alumnus Virgil Elings, who committed \$5 million for construction of the ABE office wing of the Complex; the University requested that this building wing be named “Elings Hall” in recognition of this gift.

President Miles questioned the third revised budget for the Memorial Union Renovation project. Vice President Madden explained that the University has recently identified funding for development of an admissions visitor center in previously uncommitted space in the Union’s new south addition. He further explained that the admissions visitor center would provide a “front door” for the University’s recruiting programs, and would be a great asset for the Admissions Office’s work with prospective students and parents, including student orientation programs.

- **MOVED** by CONNOLLY, **SECONDED** by HARKIN, to approve the schematic design for the **Biorenewables Complex**, and project description and budget (\$32,000,000) for the **Biorenewables Research Laboratory** project, with the understanding that this approval will constitute final Board approval for the **Biorenewables Research Laboratory** and authorization to proceed with construction; the naming of the **Biorenewables Complex** Agricultural and Biosystems Engineering office wing as “Virgil B. Elings Hall;” and the revised project budget (\$22,123,000) for the **Memorial Union Renovation** project.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Iowa State University Property Sale**

Regent Lang indicated that he had previously abstained on a vote for the University’s sale of 160 acres of Monona County farm land. However, he explained that he would now be voting in favor of the property sale since he approves of the use of the sale proceeds (for an endowed professorship for the Department of Food Science and Human Nutrition).

- **MOVED** by EVANS, **SECONDED** by HARKIN, to approve the sale of 160 acres of farm land located in Monona County, Iowa, to Beverly Alexander at the price of \$669,600.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Iowa State University Building Demolitions**

Vice President Madden provided an overview of the planned demolitions of the Ag Engineering Shed, Industrial Education 1 building, and Fisher-Nickell Hall. President Miles noted that the building demolitions were one method of reducing deferred maintenance.

Regent Harkin asked if the University filmed its building demolitions, particularly the Knapp and Storms demolition in 2005. Vice President Madden explained that it would not take long to bring down any of the buildings currently proposed for demolition. He indicated that he would provide Regent Harkin with the University’s web site address with the film of the Knapp and Storms demolition.

- **MOVED** by LANG, **SECONDED** by DOWNER, to approve the demolition of the Ag Engineering Shed and Industrial Education 1 buildings to prepare for construction of the new Chemistry Facilities Building, and the demolition of Fisher-Nickell Hall to complete the Hixson-Lied Student Success Center project.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**University of Northern Iowa Building Demolitions**

Vice President Schellhardt provided an overview of the proposed demolitions, which would be done to accommodate construction of the Parking Deck and Transit Facility on the UNI campus. In response to a question from Regent Downer, Vice President Schellhardt verified that the demolition plan has not changed since Board approval of the project site and schematic design for the parking facility (May 2007). Regent Lang expressed his appreciation for the inclusion of the campus map indicating the location of the two buildings proposed for demolition.

- **MOVED** by DOWNER, **SECONDED** by EVANS, to approve the demolition of the house and garage located at 1203 West 23<sup>rd</sup> Street, and the house located at 1221 West 23<sup>rd</sup> Street, Cedar Falls, Iowa.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Update Presentation on Development of Articulation Website**

The presentation was provided by Diana Gonzalez; Laura Doering, ISU Senior Associate Registrar and Director of Transfer Relations; Deb Miller, SUI Associate Director of Admissions; Robin Sandberg, UNI Communication Coordinator, Admissions; and Laurie Wolf, DMACC Executive Dean, Student Services. The team reported that the Board of Regents and Iowa community colleges have been engaged in articulation efforts since the community colleges were begun in the mid 1960s. The team provided highlights of the legislative requirement; brief history of articulation; guiding principles used by the Team to develop the website; feedback from constituencies which has guided the features and characteristics of the website; unveiling of the new single source website – TransferinIowa.org; and the next steps in the process of completing and implementing the website and providing ongoing maintenance and support. The Team provided an example of how to access the Transfer Plan-It website.

President Miles asked if the choice of major affected how the credits would transfer. Robin responded that it would affect how the credits would apply. However, Diana pointed out that the system will allow the student to choose multiple majors. Regent Connolly said that it was a great tool which will also be useful for high school students taking college credits; she commended the Team for its efforts. President Miles thanked the Team for the approach to developing the website which shows exactly what the outcome is and for working together to develop this important tool.

- The Board received the presentation by GENERAL CONSENT.

**Faculty Presentation at Iowa State University “Role of Research in the Undergraduate Experience”**

Provost Elizabeth Hoffman introduced Professor Gene Takle who was one of the scientists mentioned by Former Vice President Al Gore when he received the Nobel Peace Prize. Professor Takle provided an overview of undergraduate research. He pointed out that undergraduates come to the University to learn new things and undergraduate research contributes to that objective. ISU’s Strategic Plan seeks to strengthen opportunities for undergraduates to participate in research projects. The National Survey of Student Engagement, which is a benchmark by which ISU is measured and compared to peers, shows that working with a faculty member on a research project contributes to four things – academic challenge; active and collaborative learning; student-faculty interaction; and an enriching educational experience. Professor Takle indicated that undergraduates are an underutilized research resource. There is an institutional initiative to broaden opportunities for undergraduate research, such as including request for funding for undergraduates in research projects; an annual undergraduate symposium to allow undergraduates to discuss their research involvement; and mentoring workshops which stress mentoring of undergraduates.

Laurie Fiegel, Administrative Director of the University Honors Program, introduced two students who have been heavily involved in undergraduate research. Lucas Carlson is majoring in Animal Science with a minor in Microbiology. Some of his research experiences include a research assistantship in animal genomics; Science with Practice, two independent projects, and a summer fellowship at Mayo Medical School (Mayo). He recently has been asked to present his research findings at a conference in France this summer. He also learned that he had been accepted to the M.D./Ph.D. program at Mayo. Lisa Willman is a triple major in architecture, Spanish, and psychology with a minor in multi-media design. Her Honors project, titled "Urban - Gentrification of a Prominent Denver Neighborhood" allowed her to incorporate her work in all three majors. Lisa plans to attend a doctoral program in the fall.

President Miles thanked Lucas and Lisa for their presentations and congratulated them on their many accomplishments. Regent Vasquez asked Lucas how he had learned about undergraduate research opportunities. Lucas responded that he had learned early in his freshman year from upper class students and from faculty about research opportunities. Lisa indicated that her freshman mentor was also her Honors project director.

➤ The Board received the presentation by GENERAL CONSENT.

#### **2006-07 Distance Education Report**

Diana Gonzalez presented highlights from the 2006-07 Distance Education Report. Dr. Gonzalez indicated that the report focuses on the goals contained in the Distance Education Strategic Plan approved by the Board in 2005: (1) contributing to the state's economic development; (2) selecting and using appropriate strategies for instructional delivery; and (3) collaborating among the Regent universities in distance education delivery.

➤ The Board received the report by GENERAL CONSENT.

#### **Annual Report on Student Retention and Graduation Rates**

Diana Gonzalez presented highlights from the annual report on student retention and graduation rates. President Miles noted that, when looking at the six-year graduation rates of peers, it is obvious that the University of Iowa and Iowa State University are not keeping pace with their peers.

He asked Presidents Mason and Geoffroy to comment. Prior to their comments, Diana mentioned that the selectivity characteristics of institutions play a major role in their retention and graduation rates. She indicated that schools are classified on a selectivity scale of 1 to 5 where 1 represents schools with open enrollment and typically include community colleges and 5 represents schools which are highly selective, such as Harvard and Stanford. The Regent universities are characterized as traditionally selective institutions. President Geoffroy responded to President Miles' question by indicating that there are national data which show strong correlation between six-year graduation rates and average ACT scores of entering freshmen. He cited the University of Illinois as being highly selective and having high graduation rates. President Geoffroy indicated that ISU monitors the data very carefully. President Mason agreed that selectivity plays a critical role in the persistence rates of students.

President Miles noted that the six-year graduation rates of minority students are not keeping pace with those of non-minority students. He asked President Ben Allen to comment on whether we are doing everything we need to be doing. President Allen mentioned that UNI's policies and strategies need to be revisited and that there is much more that needs to be done. President Allen introduced Vice President Terry Hogan who was recently hired from Ohio University which typically has had high six-year graduation rates. Vice President Hogan indicated that the focus needs to be on the gap between the rates of minority students and non-minority students. He noted that Provost Jim Lubker has implemented an initiative to conduct a self-assessment of students regarding their experiences at the University. It is expected that the information gleaned from minority students will assist in developing strategies aimed at improved persistence. President Miles thanked Diana for the report.

➤ The Board received the report by GENERAL CONSENT.



**Realizing Educational and Career Hopes (Reach) Program Status Report**

Vice Provost Tom Rocklin presented a status report on the development and implementation of the REACH Program at the University of Iowa. The program has achieved a number of milestones, including filling key positions, developing admissions procedures, developing a curriculum map, and raising \$2 million. There have been 24 applications with a goal of admitting 18-20 students. Students are pre-screened with their families to determine their readiness for the program.

Regent Campbell asked if there were a similar program elsewhere. Vice Provost Rocklin indicated that there is no such program in a research institution such as the University of Iowa. Regent Campbell said that she would be eager to hear about the program’s success which would truly make the Regent enterprise proud. Vice Provost Rocklin responded in a couple of years it would be possible to bring students from the program to a Board meeting.

- The Board received the report by GENERAL CONSENT.

**Proposed New Center at Iowa State University – Center for Carbon Capturing Crops**

Provost Hoffman noted that the proposed center will focus on genetic engineering of crops to put carbon back into the soil. It will be one more effort by ISU’s emphasis on climate changes. President Miles if such a center were available at other institutions. Provost Hoffman responded that she was not aware of other centers but noted that the next round of Department of Energy proposals may well include such projects.

Regent Harkin noted that work in this area is already being done and asked why there is a need for a center. Provost Hoffman indicated that it provides special recognition and integrates it with other centers to work together. President Geoffroy indicated that it pulls together a group of faculty members in new ways and helps leverage funds. Provost Hoffman also indicated that under ISU’s new resource management model a center that administers its own grants is eligible for 10% indirect cost recovery. This will help the center to build its own infrastructure to support faculty in search of research grants.

- MOVED by CAMPBELL, SECONDED by CONNOLLY, to approve the Center for Carbon Capturing Crops at Iowa State University.

<u>Regent</u>	<u>Campbell</u>	<u>Connolly</u>	<u>Downer</u>	<u>Evans</u>	<u>Gartner</u>	<u>Harkin</u>	<u>Lang</u>	<u>Miles</u>	<u>Vasquez</u>
Aye	x	x	x	x		x	x	x	x
Nay									
Absent					x				

MOTION APPROVED by ROLL CALL.

**Presentation on Study Iowa**

The Board received a presentation by representatives of Study Iowa, a non-profit consortium whose mission is to stimulate and sustain cooperative efforts by Iowa colleges, universities, and other partners to promote Iowa as a premier destination for education and training for students from all nations. The following Study Iowa representatives were in attendance for the presentation:

- ◆ Robert Anderson, former Iowa Lieutenant Governor, and Executive Director, Institute for Tomorrow’s Workforce;
- ◆ Patricia Parker, Assistant Director of International and Graduate Admissions, Iowa State University;
- ◆ Allen Patch, Director of U.S. Export Assistance Center of the U.S. Department of Commerce, Des Moines; and
- ◆ David Fredrick, Associate Director for International Admissions, Wartburg College, Waverly, Iowa.

The group explained the background and goals of the Study Iowa initiative and described a variety of benefits and challenges associated with the recruitment of international students to Iowa, as follows:

- ◆ Study Iowa was organized in 2000 to attract international students to address Iowa's future worker shortage and the impact on the future economic prosperity of the state.
- ◆ The initiative began as a joint effort with the U.S. Department of Commerce, Iowa Export Council, and several Iowa colleges and universities to collaboratively recruit more international students to Iowa by developing cooperative relationships between Iowa higher education, government and industry.
- ◆ The specific goals of Study Iowa include: 1) to increase the number of international students in Iowa; 2) to increase the visibility of the state of Iowa as a location for students to study; 3) to increase Iowa's leverage with partner organizations (i.e., Study USA); and 4) to attract students with realistic expectations of Iowa's educational offerings.
- ◆ As identified by Study Iowa, the three essential elements to making Iowa a great success story in global education include: 1) cooperation and strategy among Iowa colleges and universities; 2) strong support from government and the public sector; and 3) private sector involvement with the Iowa business community.
- ◆ Iowa's higher education service industry requires a yearly intake of thousands of qualified students; Study Iowa promotes the marketing of Iowa as a place offering a strong higher education system.
- ◆ In its recruitment efforts, Study Iowa has developed relationships and promotional programs with schools and U.S. Embassies around the world. It also participates in several Iowa international outreach programs.
- ◆ Iowa's population growth has slowed considerably; without a stable or growing number of students, Iowa's excellent higher education faculties, staff and facilities will be underutilized.
- ◆ The U.S. Department of Commerce supports higher education as a major service industry, as education and training has become a significant service export; the recruitment and retention of international students is good business for the U.S. and for Iowa.
- ◆ Competition for international students among individual states is increasing as additional states are taking up similar initiatives to recruit these students.
- ◆ However, the United States is losing its overall competitiveness for international students; one primary reason is the lack of a proactive national strategy for attracting these students. Study Iowa believes it can provide a model of a successful statewide initiative that could be used in the development of a national program for the recruitment of international students.
- ◆ When international students stay in the U.S., they become an invaluable resource to Iowa companies expanding globally. When they return to their home countries, they provide a number of benefits to Iowa and the U.S.: they become champions and promoters of the state, they favor the purchase of U.S. and Iowa products, they are sympathetic to U.S. interests, and they influence friends and family members to travel to Iowa to study.
- ◆ Greater support from government, Iowa colleges and universities, and Iowa businesses, will be needed to sustain a competitive position and to move Iowa forward as a leading destination for students worldwide.
- ◆ Study Iowa is seeking leadership, support, and suggestions from the Board of Regents to take this initiative to next level in the world marketplace for higher education. This includes Board of Regents policy determination on the importance of international markets for the higher education services industry, budget support for an Executive Director, and Regents representation on a Study Iowa task force.

Regent Harkin asked about the number of students that potentially could travel to Iowa. Mr. Fredrick stated that there are approximately 7,675 international students in Iowa, and the international applications are increasing. Mr. Anderson indicated that it's possible to increase this number by 50 percent over time. He explained that graduate students who are here now learned about Iowa without being recruited; however, this has not been the case with undergraduate students. He further reported that Iowa ranks sixth in the nation for international students per capita; however, there is room for growth when compared to other universities (i.e., Illinois, Purdue, Indiana).

Regent Harkin asked about the students funding their own tuition and living expenses. The group reported that most of the students fund themselves without scholarships or grants.

Regent Vasquez asked about the negatives associated with the Study Iowa initiative, specifically with respect to cooperation by employers in hiring international students and the limitations of immigration laws. Mr. Anderson acknowledged that there are issues with immigration laws, but the resolution of these issues is beyond the scope of Study Iowa.

Regent Vasquez inquired about Study Iowa's other efforts to solicit funding for the program. Mr. Anderson indicated that they are speaking about funding with the business community, which first wants to see support from the education community. Study Iowa has not approached the legislature directly; however, it has had communications with the leadership of the three universities, since these institutions admit the core of the state's international students. As a result, Study Iowa believes leadership should first come from the Regent institutions.

President Miles thanked the Study Iowa representatives for their presentation and their hard work on this initiative. He expressed the Board's interest in having further dialogue on the subject.

➤ The Board received the presentation by GENERAL CONSENT.

**Grow Iowa Values Fund and Battelle Project Update  
Highlighted Technology Transfer Presentation**

SUI Vice President for Research Meredith Hay, ISU Vice Provost for Research and Economic Development John Brighton, and UNI Executive Director of Business and Community Services Randy Pilkington provided updates on the universities' economic development and technology transfer projects which receive funding through the Grow Iowa Values Fund or Battelle programs.

ISU Vice Provost Brighton introduced Dr. Anumantha Kanthasamy, ISU Professor and Eugene and Linda Lloyd Chair, Dept of Biomedical Sciences, College of Veterinary Medicine; Director of the Iowa Center for Advanced Neurotoxicology; and President and CEO of PK Biosciences Corporation. Dr. Kanthasamy discussed his research on Parkinson's disease.

➤ The Board received the update and the presentation by GENERAL CONSENT.

**University of Iowa Hospitals and Clinics Trustees**

SUI Vice President for Medical Affairs and Carver College of Medicine Dean Jean Robillard introduced Associate Vice President for Finance and Chief Financial Officer Ken Fisher, Associate Vice President for Nursing and Chief Nursing Officer Ann Williamson, and Interim CEO Gordon Williams.

Dr. Robillard presented a video illustrating how research, education, and patient care are all part of an integrated health care system. He followed up by saying that these are the types of resources Iowa needs to keep in order to respond to challenges and that UIHC is there to make discoveries and deliver outstanding services.

He reported on patient data, medical student education, research funding, gross square footage, and net revenue; challenges of the rapidly increasing patient volume; tremendously more complex patient cases; and the need for private rooms.

Dr. Robillard said that there is an urgent need to proceed with main campus planning, including a new critical care tower, new children's hospital, and renewal of the existing hospital and parking facilities.

Mr. Fisher reviewed the combined financial statement of UIHC and CCOM and discussed current indicators and occupancy. He said that UIHC was experiencing difficulty getting patients through surgery due to capacity and that some patients have had to wait. Regent Harkin asked if the patients that have had to wait have surgeries of any particular kind. Mr. Fisher replied that they are across the board. He discussed length of stay, case mix index, overall admissions, and said that the hospital anticipates the opening of the brand new major addition to the emergency department in next few months.

Dr. Robillard provided additional comments on admissions, length of stay, new programs, recruitments, occupation rate, case mix index, critical care and NICU, emergency treatment center, and transfer patients.

President Pro Tem Evans asked where the growth is coming from. Dr. Robillard said that the hospital is seeing more patients from community hospitals, the population is getting older, and patients are getting sicker. He said that patients also seek the complete range of specialty services that UIHC offers.

Regent Lang asked how health coaches and wellness programs enter into the plan to expand beds and treatment. Dr. Robillard said that health coaches and wellness programs will prevent some illnesses, but that eventually people become sick anyway.

Dr. Robillard discussed comparisons between UIHC and other large tertiary care facilities and the need for larger operating rooms to accommodate technology, privacy in waiting rooms and reception areas, and private patient rooms. Associate Vice President Williamson talked about the numerous benefits of private rooms, including privacy, confidentiality, patient satisfaction, and reduced risk of the spread of infection. She added that the current facilities are not what they should be for an academic medical facility.

Dr. Robillard talked about when the current facilities were built, issues surrounding modifying them to meet current needs, and where to put patients during reconstruction. He reiterated concerns about the aging patient facility; private patient rooms and the addition of rooms; size and specifications of operating rooms; and the absolute need for a dedicated children's hospital, adding that children need a culture of care that is difficult to achieve when care is currently in different buildings and on different floors.

Regent Harkin asked what part of the current facilities is usable. Dr. Robillard replied that all of it will be usable, explained the different areas of care that will need space, and elaborated on growth projections in terms of beds over the next ten years.

Regent Vasquez asked if the planned UIHC improvements are to stay competitive with other hospitals, including the two new hospitals with state of the art facilities planned for West Des Moines. She added that the new hospitals may offer the kind of care that doctors learned at UIHC, lessening a little bit of the burden for UIHC. Dr. Robillard noted that the greatest majority of patients come from within a 60-mile radius of UIHC and elaborated on the locations of other large medical centers. He said that lowans that had previously gone to these other medical centers now seek care at UIHC. Mr. Fisher added that the majority of UIHC patients are ones that can not reasonably be cared for at community hospitals and that there is a demand for high-end care and that it is going to continue.

Regent Downer said that more than 50% of physicians listed as the best doctors in Iowa are at UIHC and added that is a good indicator of why seriously ill people gravitate towards this expertise.

Dr. Robillard said that the short-term strategy is to relieve congestion on the main campus and the long-term strategy is to create the ambulatory care campus with multi-specialty services. He stated that they will come back to the Board in March asking to proceed with planning on the new critical care tower, new children's hospital, reuse of the existing facility, parking, and the ambulatory care campus.

Regent Lang said that there is a real need for a good marketing plan to the public.

Regent Harkin asked about cost. Mr. Fisher said that they have a working number between \$700-850 million over the next 10 years.

In response to a question from Regent Vasquez, Dr. Robillard and Mr. Fisher explained the breakdown of bed classifications.

Regent Downer asked that the UIHC agenda item be scheduled at a time other than at the end of the Board meeting. President Miles agreed.

➤ The Board received the report by GENERAL CONSENT.

**Other**

President Miles said that the standing committees of the Board will begin again and that he would be talking with the Regents.

President Miles reminded everyone that the March meeting is one day, March 11<sup>th</sup>.

President Miles thanked ISU for hosting the meeting and everyone for attending.

**President Miles adjourned the meeting at 5:30 p.m.**

**Contact: Marcia Brunson**

**INSTITUTIONAL PERSONNEL TRANSACTIONS**

**Action Requested:** Consider ratification of the personnel registers and other actions of the institutions as delineated below.

**1. UNIVERSITY OF IOWA**

- a. Register of Personnel Changes for January 2008.
- b. Resignation: MEREDITH HAY, Vice President for Research, effective April 30, 2008.
- c. Appointment: JORDAN COHEN, former Dean of the College of Pharmacy, as Interim Vice President for Research effective April 1, 2008,

**2. IOWA STATE UNIVERSITY**

- a. Register of Personnel Changes has not been received and will be reported at the next meeting.

**3. UNIVERSITY OF NORTHERN IOWA**

- a. Register of Personnel Changes for January 2008.
- b. Appointment: DR. REINHOLD BUBSER as Dean of the College of Humanities and Fine Arts for a three-year renewable term appointment effective July 1, 2008, at an annual salary of \$152,818.

**4. IOWA SCHOOL FOR THE DEAF**

- a. Register of Personnel Changes for February 2008.

**5. IOWA BRAILLE AND SIGHT SAVING SCHOOL**

- a. Register of Personnel Changes has not been received and will be reported at the next meeting.

Contact: Patrice Sayre

**UNIVERSITY OF IOWA**  
**EQUIPMENT PURCHASE**

**Action Requested:** Consider approval of the following equipment purchase:

- ♦ Siemens High Field 1.5 Tesla Magnetic Resonance Imaging (MRI) System - \$2,200,000

**Executive Summary:** The University of Iowa requests approval to proceed with the purchase of a Siemens High Field 1.5 Tesla Magnetic Resonance Imaging (MRI) System for the University of Iowa Hospitals and Clinics (UIHC).

**Description of Equipment**

The requested MRI system will be of virtually the same operating system and configuration as the three existing Siemens 1.5T Magnetic Resonance (MR) systems. The new MRI system includes the Siemens Espree, which is a different MR model from the existing Avanto, but uses essentially an identical computer platform. Purchasing a same platform Siemens MR reduces training time for technologists and service support and creates inherent operational efficiencies.

Using the same platform allows the sharing of exam imaging protocols and patient imaging coils between MR units, saving in excess of \$150,000. In addition, using the same platform provides more flexibility in scheduling and patient flow because all scanners have the same capabilities. This allows staff to schedule patients to the first available scanner rather than having the patient wait for a particular MR scanner which is optimal for a particular type of exam. This will improve patient throughput and decrease exam scheduling conflicts.

**Justification of Need for Equipment**

The purchase of the MRI system will allow for the replacement of a 1.5 Tesla MRI system installed in 1998. The existing system is beyond its useful life, resulting in limited capabilities which affect the quality of patient exams and is experiencing significant downtime for repairs, resulting in decreased patient throughput and increased maintenance costs.

Replacement with new equipment provides technology enhancements that will result in increased patient throughput and higher quality diagnostic imaging capabilities. The MRI system installed in 1998 has significantly longer scan times and is limited in its imaging capabilities, providing substantially inferior image quality when compared to the requested Siemens Espree. With the acquisition of a newer scanner, the duration of typical scans will be reduced by 15-30 minutes, increasing patient throughput as well as improving the patient experience. The MRI division has experienced significant growth, 12% in FY07 and a projected 12% in FY08. The ability to sustain such growth and maintain the current level of access to services requires updated MR equipment.

The Espree model includes a modified MR magnet bore with a 10 cm wider opening and a patient/table weight limit which is 150 pounds greater than current equipment capabilities. This allows the capability to perform exams for bariatric patients, a patient population which the MRI Center is currently unable to accommodate, and supports the UIHC initiative as a Bariatric Center of Excellence. In addition, the Espree model has a 28 cm shorter bore, which helps accommodate patients with claustrophobia, reducing the need for sedation. This will improve the patient experience by reducing anxiety and shortening the length of the procedure.

Any Known Alternatives to the Equipment Proposed

The equipment pricing is based on the Strategic Alliance Purchasing Agreement between Siemens Medical Solutions USA, Inc. and The University of Iowa. The University of Iowa Hospitals and Clinics has standardized on Siemens equipment due to the advantages gained in equipment pricing, maintenance and training.

Estimated Cost and Source of Funding

The cost for the High Field 1.5 Tesla MRI System is \$2,200,000 and the source of funding is UIHC capital equipment funds.

**Board Policy:**

Chapter 7.05B(12) of the Regent Policy Manual requires that:

- ◆ Equipment costing more than \$1,000,000 must be submitted to the Board for approval; and
- ◆ Requests submitted to the Board Office for approval must include the following information:
  - ◆ Description of the equipment;
  - ◆ Justification of the need for the equipment;
  - ◆ Any known alternatives to the equipment proposed; and
  - ◆ Estimated cost and source of funding.



Contact: Diana Gonzalez

**REQUEST FOR A NAME CHANGE AT THE UNIVERSITY OF IOWA**  
**DEPARTMENT OF SPEECH PATHOLOGY AND AUDIOLOGY TO**  
**DEPARTMENT OF COMMUNICATION SCIENCES AND DISORDERS**

**Action Requested:** Consider approval of the request by the University of Iowa to change the name of the Department of Speech Pathology and Audiology to the Department of Communication Sciences and Disorders.

**Executive Summary:** The proposed name describes the Department's focus on both the underlying science in normal and disordered systems and the study of disorders and treatment. The proposed name change will not have any negative effect on students. This request has been reviewed by the Board Office and the Council of Provosts and is recommended for approval. This report addresses the Board of Regents Strategic Plan objective (1.1) to "offer high-quality programs through ongoing program improvement for undergraduate, graduate, professional, and non-degree students and special school students."

**Background:**

- ◇ The proposed name reflects the Department's belief that the existing name does not encompass the range of teaching, research activity, or clinical practice that is the core of its programs.
- ◇ The Department has traditionally stressed the study of normal processes of speech and language to provide a strong foundation in understanding disorders and to develop and assess therapies. The proposed name change reflects that philosophy.
- ◇ The proposed name is more consistent with other programs in the field. The Department estimates that 65% of the programs listed in the Council of Graduate Programs in Communication Sciences and Disorders, the main administrative body in the field, have the designation "Communication Sciences and Disorders" or some variation, such as Communicative Disorders, as their title. The more common designation will assist with recruitment because prospective students using search engines will more easily access the department website. In 2007, the Board approved a department name change at the University of Northern Iowa from the Department of Communicative Disorders to the Department of Communication Sciences and Disorders.
- ◇ There were no major concerns or objections to the proposed name change expressed by the University of Iowa's Department of Communication Studies.

Contact: Diana Gonzalez

**REQUEST FOR A NAME CHANGE AT THE UNIVERSITY OF NORTHERN IOWA**  
**DEPARTMENT OF PHILOSOPHY AND RELIGION TO**  
**DEPARTMENT OF PHILOSOPHY AND WORLD RELIGIONS**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to change the name of the Department of Philosophy and Religion to the Department of Philosophy and World Religions.

**Executive Summary:** The proposed name better describes the Department's work. The proposed name will not have any negative effect on students. This request has been reviewed by the Board Office and the Council of Provosts and is recommended for approval. This report addresses the Board of Regents Strategic Plan objective (1.1) to "offer high-quality programs through ongoing program improvement for undergraduate, graduate, professional, and non-degree students and special school students."

**Background:**

- ◇ The proposed name better represents three important aspects of the Department's work.
  - 📖 "Religion" is often the name of courses taught at parochial or religious high schools from a sectarian perspective. The proposed name change will communicate to UNI students that the academic approach to the study of religion at UNI is quite different.
  - 📖 "World religion" emphasizes the scope of departmental offerings in a clearer way.
  - 📖 The emphasis on world religions is better suited to the current global environment, in which religious traditions and communities around the world are major subjects for media coverage.
  
- ◇ The Department of Religious Studies at the University of Iowa and the Department of Philosophy and Religious Studies at Iowa State University were consulted and neither expressed objections to the proposed name change.

Contact: Diana Gonzalez

**REQUEST TO AWARD AN HONORARY DOCTOR OF HUMANE LETTERS DEGREE**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to award an honorary Doctor of Humane Letters degree to Nancy Aossey at Spring 2008 Commencement.

**Executive Summary:** The University of Northern Iowa wishes to recognize Ms. Aossey for her exceptional leadership in worldwide humanitarian efforts.

**Details on Ms. Aossey's Accomplishments:**

- ◇ Ms. Aossey, the granddaughter of Lebanese immigrants, was raised in an environment where service to the community was an ingrained value.
- ◇ She received an undergraduate degree in Marketing (1982) and an MBA (1984) from the University of Northern Iowa.
- ◇ In 1986, Ms. Aossey joined the International Medical Corps (IMC), a humanitarian organization that provides health care training and relief and development programs worldwide. She currently serves as President and Chief Executive Officer.
- ◇ She has guided the organization from its three-employee beginnings to a \$100+ million relief organization with more than 4,000 volunteers and staff working in 21 countries.
- ◇ Her success in applying an entrepreneurial perspective to reach humanitarian goals has been widely recognized.
  - ☑ In 2006, she received the Distinguished Alumni Award from the Center for Creative Leadership, a global provider of executive education. She was also named Non-Profit CEO by the *Los Angeles Business Journal*.
  - ☑ In 2008, she received the 2007 Distinguished Alumnus Award from the American Association of State Colleges and Universities (AASCU), an award given to few individuals, some at the level of Nobel Laureate.
- ◇ Under her leadership, IMC has earned a sterling reputation as a charitable organization, receiving commendations worldwide for its programs, staff, and fiscal responsibility. IMC received Charity Navigator's highest Four Star Charity rating and is rated "A+" by the American Institute of Philanthropy. The Better Business Bureau noted that IMC meets or exceeds its Wise Giving Alliance Standards. IMC has been featured in *Forbes* as one of "America's 200 Largest Charities," with a 99% fundraising efficiency. *Worth* chose IMC as one of "America's 100 Best Charities" in 2002 and 2003, the two years the magazine conducted the survey.

- ◇ Ms. Aossey's influence as an international advisor on issues of humanitarian assistance is noted by her frequent visits to the White House where she has briefed the President, Vice-President, and First Lady on humanitarian issues.
  
- ◇ She has served as Board Chair of InterAction, America's largest coalition of international relief organizations and is a member of the Council on Foreign Relations, the Pacific Council on International Policy, and USAID's Advisory Committee on Voluntary Foreign Aid. She also serves on the Women's Commission for Refugee Women and Children and is a member of the Young President's Organization.

Contact: Diana Gonzalez

**REQUEST TO AWARD AN HONORARY DOCTOR OF HUMANE LETTERS DEGREE**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to award an honorary Doctor of Humane Letters degree to Sheri Greenawald at Spring 2008 Commencement.

**Executive Summary:** The University of Northern Iowa wishes to recognize Ms. Greenawald for her outstanding career as a professional singer.

**Details on Ms. Greenawald's Accomplishments:**

- ◇ Ms. Greenawald is a graduate of UNI's School of Music and of the Professional Studies Program at the Julliard School of Music. She has received a Rockefeller Grant and a National Endowment for the Arts Grant.
- ◇ Ms. Greenawald has returned to campus as a Visiting Artist, performer, and teacher of Master classes for students. She has also performed with the Northern Iowa Symphony Orchestra at UNI Scholarship Benefit Concerts to raise funds for students.
- ◇ She has taught privately and was a Visiting Artist at the University of Charleston. She was the vocal coach of the Santa Fe Apprentice Program in 1999 and opera director of that program in 2000. She has also given master classes at the Opera Theatre of St. Louis.
- ◇ Ms. Greenawald has worked with most of opera's great conductors and directors, including Seiji Ozawa, Daniel Barenboim, Zubin Mehta, and the late Leonard Bernstein. She is featured on several recordings, including Blitztein's *Regina* conducted by John Mauceri.
- ◇ Appearing in the most prestigious opera houses and concert halls around the world, she is considered a star in both the opera and classical music fields.
- ◇ She has had a distinguished international operatic singing career as a soprano, noted in particular for her enormous range of roles. She has sung featured roles with the Metropolitan Opera, San Francisco Opera, Lyric Opera of Chicago, Venice's La Fenice, Munich State Opera, Paris' Châtelet Theater, Welsh National Opera, Seattle Opera Company, Houston Grand Opera, the Netherlands Opera, Santa Fe Opera, Los Angeles Opera, Naples' Teatro San Carlos, Washington Opera, Opera Theatre of St. Louis, Dallas Opera, and others.
- ◇ Ms. Greenawald toured with Leonard Bernstein and the Israeli Philharmonic to New York, London, Zurich, Naples, and Paris.
- ◇ In 1998, she was selected as the Seattle Opera's Artist of the Year.

- ◇ She taught at the Boston Conservatory for several years before accepting her current position as Director of the San Francisco Opera Center in 2002.
- ◇ Major reviews of Ms. Greenawald's professional work have been chronicled by the *Los Angeles Times*, *The New York Times*, *Opera News*, and other prestigious publications.
- ◇ She has sung with symphony orchestras, such as the Los Angeles Philharmonic, St. Louis Symphony Orchestra, and the Chicago Symphony Orchestra.

Contact: Diana Gonzalez

**REQUEST TO AWARD AN HONORARY DOCTOR OF HUMANE LETTERS DEGREE**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to award an honorary Doctor of Humane Letters degree to Robert Yager at Fall 2008 Commencement.

**Executive Summary:** The University of Northern Iowa wishes to recognize Dr. Yager for his illustrative career of outstanding achievement in promoting scientific literacy across all grade levels of American education.

**Details on Dr. Yager's Accomplishments:**

- ◇ Dr. Yager has contributed to the preparation of more than 1,000 K-12 science teachers throughout his years as a faculty member at the University of Iowa.
- ◇ His leadership in science education includes a paradigm-shifting reformulation of how we think about teaching and learning in science.
- ◇ Dr. Yager began teaching science in 1950 after earning a biology teaching degree at Iowa State Teachers College. Shortly thereafter, he was named chair of the science department at the Laboratory School of the University of Iowa, where he earned Masters and Doctoral degrees in Plant Physiology.
- ◇ For Dr. Yager, science was less a collection of things than a way of thinking. He pioneered an approach to teaching and learning that placed the responsibility for understanding science on the student's shoulders, guided by a skilled facilitator.
- ◇ Recognizing the increasing necessity for a scientific and technologically literate citizenry, Dr. Yager helped establish the Science-Technology Society (STS) approach to teaching science. It became synonymous with, and an early version of, inquiry teaching that pervades nearly every level of science education today. Considered a radical movement in the 1960s, STS is now considered a teaching style credited with promoting the importance of critical thinking skills for shaping community-relevant content, such as environmental education and consumer science. STS generated a curricular emphasis on applications of learning that can be found in virtually every published textbook.
- ◇ His disciples, who include approximately 220 Ph.D.s, 200 Masters, and 1,200 science teachers mentored by Dr. Yager, continue the research, curricular design, and teacher preparation that sustain this inquiry revolution.

- ◆ Dr. Yager brought more than \$10 million of science education reform funding to Iowa during his 50 year career, bringing distinction to the state as a global hub of excellence in science education. His outreach projects have touched nearly every district in the state.
- ◆ During his career, Dr. Yager served as president of seven prestigious national organizations, including the National Association for the Education of Teachers of Science, the National Science Teachers Association, and the National Association for Research in Science Teaching.
- ◆ He has directed more than 100 National Science Foundation institutes and workshops for teachers and high school students. He has published more than 600 books, chapters, and research reports.
- ◆ Iowa continues to enjoy prominent status in science education thanks to the work of Dr. Yager and his continuing leadership.



Contact: Diana Gonzalez

**REQUEST FOR CREDIT HOUR CHANGE AT THE UNIVERSITY OF NORTHERN IOWA**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to change the minimum hours required for the Bachelor of Arts in Teaching and the Bachelor of Arts in Music programs.

**Executive Summary:** The proposed credit hour change will adjust the minimum credit hour requirement for the B.A. in Teaching and the B.A. in Music programs from 130 to 120. The proposed credit hour change will allow students to graduate in a more timely manner without negatively affecting their program of study. This request has been reviewed by the Board Office and the Council of Provosts and is recommended for approval. This report addresses the Board of Regents Strategic Plan objective (1.1) to “offer high-quality programs through ongoing program improvement for undergraduate, graduate, professional, and non-degree students and special school students.”

**Background:**

- ◇ **Ongoing process.** Curriculum changes at the University of Northern Iowa result from ongoing academic program reviews with a focus on program innovation and improvement. Departments use a variety of sources, including student outcomes assessments, professional organizations, accrediting agencies, advisory boards, and government agencies, to assess program effectiveness, make changes in programs, and propose new programs that provide students with exceptional educational experiences and professional preparation.
- ◇ **Analysis of proposed change.** The University proposes to eliminate the practice of enforcing free elective hours over the minimum total credit hours required for graduation. With this change, the B.A. in Teaching and B.A. in Music programs can be completed in 120 credit hours which would be consistent with all B.A. – Liberal Arts programs at UNI.
- ◇ **Effect of proposed change.** Adjusting the minimum credit hour requirement from 130 to 120 credit hours for the two programs will allow students who have completed all other requirements for the degree, including the liberal arts core, academic major, and professional sequence, to graduate in a more timely manner while also contributing to a reduction in class size and per-student degree cost for the University. It will also help reduce the average number of credit hours earned toward the B.A., which currently exceeds the 120 credit hour minimum.
- ◇ **Policy alignment.** The structure of undergraduate programs at UNI is defined in policy as “a program which is realistically capable of being completed in no more than eight semesters.” The proposed change will allow students to achieve this goal.

Contact: Diana Gonzalez

**PROPOSED NEW PROGRAM AT THE UNIVERSITY OF NORTHERN IOWA**  
**BACHELOR OF ARTS IN BIOCHEMISTRY**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to establish a new Bachelor of Arts Program in Biochemistry which will be administered by the Department of Chemistry and Biochemistry in the College of Natural Sciences.

**Executive Summary:** The proposed undergraduate major will provide a rigorous curriculum for students with a strong interest in biochemistry and a program of moderate length and intensity, including students interested in graduate study in a biochemical field, medicine, and other health professions. No new resources are required to implement the proposed program. This proposal was reviewed by the Board Office and the Council of Provosts and is recommended for approval. No concerns were raised when it was presented to the Iowa Coordinating Council for Post-High School Education. The proposed program addresses the Board's Strategic Plan priority (1.0) to "ensure high-quality educational opportunities for students."

**Background:**

- ◇ **Description of program.** The proposed program is a science-oriented Bachelor of Arts program with 50-55 hours of departmental and cognate course content. It will offer a mix of biology, molecular biology, chemistry, and biochemistry courses.
- ◇ **Relationship to existing programs at UNI.** The proposed program will complement three existing programs in the Department of Chemistry and Biochemistry – Bachelor of Science in Chemistry (traditional chemistry interest, high intensity); Bachelor of Arts in Chemistry (traditional chemistry interest, moderate intensity); and Bachelor of Science in Biochemistry (biochemistry interest, high intensity). The proposed program is described as biochemistry interest, moderate intensity, which will allow students to combine this program as a double major with other programs, especially in biology.
- ◇ **Duplication.** Eleven other Iowa colleges and universities offer related programs, primarily through their departments of chemistry. Only four programs are similar in length, content, and target audience to the proposed program – Drake University; Loras College; Simpson College; and the University of Iowa. However, the justification for the proposed program at UNI lies in the fact that it will provide programmatic alternatives to UNI students without incurring additional costs for the University.
- ◇ **Student demand.** Currently, there are 30 majors in the B.S. in Biochemistry Program among the 95 total declared majors in the department. A need to develop the B.A. in Biochemistry was first suggested by external reviewers during the department's 2003 program review. Subsequent feedback from students has indicated a strong interest in the program.

- ◇ Unique features. In the recent past, the Department of Chemistry has expanded its offerings in biochemistry – (1) a new biochemist was added to the faculty, bringing the total to four of the 16 full-time members of the department; (2) realignments of instructional and research space yielded two new biochemistry research spaces; a space used for research and teaching was converted into a dedicated biochemistry teaching laboratory; (3) the B.S. in Chemistry with Biochemistry Emphasis was re-titled B.S. in Biochemistry and a new course in Advanced Biochemistry was added; and (4) the department changed its name to the Department of Chemistry and Biochemistry. These changes, together with UNI's focus on undergraduate education, support the department as an important environment for the addition of the proposed program.
- ◇ Cost/Resources. The University projects that no new faculty, facilities, or equipment will be required to implement the proposed program. The complement of four biochemists, existing lecture and laboratory space, and the department's equipment are currently sufficient to offer the proposed program.
- ◇ Need/Demand. During the past 30 years, biochemistry has moved from an interdisciplinary field bridging biology and chemistry to an independent field with applications in those traditional sciences. The sequencing of the genomes of numerous organisms, culminating in the sequencing of the human genome, propelled biochemistry into a new role. This has been reflected in the emergence of the commercial biochemical industry with a large number of biotechnology companies. In addition, existing chemical and pharmaceutical companies have added biochemical and molecular biological divisions. These changes have resulted in a significant demand for graduates with biochemical knowledge and laboratory skills. According to the *American Chemical Society Employment Outlook, Chemical and Engineering News* (6 November 2006), "job opportunities are good for skilled professionals trained in the field of biochemistry. The field is expanding and growth is expected in industry, especially in genetic research."
- ◇ Projected enrollment. The projected enrollment is 20 students per year.
- ◇ Link to institutional strategic plan. The proposed program addresses UNI's mission "to provide a diverse, dynamic learning environment" and a focus "on undergraduate education that provides students with specialized educational experiences." It also addresses UNI's Strategic Plan goal (1.0) "to provide intellectually challenging and character-building experiences for undergraduate and graduate students in a personalized learning environment" and objective (1.2) "to provide a personalized learning environment that responds to needs, encourages growth, and recognizes achievements of individual students."

Contact: Diana Gonzalez

**REQUEST TO SUSPEND ADMISSIONS TO THE MASTER OF ARTS IN TECHNOLOGY  
PROGRAM AT THE UNIVERSITY OF NORTHERN IOWA**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to suspend admissions to the Master of Arts in Technology Program.

**Executive Summary:** The request to suspend admissions to the Program is based on the fact that the University is undergoing a transition from the current program to a Master of Science in Technology Program (Agenda Item 10l). This request was reviewed by the Board Office and the Council of Provosts and is recommended for approval. There are no objections to the proposed suspension of admissions to the program. This request addresses the Board of Regents Strategic Plan strategy (4.1.1) to “pursue opportunities to realize greater efficiency in operations, consistent with best practices in the delivery of education and other services.”

**Background:**

- ◇ **Current enrollment.** Currently, there are 20 students in the Master of Arts in Technology Program. These students will be offered the option of transferring to the Master of Science in Technology Program. Students who choose to complete the Master of Arts in Technology Program will be allowed to do so by substituting updated courses in their program of study; however, no new students will be admitted to the Master of Arts in Technology Program.
- ◇ **Date of suspension.** If the proposed suspension is approved by the Board, it will become effective immediately. Prospective students will be provided information about the new Master of Science in Technology Program.
- ◇ **Proposed new program.** The proposed new program will re-orient the Master’s degree in the Department of Industrial Technology by focusing on the contemporary developments in all areas of industrial technology. The new program reflects feedback from industrial personnel and recent program evaluations to reconstitute the Master’s degree program with more appropriate competencies and skills. It will allow graduates to meet the challenges of technological changes and to integrate new developments in the local, regional, and national economies.

Contact: Diana Gonzalez

**PROPOSED NEW PROGRAM AT THE UNIVERSITY OF NORTHERN IOWA**  
**MASTER OF SCIENCE IN TECHNOLOGY**

**Action Requested:** Consider approval of the request by the University of Northern Iowa to establish a new Master of Science in Technology Program which will be administered by the Department of Industrial Technology in the College of Natural Sciences.

**Executive Summary:** The proposed program will re-orient the Master's degree program in the Department of Industrial Technology by focusing on the contemporary developments in all areas of industrial technology, with emphasis on the following technical areas – industrial management; construction management; electrical engineering technology; graphic communication; manufacturing materials; manufacturing technology; and technology education and training. Resources for the proposed program will be re-allocated from the existing M.A. in Technology Program to which the University is seeking to suspend admissions (Agenda item 10k). This proposal was reviewed by the Board Office and the Council of Provosts and is recommended for approval. No concerns were raised when it was presented to the Iowa Coordinating Council for Post-High School Education. The proposed program addresses the Board of Regents Strategic Plan priority (1.0) to “ensure high-quality educational opportunities for students.”

**Background:**

- ◇ **Description of program.** The proposed program focuses on contemporary developments and applications in several technical areas of the industrial technology discipline. The graduates of this program will be able to meet the challenges of the rapidly changing technologies identified through consultations with industrial partners, former graduates, and recent program evaluations.
- ◇ **Relationship to existing programs at UNI.** The proposed program will support the needs of other units through the availability of its courses for their graduate students. The proposed program will also provide an opportunity for students to (1) observe, absorb, and develop an awareness of technological changes in industrial organizations; (2) engage students and faculty from other disciplines; (3) experience different methods of instruction; and (4) experience differential or variant approaches to similar topical areas in their field.
- ◇ **Duplication.** Iowa State University offers an undergraduate industrial technology program and William Penn University offers an undergraduate technology education program. However, there are no other post-secondary institutions in the state that offer the same or similar program to the proposed Master of Science in Technology Program.
- ◇ **Unique features.** UNI's experience in offering the M.A. in Technology Program provides a unique environment in which to transition to the proposed program.

- ◇ Student demand. The proposed program is expected to appeal to current UNI graduates as well as others from similar institutions. It will likely also attract currently employed individuals because the program was developed with feedback from industrial partners and program evaluators to update and reconstitute the M.A. in Technology Program with more appropriate competencies and skills. The proposed program will prepare students to investigate industrial topics and contemporary industrial needs. The University also anticipates marketing the proposed program to local industrial personnel.
- ◇ Cost/Resources. The University anticipates that the faculty currently assigned to the M.A. in Technology Program will be re-allocated to the proposed program if the Board approves the suspension of admissions for the M.A. in Technology Program. A request for release time for the M.S. in Technology program coordinator will be submitted to the Dean. Additional space needs will be addressed when the Industrial Technology Center, where the proposed program will be housed, is considered for expansion and renovations.
- ◇ Need/Demand. A number of industrial firms in the region are seeking persons who possess the content of the proposed program. UNI students' awareness of evolving technology and ability to perform within such technological environments is appealing to employers. UNI graduates have gained the technical preparation and primary competencies to function as supervisors and managers.
- ◇ Projected enrollment. The projected enrollment is 3 students in Year 1 with an increase to 10 new students per year by Year 7. It is likely that students will include recent graduates of baccalaureate programs from the surrounding region; industrial and government workers seeking to enhance and improve their technological capabilities; and faculty members at community colleges who desire to complete a graduate program.
- ◇ Off-campus delivery. The M.A. in Technology Program was offered at John Deere's site in Waterloo. The department expects to deliver the proposed program at John Deere, as well as other industrial sites in the state. Faculty members are currently developing alternate delivery methods, including the Internet and the Iowa ICN, to meet the needs of place-bound students.
- ◇ Link to Strategic Plan. The proposed program addresses UNI's mission "to provide a diverse, dynamic learning environment." It also addresses UNI's Strategic Plan goals (1.0) "to provide intellectually challenging and character-building experiences for undergraduate and graduate students in a personalized learning environment" and (1.2) "to provide a personalized learning environment that responds to needs, encourages growth, and recognizes achievements of individual students."

Contact: Diana Gonzalez

### REPORT ON TITLE II GRANT PROGRAM

**Action Requested:** Receive the report on the Title II Grant Program.

**Executive Summary:** The Board Office and the Iowa Department of Education jointly administer the grant programs in Iowa authorized by Title IIA (Improving Teacher Quality) and Title IIB (Mathematics and Science Partnerships) of the federal No Child Left Behind (NCLB) Act of 2001. Each year, this joint program distributes Title IIA and Title IIB federal funds to colleges, universities, school districts, and area education agencies to provide professional development to K-12 teachers with a focus on enhancing student achievement in mathematics and science.

In February 2008, the Title II Advisory Panel awarded first-year funding to three new multi-year projects in an amount totaling \$434,726.<sup>1</sup> The grants were awarded for the period ending June 15, 2009, on the basis of a competitive review process. Grant funds will also support ongoing second- and third-year projects approved in prior year competitions.

#### **Background:**

The Board Office, as designated by the U. S. Department of Education, is the state agency for higher education to administer the Title IIA grant program in Iowa. The Board Office and the Iowa Department of Education have jointly conducted a mathematics and science education grants program for more than a decade. Since the passage of NCLB, the respective agencies have conducted a single annual competition which combines the funds from the separate Title IIA and Title IIB federal programs. The two state agencies divide responsibilities for ongoing grants accounting and administration by project. Grants are made for single- and multi-year projects of up to three years in duration.<sup>2</sup>

Grant projects are designed to provide professional development to K-12 teachers with a focus on enhancing student achievement in mathematics and science. Grants are made to interinstitutional partnerships which must include the following:

- 📖 College or department of education of an accredited institution of higher education in Iowa;
- 📖 College or department within the content area of the project (e.g., mathematics, science, engineering) of an accredited institution of higher education in Iowa;
- 📖 High-need Iowa school district/local education agency, as defined by federal statute for Iowa;
- 📖 Representatives from the area education agencies served by the project; and
- 📖 Any other eligible contributing partners.

The Title II Advisory Panel includes representatives from the Board Office, Regent universities, Iowa independent colleges and universities, community colleges, K-12 school districts, area education agencies, and mathematics and science education specialists from the Iowa Department of Education. The Committee approved the grant awardees on the following page at its February 15, 2008, meeting.

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<sup>1</sup> Ten proposals were submitted.

<sup>2</sup> There are five continuing projects for the coming year.

TITLE IIA/IIB GRANT RECIPIENTS FOR THE PERIOD ENDING JUNE 15, 2009

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Project: **EMPOWER Project (Elementary Mathematics Partnership Opening Windows to Excellence, Rigor, and Relevance)**

Applicant Institution: University of Iowa

Project Directors: Walter Seaman, Associate Professor of Mathematics and Teaching and Learning  
Vicki Burketta, Clinical Associate Professor

Proposed Project Period: 3 years

Total Funding Awarded: \$447,831 (First year award = \$149,096)

Partners: University of Iowa Departments of Mathematics and Teaching and Learning; Grant Wood AEA; English Valleys Community School District; Iowa City Community School District; and Anamosa Community School District

This three-year professional development initiative is aligned with the Iowa Professional Development Model, involving whole-school teams in building-wide efforts to improve mathematics teaching and learning. EMPOWER will provide 50 grade 1-6 teachers and principals with more than 108 hours of ongoing professional development through summer workshops, academic year seminars, ongoing lesson study, web-based learning community interactions, and on-site implementation assistance. The program objectives are to (1) improve content knowledge of 50 elementary teachers, as measured by locally-constructed National Council of Teachers of Mathematics aligned content pre- and post-assessment instruments; (2) increase the percentage of students who make at least one year's growth in mathematics performance per project year, as measured by the Iowa Test of Basic Skills (ITBS) and district assessments; (3) reduce the mathematics achievement gap between student subgroups and their peers, as measured by the ITBS; and (4) improve teacher implementation of problem-based inquiry teaching strategies, as measured by a project-developed rubric.

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Project: **Teaching and Learning Mathematics: A Problem-Solving Approach**

Applicant Institution: Loras College

Project Directors: Dan Willis, Loras College Associate Professor of Mathematics  
Chris Nugent, Math Coordinator – Dubuque Community School District

Proposed Project Period: 3 years

Total Funding Awarded: \$372,570 (First year award = \$135,630)

Partners: Loras College; Keystone AEA; Mississippi Bend AEA; Dubuque Community School District; MFL Marmac Community School District; Camanche Community School District; Maquoketa Community School District; Starmont Community School District; and West Dubuque Community School District

The goal of this three-year professional development project is to increase the mathematics achievement of K-8 students through their teachers' participation in a long-term school-based professional development process focused on mathematics content, problem-based instruction, and Japanese-style lesson study. Teacher-leaders will be immersed in content during summer workshops – elementary school teachers will study Cognitively Guided Instruction as an approach to teaching and learning about numbers and operations and middle school teachers will study algebraic thinking.

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**Project: The Des Moines Partnership for Cognitively Guided Instruction to Improve Teaching and Learning in Elementary Mathematics**

Applicant Institution: Des Moines Independent Community School District

Project Director: Barb Adams, Des Moines Independent Community School District Curriculum Coordinator - Mathematics

Proposed Project Period: 3 years

Total Funding Awarded: \$450,000 (First year award = \$150,000)

Partners: Des Moines Independent Community School District; University of Northern Iowa College of Education; UNI Mathematics Department; and Heartland AEA.

This three-year professional development program, based upon the Iowa Professional Development Model, is designed to support the professional growth of teachers resulting in long-lasting changes in classroom practice and building the district's capacity for continuing quality mathematics instruction. The goals of the project are to (1) increase achievement in mathematics for all elementary students and close gaps in achievement for low-income and minority students as measured by district benchmark assessments, criterion-referenced tests, and the Iowa Test of Basic Skills; (2) improve teacher quality in delivering mathematics instruction in elementary classrooms as measured by student assessment data and Career Development Plans; and (3) build the infrastructure and capacity of the Des Moines Public Schools for expanded implementation of Cognitively Guided Instruction as a strategy to increase student achievement in mathematics as measured by district professional development plans, school improvement plans, district benchmark assessments, and ITBS data.

Contact: Diana Gonzalez

**REQUEST TO RE-NAME THE DR. W. EUGENE AND LINDA LLOYD VETERINARY  
TEACHING HOSPITAL AT IOWA STATE UNIVERSITY**

**Action Requested:** Consider approval of the request by Iowa State University to re-name the Dr. W. Eugene and Linda Lloyd Veterinary *Teaching Hospital* as the Dr. W. Eugene and Linda Lloyd Veterinary *Medical Center*.

**Executive Summary:** The proposed name will more meaningfully communicate the significant role that the hospital plays as a referral center for practicing veterinarians in the state and region. The proposed name change will also better reflect the veterinary medical mission of the hospital portion of the facility in serving the citizens of Iowa. Board of Regents Policy §1.11 requires Board approval for naming of major university units.

**Background:**

- ◇ In June 2004, the Board of Regents approved naming the Veterinary Teaching Hospital at Iowa State University as the Dr. W. Eugene and Linda Lloyd Teaching Hospital in honor of the Lloyds who made a lead gift of \$3.5 million, the largest ever, to the College of Veterinary Medicine. Gene Lloyd, a graduate and former professor of the College of Veterinary Medicine at Iowa State University, is founder of Lloyd, Inc. in Shenandoah, Iowa, which develops and manufactures pharmaceutical and nutritional products for animals and humans.
- ◇ Since 2004, however, it has become obvious from practices at other medical facilities across the country that the name "Teaching Hospital" is inappropriate because it may incorrectly signal to some clients that their animals might be used for experimental purposes.
- ◇ The proposed name will better reflect the veterinary medical mission of the hospital portion of the facility. The proposed name applies specifically to the hospital and clinical area not to the College and other facilities located at the site.

Contact: Patrice Sayre

**CONFLICT OF INTEREST VENDOR**

**Action Requested:** Consider approval of the following vendor with a potential conflict of interest:

UNIVERSITY OF NORTHERN IOWA

- ◆ Far Reach Technologies, Inc.

**Executive Summary:** Vendors at the Regent institutions and the Board Office with a potential conflict of interest are required by statute to be approved by the Board of Regents.

**Far Reach Technologies, Inc.** provides computer services and consulting. The business is located in Cedar Falls, Iowa. Ms. Kate A. Washut is part owner.

Ms. Washut is the spouse of UNI employee Robert P. Washut. Mr. Washut is employed full-time as a Music Professor in the College of Humanities and Fine Arts, School of Music at the University of Northern Iowa.

The University reports that:

- ◆ Mr. Washut does not have any authority to issue purchase orders or to approve payments for his department. He has not been issued a University procurement card; and
- ◆ The School of Music acknowledges awareness of Ms. Washut's business and agrees that Mr. Washut will have no influence in awarding a contract or issuing payment relevant to services provided by Far Reach Technologies, Inc.

**Background:**

The Iowa Code [68B]:

- ◆ Does not alleviate the requirement for institutions to obtain competitive bids and provide public notice.
- ◆ Prohibits an official or employee of a regulatory agency from selling, either directly or indirectly, goods or services to the agency of which the individual is an official or employee, except when certain conditions are met.
- ◆ Requires all regulatory agencies to adopt rules specifying the method by which employees may obtain agency consent for exception.

The Iowa Administrative Code [681-8.9]:

- ◆ Precludes individuals with potential conflicts from being directly involved in the purchasing decisions or authorizing of any such contracts making material changes to such contracts.
- ◆ Requires Board authorization when a single purchase from a conflict of interest vendor (Regent employee) exceeds \$2,000 unless the sale is made after public notice and competitive bidding.

Once a vendor with a potential conflict of interest is approved by the Board, any Regent institution is authorized to purchase from that vendor.

Contact: Joan Racki

**RESOLUTION FOR THE SALE AND AWARD OF \$12,000,000 ACADEMIC BUILDING  
REVENUE BONDS, SERIES U.N.I. 2008**

**Action Requested:** Consider adopting the following resolution, subject to receipt of acceptable bids:

A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$12,000,000 Academic Building Revenue Bonds, Series U.N.I. 2008, for the purpose of paying a portion of the costs of improving, remodeling, repairing, and equipping the Electrical Distribution System, Sabin Hall, fire and environmental safety, deferred maintenance, and campus security improvements on the campus of the University of Northern Iowa, funding a reserve fund, and paying the costs of issuance.

**(ROLL CALL VOTE)**

**Executive Summary:** The Board is asked to consider adoption of a resolution providing for the sale, award, authorization, and issuance of Academic Building Revenue Bonds for the University of Northern Iowa. The bond issuance was included on the calendar year 2008 schedule approved by the Board in October 2007.

The bonds would be used to partially finance the costs of the Electrical Distribution System, Phase 2 and the Sabin Hall Renovation projects, and the University's allocation of deferred maintenance, fire safety and campus security improvement funds (see Agenda Item 15 from August 2007 meeting). These projects were authorized by 2007 legislation.

Tuition and fee revenues are used for debt service payments on Academic Building Revenue Bonds; a tuition replacement appropriation replaces that university revenue.

It is anticipated that annual debt service payments on the Series U.N.I. 2008 bonds will range from approximately \$711,000 in FY 2009 to \$940,000 in FY 2018 and subsequent years.

**Additional Information:** Chapter 262A of Iowa Code permits the sale by the Board of Regents of Academic Building Revenue Bonds upon authorization of the General Assembly and approval by the Governor. The Board is responsible for undertaking the authorized capital projects at the Regent universities.

The Electrical Distribution Loop System Load-Break Switches - Phase 2 project will continue the upgrade of the campus electrical distribution system to improve its safety and reliability. The Board approved the project description and budget (\$5,800,000) for the project at its December 2007 meeting.

The Sabin Hall Renovation project would update the instructional and office areas of Sabin Hall, which is a major classroom facility that houses the College of Social and Behavioral Sciences. The facility was constructed in 1912-1913 and most recently renovated in 1969. The Board granted permission to proceed with project planning at its September 2007 meeting.

The outstanding principal amount of University of Northern Iowa Academic Building Revenue Bonds is \$45.07 million.

The \$12,000,000 bond issue is anticipated to include:

- project costs (estimated at \$10,849,200);
- debt service reserve (estimated at \$959,400);
- underwriters discount (estimated at \$144,000) and
- issuance costs (estimated at \$47,400).

The receipt and opening of bids is scheduled for 10:00 a.m. on Tuesday, March 11, 2008, and the award is scheduled for later that day. A representative of Springsted, Inc. will report on the bids received and make a recommendation to the Board for award of the bonds.

The official statement for the bond sale may be found on the website of Springsted, Inc., the Board's Financial Advisor, at <http://www.springsted.com/>.

A copy of the resolution, which was prepared by Ahlers & Cooney, P.C. and reviewed by Springsted, Inc. is available from the Board Office.

Specifics of the bonds are:

- Average Maturity: 19.1 Years
- Bonds Dated: April 1, 2008
- Interest Due: January 1, 2009 and July 1 and January 1 to maturity
- Interest Exemption: Exempt from federal and state taxes for individual purchasers who are residents of Iowa
- Principal Due: July 1, 2011 – 2035
- Optional Call: Bonds maturing on or after July 1, 2019 are callable commencing July 1, 2018 and any date thereafter at par
- Denomination: \$5,000 and integral multiples thereof

Contact: Joan Racki

**RESOLUTION FOR THE SALE AND AWARD OF NOT TO EXCEED \$11,000,000  
DORMITORY REVENUE REFUNDING BONDS, SERIES I.S.U. 2008**

**Action Requested:** Consider adopting the following resolution, subject to receipt of acceptable bids:

A Resolution providing for the sale and authorizing and providing for the issuance and securing the payment of \$10,635,000 (estimated) Dormitory Revenue Refunding Bonds, Series I.S.U. 2008, funding the debt service reserve fund, and paying the costs of issuance.

**(ROLL CALL VOTE)**

**Executive Summary:** The Board is asked to consider adoption of a resolution providing for the sale, award, authorization, and issuance of Dormitory Revenue Refunding Bonds for Iowa State University. When the calendar year 2008 bond issuance schedule was approved by the Board in October 2007, it authorized such refunding bonds as the Executive Director determines advisable.

A review of possible refundings by Springsted, Inc., the Board's Financial Advisor, has determined that significant interest rate savings could occur by refunding the 2009 – 2019 maturities of the \$15,750,000 Dormitory Revenue Bonds, Series I.S.U. 1998. These bonds were issued to provide exterior repairs and renovate the Maple Hall Residence facility and to provide flood mitigation for the Maple-Willow-Larch and Commons Facilities at Iowa State University. The University's residence system is a self-supporting operation and receives no state appropriations.

Interest on the refunding bonds would be exempt from federal and state taxes (double tax-exempt) for Iowa residents who purchase the bonds. Interest on the bonds to be refunded has also been double tax-exempt.

The refunding of the Dormitory Revenue bonds would be a current refunding as the refunding would occur less than 90 days prior to the anticipated call date of July 1, 2008. The 2009 – 2019 maturities of the bonds would be called and principal payments made on the call date. The refunding would not extend the maturity of the bonds beyond the last scheduled maturity of the 1998 Series bonds.

Interest rates on the refunding bonds are anticipated to be lower than the interest rates on the refunded bonds for the same years. (Rates on the 1998 Series bonds range from 4.6% in 2009 to 5.0% in 2019.) Springsted, Inc., the Board's financial advisor, has projected that the refunding would result in a present value savings of approximately \$736,000. Annual cash flow savings are estimated at approximately \$70,000.

The refunding issuance amount is estimated at \$10,635,000. This amount will be adjusted up or down, depending upon the bid received, but not to exceed \$11,000,000, in order to provide sufficient funds to call and redeem the Series 1998 Refunded Bonds and to pay costs of issuance, which are estimated at \$60,000.

**Additional Information:** Under the provisions of Iowa Code §§262.55 to 262.66, the Board is authorized to construct, equip, improve, repair, remodel, operate and maintain residence halls and dormitories, including dining and other incidental facilities, at the universities. The Board is further authorized to borrow money to finance the construction or improvements and to refund such indebtedness.

The receipt and opening of bids is scheduled for 10:00 a.m. on Tuesday, March 11, 2008, and the award is scheduled for later that day. A representative of Springsted, Inc. will report on the bids received and make a recommendation to the Board for award of the bonds.

The official statement for the bond sale may be found on the website of Springsted, Inc., the Board's Financial Advisor, at <http://www.springsted.com/>.

A copy of the resolution, which was prepared by Ahlers & Cooney, P.C. and reviewed by Springsted, Inc. is available from the Board Office.

Specifics of the bonds are:

- Average Maturity: 6.6 Years
- Bonds Dated: April 1, 2008
- Interest Due: January 1, 2009 and each July 1 and January 1 to maturity
- Interest Exemption: Exempt from federal and state taxes for individual purchasers who are residents of Iowa
- Principal Due: July 1, 2009 – 2019
- Optional Call: The bonds will not be subject to redemption in advance of the stated maturity dates
- Denomination: \$5,000 and integral multiples thereof

Contact: Jean Friedrich

**INSTITUTIONAL AGREEMENTS, LEASES AND EASEMENTS**

**Action Requested:** Consider approving the lease and easements for the benefit of the University of Iowa and ratification of the subleases for the benefit of Iowa State University as summarized below, subject to approval of the final documents by the Board Office and Attorney General's Office.

**(ROLL CALL VOTE)**

**Executive Summary:** Iowa Code §262.11 requires that certain agreements, leases, and easements be approved by the Board of Regents by roll call vote. The leases and easements have been reviewed by the Attorney General's Office and are subject to approval of the final documents by the Board Office and Attorney General's Office. Indemnification clauses are included in the leases and easements.

**UNIVERSITY OF IOWA**

With Board as Tenant for the following lease:

**WestInvest LC (new)**

40,000 square feet of warehouse space at 401 Westcor Drive, Coralville, Iowa. See Attachment A for a map.

The term is for five years commencing June 1, 2008, and ending May 31, 2013, at the rate of \$16,666.67 per month (annual cost of \$200,000) for the initial five year term of the lease with renewal options for two additional five-year periods. In addition to the base rental, the University will pay its share of the landlord's operating costs, estimated at \$1.50 per square foot per year for the first year of the lease.

The landlord will install and pay for the leasehold improvements required by the University, at a not-to-exceed cost to the University of \$150,000. The landlord will pay for any costs that exceed \$150,000. The University will reimburse the landlord upon final acceptance of the improvements.

The space will be used by the University of Iowa Hospitals and Clinics for the storage of patient medical records which are now maintained in lower level hospital storage facilities located in Hospital Parking Ramps 3 and 4 on the Health Science Campus. The space to be vacated by the relocation of these medical records will be converted for use as offices and other patient care support functions that must remain on campus but do not require a location proximal to direct patient care activities.

With Board as Owner for the following easements:

**City of Iowa City**

The City of Iowa City will be improving the intersection of Dubuque and Church Streets during the summer of 2008. Included in the project is the reconstruction of the northwest corner of the intersection's curb-line to accommodate turning traffic – especially buses. The project will lengthen the turning radius on the northwest corner allowing south bound buses on Dubuque Street to complete right turns (west bound) when other vehicles are positioned in the east bound lane on Church Street.

The permanent easement consists of a triangular-shaped piece of land (with 16 feet and 22.26 feet legs – 138 square feet) as shown on Attachment B. The permanent easement



will provide for the construction, operation and maintenance of the City's improvements on a permanent basis. The temporary easement consists of an "L" shaped piece of land (965 square feet) as shown on Attachment C. The temporary easement will provide access and operational area for the construction of the improvements and will be in place for two years beyond the commencement of the construction.

The City of Iowa City is undertaking the intersection improvements at its expense. The University is proposing to grant the easements to the City for one dollar, as the project will benefit the University and the greater Iowa City community.

IOWA STATE UNIVERSITY

With Board as Tenant for the following subleases:

**Marfair Joint Venture (landlord)**

**Sutter's Mill Fundraising and Strategy, Inc. (sublease)**

The University requests approval to sublease its current office space of 630 square feet at the rate of \$2,100 per month (\$40 per square foot, \$25,200 per year) on the fourth floor of the Fairchild Building at 499 South Capital Street, S.W. in Washington, D.C. to Lindsay Angerholzer and Rod Kassir with Sutter's Mill Fundraising & Strategy effective March 1, 2008, through November 30, 2010. The space was leased by Iowa State University from Marfair Joint Venture to accommodate ISU's federal governmental relations staff and was initially approved by the Board of Regents, State of Iowa, in September 2000 and renewed pursuant to paragraph 44 of the lease in January 2005 for an additional five-year period.

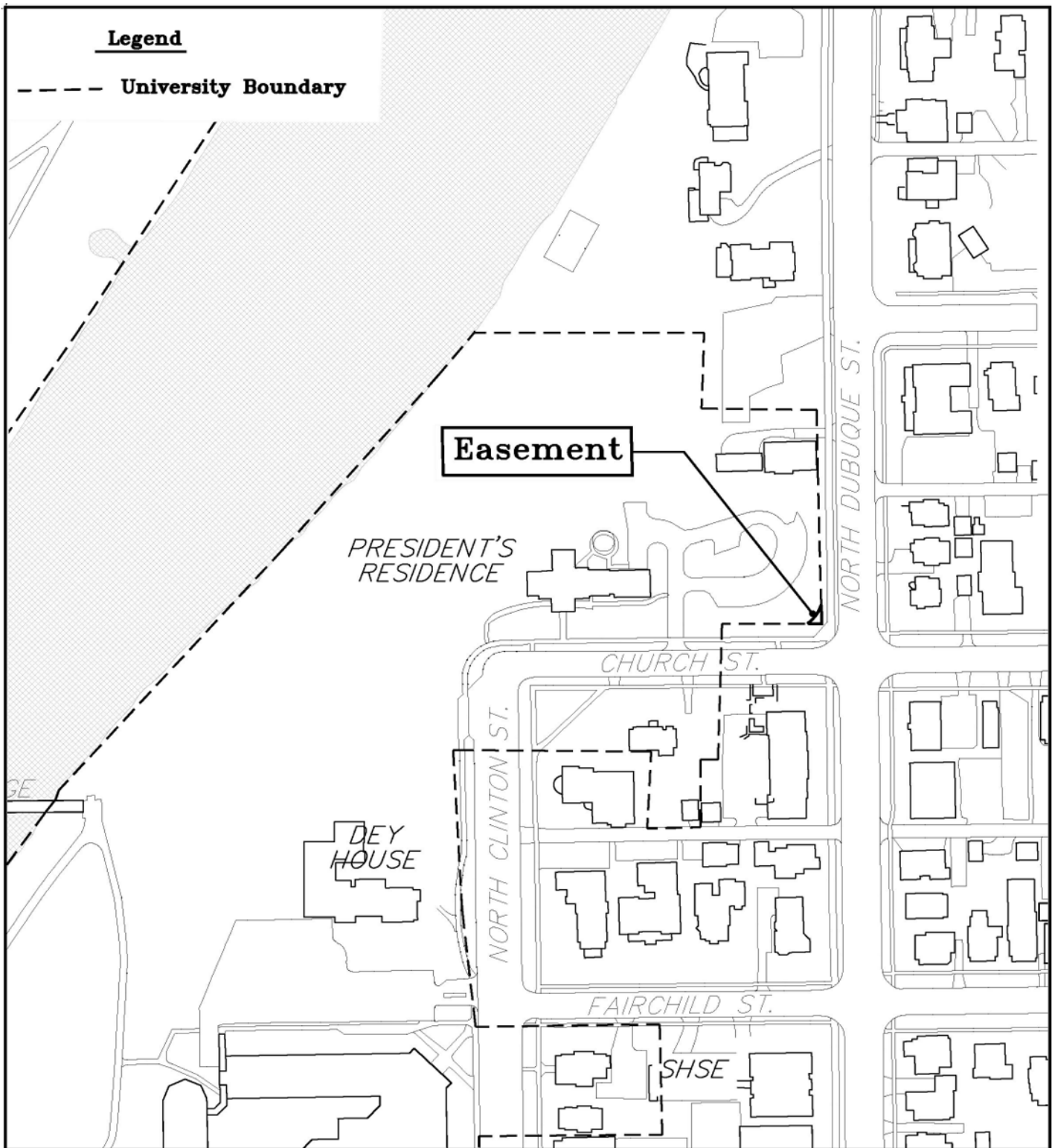
**State Services Organization, Inc. (new)**

Following the recent appointment of Allison Rosenberg as Director of Federal Governmental Relations, a sublease for new office space on the sixth floor at 400/444 North Capital Street N.W. in Washington, D.C. was negotiated with State Services Organization, Inc. beginning March 1, 2008, through January 31, 2014, for 540 square feet of space at the rate of \$2,280.31 per month (\$50.69 per square foot, \$27,373.72 per year) with a 2% annual adjustment.

Since the University had the opportunity to quickly sublet its current space and sublease the new space in a more desirable location, the University requested that the Interim Executive Director sign the subleases on behalf of the Board prior to March 1, 2008. After consultation, the subleases were signed subject to Board ratification at its March 2008 meeting.

Additional information is available from the Board Office.





THE UNIVERSITY OF IOWA

3-Exhibits\BOR\  
102churchEase.dwg

Plotted: February 11, 2008



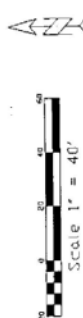
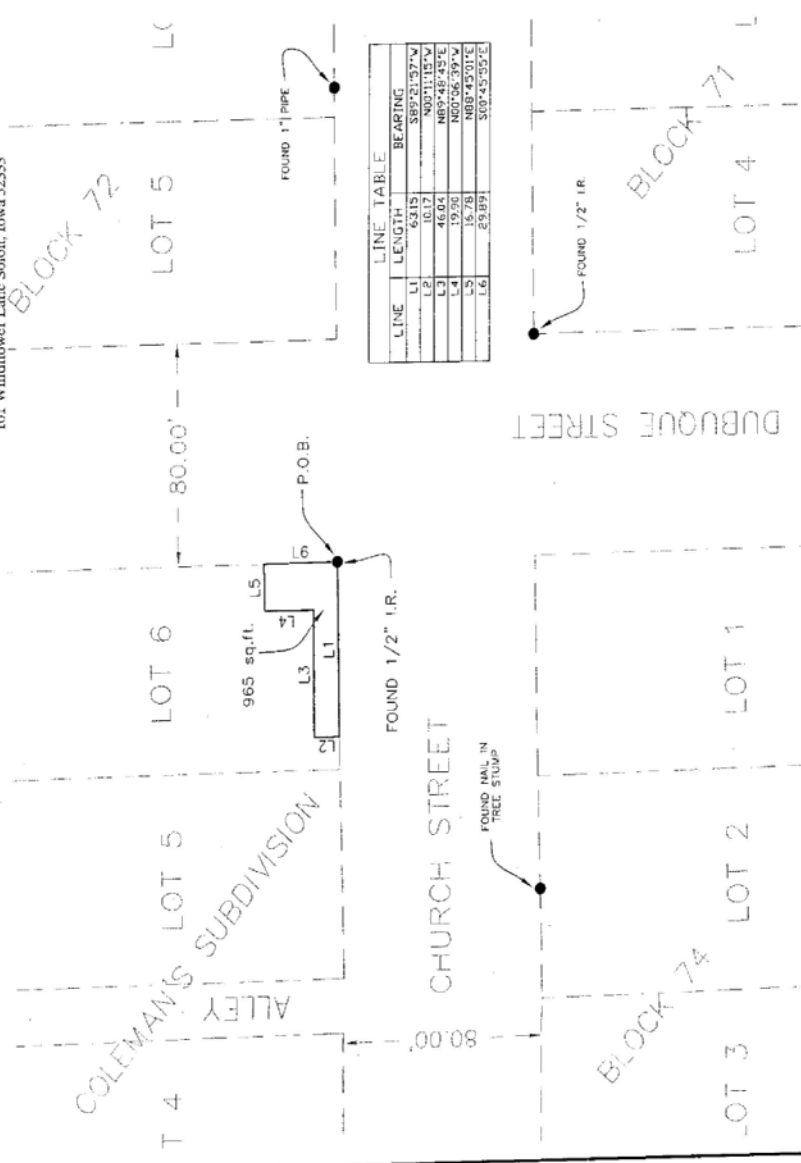
Scale: 1" = 150'

Location Map

Iowa City Easement at  
Dubuque & Church Streets

**TEMPORARY CONSTRUCTION EASEMENT PLAT**  
**CITY OF IOWA CITY**  
**2008 DUBUQUE/CHURCH STREET IMPROVEMENTS**

Prepared by Thomas Novick  
Arcadian Engineering & Surveying  
101 Windflower Lane Solon, Iowa 52333



**LEGAL DESCRIPTION**  
A part of Lot 6 Coleman's Subdivision of Outlet 32, Iowa City, Iowa, as shown on the plat recorded in the Johnson County Recorder's Office further described as follows:  
Beginning at the Southeast Corner of said Lot 6;  
Thence S 89°21'57" W 63.15 feet along the south line of said Lot 6;  
Thence N 00°11'15" W 10.17 feet;  
Thence N 00°45'29" E 15.78 feet;  
Thence N 00°00'30" W 19.90 feet;  
Thence N 89°45'01" E 16.78 feet to the east line of Lot 6;  
Thence S 00°45'55" E 29.89 feet along said east line of Lot 6 to the point of beginning;  
Containing 965 square feet, more or less.  
The above description of the easement is subject to the easement in Coleman's Subdivision is assumed to bear S 00°45'55" E.

**REFERENCE DOCUMENTS**  
Plat of Subdivision of Outlet 32, (Coleman's Subdivision) Book 1, Page 110 Johnson County Recorder's Office.  
Warranty Deed Book 944, Page 238 Johnson County Recorder's Office.  
Book 182, page 480 Johnson County Recorder's Office.  
Original Map of Iowa City Book 1, Page 110 Johnson County Recorder's Office.

**Legend**  
Construction Easement Line  
Adjoining Lot Line  
Property Corner Found

Owner: State of Iowa  
Date of Survey: February 2008

THOMAS M. NOVICK  
LICENSED SURVEYOR  
IOWA  
17774

SIGNED: [Signature]  
DATE: 2/12/08

BY LICENSE HOLDER DATE IS RECEIVED ON: 2/20/08  
PLAT OF SURVEY COVERED BY THIS SEAL: [Signature]

File Book	City of Iowa City	Project	2008 Dubuque/Church Street Radius Improvement Project	Sheet	1
City of Iowa City	Engineering Department	City of Iowa City	2008 Dubuque/Church Street Radius Improvement Project	Sheet Title	Temporary Construction Easement Plat
Design	THW	Design	THW	Scale As Noted	
Drawn	THW	Drawn	THW	Scale As Noted	
Checked	THW	Checked	THW	Date	February 2008
File Book	City of Iowa City	Project	2008 Dubuque/Church Street Radius Improvement Project	Sheet	1
City of Iowa City	Engineering Department	City of Iowa City	2008 Dubuque/Church Street Radius Improvement Project	Sheet Title	Temporary Construction Easement Plat
Design	THW	Design	THW	Scale As Noted	
Drawn	THW	Drawn	THW	Scale As Noted	
Checked	THW	Checked	THW	Date	February 2008
File Book	City of Iowa City	Project	2008 Dubuque/Church Street Radius Improvement Project	Sheet	1
City of Iowa City	Engineering Department	City of Iowa City	2008 Dubuque/Church Street Radius Improvement Project	Sheet Title	Temporary Construction Easement Plat
Design	THW	Design	THW	Scale As Noted	
Drawn	THW	Drawn	THW	Scale As Noted	
Checked	THW	Checked	THW	Date	February 2008

**ARCADIAN ENGINEERING & SURVEYING**  
101 Windflower Lane, P.O. Box 250, Solon, Iowa 52333  
Phone: 319-874-5844 Fax: 319-874-5119

Contact: Sheila Doyle

**REGISTER OF UNIVERSITY OF IOWA**  
**CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS**

**Actions Requested:** Consider approval of:

1. Permission to proceed with project planning for the **University of Iowa Hospitals and Clinics – FY 2006-2035 Strategic Facilities Master Plan**, and the **Lindquist Center – Renovate First Floor** project; both are major capital projects as defined by Board policy.
  - a. Acknowledge receipt of the University's initial submission of information to address the Board's capital project evaluation criteria (see Attachments A and C);
  - b. Accept the Board Office recommendation that the projects meet the necessary criteria for Board consideration; and
  - c. Authorize permission to proceed with project planning, including the architectural and construction manager selection process, for the **University of Iowa Hospitals and Clinics – FY 2006-2035 Strategic Facilities Master Plan**, and permission to proceed with project planning, including the architectural selection process, for the **Lindquist Center – Renovate First Floor** project.
2. Project descriptions and budgets for the **Lindquist Center – Upgrade Utility Support Systems for Room 14** project (\$2,977,943), the **Cretzmeyer Track and Field Complex – Renovation** project (\$2,000,000), and the **102 Church Street – Install Elevator** project (\$160,000).

**Executive Summary:** The **University of Iowa Hospitals and Clinics – FY 2006-2035 Strategic Facilities Master Plan** includes development of two new facilities, a Critical Care Tower (800,000 gross square feet) and Children's Hospital (600,000 gross square feet), and renovation of existing UIHC facilities (400,000 gross square feet) following relocation of UIHC functions to the two new facilities.

The Master Plan was developed in response to emerging 21<sup>st</sup> century patient care needs and the associated changes in facilities requirements. This includes the growth of emerging illnesses; increases in patient treatment capabilities; evolving patient care standards; increasing demand for private patient rooms for improved privacy, family accommodations, infection control, and safety; technological advances determining space and building system requirements; aging facilities and building systems; and expanding teaching and research requirements.

UIHC reports a significant need for additional patient accommodations to meet these changing demands. UIHC projections through 2017 indicate the need to provide in excess of 700 beds to meet expected patient care demand; this includes a significant increase in critical care/intensive care beds. UIHC currently houses a total of 668 beds, located primarily in semi-private rooms and undersized single occupancy or private rooms. UIHC reports that if existing patient rooms were converted so that all UIHC rooms are single occupancy, this would reduce UIHC's total capacity to 552 beds in its existing facilities. UIHC also reports similar projections of increasing demand and space requirements for its surgical, diagnostic, therapeutic, imaging and laboratory procedures.

In addition, UIHC reports major size and functional discrepancies when comparing its existing facilities to contemporary standards for large, tertiary teaching hospitals. These standards prescribe all single occupancy or private patient rooms (of 280 net square feet); large, efficiently configured operating rooms (of a minimum of 600 net square feet); and consolidated sites for functions requiring the administration of anesthesia (surgery, angiography, catheterization, etc.). Accordingly, the Master Plan recommends that future facility specifications include only private patient rooms of a generic footprint to facilitate adaptation to critical or acute care, and the clustering of anesthesia-assisted services to merge imaging and surgical procedures and enable more efficient sharing of space, staff, equipment, and support services.

However, in reviewing these specifications for implementation in its existing facilities, UIHC reports that the design of the existing inpatient units impedes the conversion of semi-private rooms into single occupancy rooms. In addition, the basic structural elements of the UIHC facilities (floor-to-floor heights, wall configurations, etc.), restrict modifications to accommodate future high-tech diagnostic and treatment services. UIHC also reports that the oldest of its buildings, the General Hospital, South Wing, and the Center for Disabilities and Development, are not viable candidates for continued reinvestment as patient care facilities.

The proposed Critical Care Tower would respond to these identified needs. The building would house intensive care, special care, and step-down inpatient units; inpatient operating rooms; diagnostic and interventional procedural units; and logistical facilities and support services.

A specific focus of the Master Plan has been the UI Children's Hospital. UIHC reports that its existing facilities will not accommodate the projected needs of the UI Children's Hospital over the next five years. Total pediatric inpatient admissions have grown 11 percent over the past 3 years, and UIHC projects an annual average rate of growth of up to 6 percent in its pediatric specialty services over the next ten years. Pediatric outpatient services (ambulatory clinic visits and surgical procedures) are also projected to grow at an annual rate of up to 4 percent over the next ten years. Current occupancy of the neonatal and pediatric intensive care units is near capacity and exceeding industry standards; high occupancy rates in these areas can result in early transfers of pediatric patients to intermediate care and adult intensive care units, which are not favorable for the treatment of children.

Pediatric care at UIHC is currently distributed across several buildings to accommodate current patient volume and growing intensive care demands. UIHC has undertaken facility expansions, where possible, to provide short-term relief, but the lack of available, proximate space limits the ability to meet the needs and expectations of pediatric patients and their families. Nationally, children's hospitals in separate facilities are the standard of care at leading academic medical centers. While UIHC's current "children's hospital within a hospital" has been ranked number 20 among all 170 children's hospitals in the country, those with higher rankings are all located in distinct, separate facilities.

The Master Plan recommends the creation of a physically distinct facility dedicated solely to pediatric care to address the existing limitations of the UI Children's Hospital. This would resolve the existing spatial and functional deficiencies and provide facilities to meet the increasing demand for children's services for many decades to come. The Children's Hospital would house many pediatric functions currently located in several UIHC buildings, including acute and critical care nursing units; specialty outpatient clinics; diagnostic and therapeutic units; clinical and administrative support offices; and teaching facilities. It would also provide operating rooms designed specifically for children.

The additional benefits of a dedicated Children's Hospital include the offering of innovative pediatric patient care in a family-centered environment; expanded clinical services for children to meet present and projected patient needs; outstanding research and educational programs to meet the needs of pediatric health care professionals throughout the state; and the recruitment of the best qualified pediatric-trained physicians, house staff, nurses and researchers. The new facility would serve as a catalyst to elevate the Children's Hospital beyond its statewide and regional prominence to a position of national recognition based on its clinical, research, and service excellence.

The proposed renovation of UIHC space would convert inpatient units to all private/single room accommodations; develop additional and modified operating facilities; and upgrade and/or develop off-site diagnostic and therapeutic units, including imaging units and laboratories.

The University anticipates that the Critical Care Tower and Children's Hospital would be developed on a site west of the UIHC General Hospital and Boyd Tower (see Attachment B for map). The buildings would be linked to existing hospital facilities to maximize efficiencies associated with continued use of other clinical services and common support functions. The exact location of the buildings on the site, and their connection to the existing UIHC facilities, will be further developed during project planning.

The determination of the exact size, scope, and phasing for construction of the new facilities and renovation of existing UIHC areas is also subject to further review during project planning, as well as funding availability. The total estimated cost for development of the Critical Care Tower and Children's Hospital, and the building renovations, is \$700 million to \$850 million. The University anticipates that the project would be funded by a combination of gift funds, University Hospital Building Usage Funds, and the issuance of Hospital Revenue Bonds. The specific project costs and financing options will be further developed and refined as UIHC proceeds with project planning.

At this time, the University anticipates commencing construction of the Critical Care Tower and Children's Hospital in May 2010, for occupancy in September 2013.

The **Lindquist Center – Renovate First Floor** project would renovate 12,450 gross square feet of space in the Lindquist Center to house specific groups of the College of Education's growing research enterprise. These groups would include the Science Education and Mathematics Education program, various externally-funded research groups, and visiting scholars.

Space to be renovated in the North Building of the Lindquist Center (formerly an underutilized photography suite) would house a science methods laboratory and support areas; this would allow consolidation of all of the College's science education laboratories in the Lindquist Center. This space would also house support areas (equipment check-out and help desk) for the Educational Technology Center.

Renovated space in the South Building of the Lindquist Center (which was recently vacated with relocation of the University's Information Technology Services to the University Capital Centre) would provide offices for faculty, visiting scholars, research projects, and graduate assistants, and conference and seminar rooms. The additional conference space is needed to accommodate the College's growing distance learning graduate programs and its need for additional meeting space.

The estimated project cost of \$2,040,000 would be funded by Building Renewal funds.

The **Lindquist Center – Upgrade Utility Support Systems for Room 14** project would upgrade this communications and data hub to provide the necessary cooling, power, security, and fire safety systems for its current functions. Room 14, which was originally designed to house a mainframe computer, now serves as a secondary data center for campus-wide academic and administrative information technology services. The room's current and future usage necessitates the upgrade of cooling and power systems to accommodate modern communications and data equipment.

The project budget of \$2,977,943 would be funded by a combination of Information Technology Services earnings and Income from Treasurer's Temporary Investments.

The **Cretzmeyer Track and Field Complex – Renovation** project would provide needed improvements to the track and field areas for use by the University's men's and women's track and field programs. The improvements are necessary for the University's track and field to be sanctioned for NCAA meets; the University is scheduled to host the 2009 Big Ten Men's and Women's Outdoor Track and Field Championships in May 2009.

The project would include repairs to the track surface and application of a new urethane overlay. The track was last resurfaced in 1996, and the anticipated life expectancy of the existing surface is approximately ten years. The project would also replace runways and pits and other field areas. This would include development of side-by-side runways for the pole vault and jumping events in accordance with new NCAA equity requirements. The project would also install irrigation and drainage systems, and replace fencing.

The project budget of \$2,000,000 would be funded by Intercollegiate Athletics gifts and earnings.

The **102 Church Street – Install Elevator** project would install a new passenger elevator in the President's Residence. The 2004 renovation to the residence, which upgraded the facility to better serve as a venue for University events, also corrected deferred maintenance deficiencies and provided accessibility improvements. This project was to include the installation of a passenger elevator to provide full access from the ground floor to the kitchen for event-related catering, as well as full access to all residential floors of the facility. The elevator shaft was constructed, but the available project funding did not allow the installation of the elevator at that time. The University now reports that a private donation has been received for the purchase and installation of the elevator; the project budget is \$160,000.

Policy Manual 9.07 G. requires Board approval for any renovation, modification, or improvement to the official state-owned residence of an institutional head of \$10,000 or more.



Details of Projects:

**University of Iowa Hospitals and Clinics – FY 2006-2035 Strategic Facilities Master Plan**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		March 2008	Requested
Initial Review and Consideration of Capital Project Evaluation Criteria		March 2008	Requested

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**Lindquist Center – Renovate First Floor**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		March 2008	Requested
Initial Review and Consideration of Capital Project Evaluation Criteria		March 2008	Requested

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**Lindquist Center – Upgrade Utility Support Systems for Room 14**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Feb. 2008	Approved
Initial Review and Consideration of Capital Project Evaluation Criteria		Feb. 2008	Approved
Project Description and Total Budget	\$ 9,977,943	March 2008	Requested

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**Cretzmeyer Track and Field Complex – Renovation**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 2,000,000	March 2008	Requested

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**102 Church Street – Install Elevator**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 160,000	March 2008	Requested

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University of Iowa Hospitals and Clinics – FY 2006-2035 Strategic Facilities Master Plan

Evaluation Criteria

Since the project meets the Board's definition of a major capital project, the University has provided the following information in response to the Board's evaluation criteria.

Institutional Mission/Strategic Plan: Completion of this project will be of significant benefit to UIHC in meeting all of its missions. It will greatly enhance the UIHC's capabilities for fulfilling its patient care mission by providing the necessary space to accommodate the projected growth in patient volume in adult critical care and surgical/interventional services, and pediatric inpatient and outpatient clinical and support services, the needs for which are described in the Permission to Proceed with Project Planning. UIHC's educational and research missions will also be enhanced through development of the necessary space to enable students, residents and fellows to gain necessary clinical experience in accord with accrediting body standards; and by providing the type of facilities required to conduct innovative research directed toward more clinically efficacious diagnosis and treatment of disease. The project supports several of the UIHC's Strategic Plan goals, most notably identification of Cancer, Cardiovascular, Neurosciences, and Children's Services as four of UIHC's clinical programs that will be leaders in the state and national market by offering cutting edge clinical services, robust clinical research and strong training opportunities; by providing facilities that promote a multidisciplinary model of evidence-based medical and nursing care, enhance patient/family-centered experiences, and serve to facilitate and strengthen referring physician relationships; by providing design features required to streamline patient throughput and to improve the patient's health care experience and outcomes; and, by providing a continuously improving, safe environment for all patients and staff at all times.

Other Alternatives Explored: As related in the Permission to Proceed with Project Planning, UIHC's Strategic Facilities Master Plan was initiated in 2005 in response to a host of needs and other factors that indicated a significant facilities response would be required in the years ahead. Given findings from the assessment of the condition of UIHC's facilities and a comparison of UIHC's operational and functional characteristics to benchmarks of peer tertiary-level teaching hospitals, it was determined UIHC needed to devise a plan that would:

- move to a single-bed patient room model to help to accommodate a family-centered approach to patient care, as well as to address patient privacy and safety issues;
- develop an operating room suite with rooms sized to accept current and anticipated future technology and with sufficient support space to enhance the overall efficient use of the operating rooms;
- create a consolidated facility for the performance of diagnostic and therapeutic procedures using costly imaging technologies and requiring common staffing and supporting services, such as support from anesthesia and specialty-trained nursing and technological staff and patient preparation and recovery facilities.
- provide the level of flexibility and infrastructure to accommodate growth projections over the next 30 years, and;
- address other facility deficiencies and needs as previously described in the Permission to Proceed with Project Planning.

The alternative of accomplishing these objectives within existing facilities was ruled out due to the lack of sufficient space and physical or structural conditions that make existing space unsuitable for meeting contemporary requirements for providing the level and type of services needed in the years ahead. It was therefore determined that new space would need to be developed and a total of seven site alternatives adjacent to the UIHC and the UI Health Science Campus were evaluated.

Following a very thorough review and assessment of each of these sites, it was determined that the area west and northwest of UIHC, on land now occupied by Hospital Parking Ramp 1, the Center for Disabilities and Development and possibly the Wendell Johnson Speech and Hearing Center, and extending to the College of Dentistry building, would best meet the UIHC's needs for future facilities development over the next two to three decades. This site will provide adequate land for establishment of a flexible footprint for long-term expansion; segregate UIHC's service entry from patient, visitor and staff traffic and enhance a lower level logistical supply corridor; permit good connectivity to the existing hospital facilities and straight-forward circulation patterns; utilize the natural terrain to minimize vertical massing and support new exterior service access; and present a highly visible new image for UIHC, with especially high visibility from Hawkins Drive.

Beyond the plans evolving from the Strategic Facilities Master Plan that have been summarized above and in the Permission to Proceed with Project Planning, over the past decade a variety of options have been explored to meet the needs of the University of Iowa Children's Hospital. These included the possibility of developing a separate entrance and reception area for the pediatric patients to provide a greater identity for UI Children's Hospital. Ultimately, since pediatric services are now provided in five different buildings, it was concluded that the disjointed space would make it virtually impossible to build an integrated environment. The possibility of developing a distinct identity for the Children's Hospital by placing all ambulatory pediatric clinical services in the Pomerantz Family Pavilion was also considered. However, this possibility was also abandoned since inpatient units, diagnostic and treatment units and other services for children would remain in other buildings and it was not felt that simply consolidating outpatient services in one setting could achieve the objectives that a distinct children's hospital would provide. Each effort magnifies the limitations of constructing an integrated care model of a hospital within an existing hospital. A new facility built from the ground up is the only effective solution.

Impact on Other Facilities and Square Footage: In any scenario for positioning the Children's Hospital and Adult Critical Care Bed Tower on the planned site it will be necessary to demolish structures currently housing Hospital Parking Ramp I and the Center for Disabilities and Development. Depending on final site planning it may also become necessary to demolish the Speech and Hearing Center and relocate the Center and its programs. In each instance, the plans for development of replacement space will be submitted to the Board for its approval.

On completion of this project the space presently occupied by the adult critical care inpatient units, Main O.R. suite, and UI Children's Hospital services will be reassigned to meet the needs of other clinical and support services. The floors currently used for inpatient care will be redeveloped as single occupancy/private rooms to serve the needs of adult patients. The vacated Pediatric Specialties Clinic and Main Operating Room space will be redeveloped to provide other UIHC clinical and support services with space to accommodate future growth, and to also meet the support space needs of adult patient single-bed nursing units.

Financial Resources for Construction Project: The project will be funded through a combination of Gift Funds and University Hospital Building Usage Funds acquired from depreciation allowances of third parties underwriting the cost of patient care plus hospital net earnings from paying patients. Additionally, hospital revenue bond proceeds may be utilized. No state capital appropriated dollars will be involved. A preliminary estimate of the internal rate of return over the life of this project is 10.8%.

Financial Resources for Operations and Maintenance: The source of funds to cover the associated operating and maintenance costs will be hospital operating revenues derived from providing patient care services.

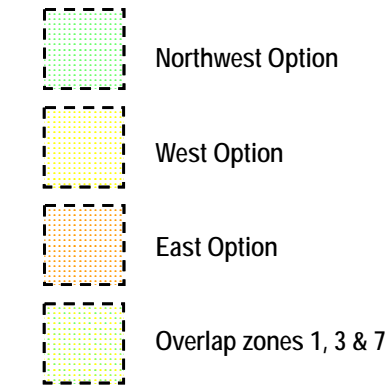
External Forces: This project clearly responds to societal forces, standards and regulations requiring greater patient privacy, providing adequately sized single-bed patient rooms that conform to American Institute of Architects standards, which will soon be adopted by the Joint Commission as accreditation standards, plus the inclusion of physical amenities for patients and their families that facilitate family involvement in the care process.

The proposed new facilities and renovation of existing facilities will also make it possible for the UIHC to meet education and training program requirements for providing all trainees with more extensive clinical experiences.

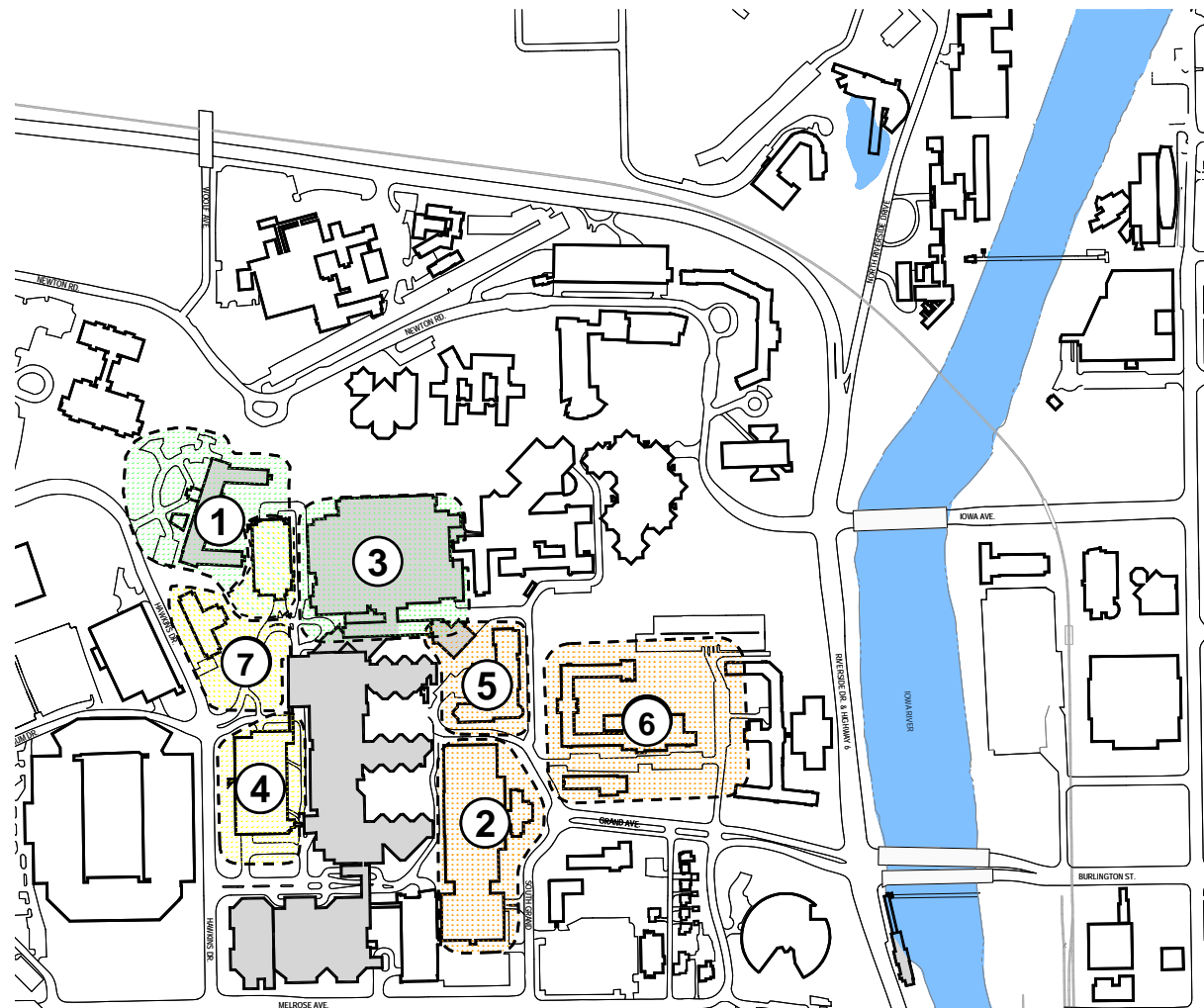
Doing so will necessitate making UIHC services available to greater numbers of patients, which in turn will necessitate expanding patient care facilities. The continued growth in the health care requirements of pediatric patients is another very significant force driving the need for a children's hospital. UI Children's Hospital continues to be the only location in the state that provides comprehensive care in the areas of neuromuscular disorders, rheumatology, cardiac electrophysiology, urology, bone marrow transplantation, solid organ transplantation, medical genetics, and advanced pediatric surgical subspecialty services.

Growing needs for adult critical care inpatient and surgical/interventional services will be met by development and redevelopment of facilities proposed in the Master Plan. These services will be needed as Iowa's population ages and as advancements are made in medical science and surgical technology that result in higher survival rates. It is anticipated that the growth in admissions to UIHC of this patient population, those most apt to require the life saving services available in UIHC's critical care units and surgical/interventional facilities, will continue to grow, resulting in the need for additional critical care and surgical/interventional service resources.

# Campus Opportunity Zones



- ① Center For Disabilities & Development – 6 acres
- ② Field House – 5 acres
- ③ General Hospital/ Boyd Tower – 5 acres
- ④ Hospital Parking Ramp 2-3 acres
- ⑤ College of Pharmacy – 3 acres
- ⑥ Dormitories – 8 acres
- ⑦ Speech & Hearing and Hospital Parking Ramp 1 – 4.7 acres



Lindquist Center – Renovate First Floor

Evaluation Criteria

Since the project meets the Board's definition of a major capital project, the University has provided the following information in response to the Board's evaluation criteria.

Institutional Mission/Strategic Plan: Completion of this project will provide the College of Education with the facilities required to promote effective learning environments and opportunities for their undergraduates; improve the infrastructure and cultural experiences of their graduate students; and increase the College's ability to conduct high quality research, scholarship and creative work. The project will promote a welcoming climate for students and faculty, make the best use for available resources and more fully maximize use of space within the Lindquist Center.

Other Alternatives Explored: The College of Education currently occupies space in the Lindquist Center and Van Allen Hall. The College cites that the space occupied in Van Allen Hall no longer meets its needs. The range of activities in which faculty are engaged has increased and now requires space which is configured differently than that available in Van Allen Hall. Additionally, consolidation of College of Education programs is an important factor in taking advantage of this available space within the Lindquist Center.

Impact on Other Facilities and Square Footage: The Science Education program of the College of Education occupies 11,258 net square feet in Van Allen Hall. This project will consolidate the Science Education program in the Lindquist Center and will bring these programs closer to the other programs in the College of Education. This will increase collaboration across program lines.

This also makes space available within Van Allen Hall, a building near the core of the main campus, for reprogramming and for use as swing space during other central campus renovations.

Financial Resources for Construction Project: The project will be financed from Building Renewal funds.

Financial Resources for Operations and Maintenance: The space is currently being maintained by University of Iowa Facilities Management and will continue to be upon completion of this project. It is not expected that operations and maintenance costs will increase with completion of this project.

External Forces: The College of Education has strong and growing Science Education and Mathematics Education programs that meet urgent state needs. However, the College has run out of office space for faculty. Space occupied by some of the current research projects, are housed in inadequate spaces and there is a growing list of projects that have no space. Lack of space will decrease the College's ability to successfully compete for externally funded projects and to provide the type of work environment that will attract and keep quality faculty.

**Contact: Sheila Doyle**

**UNIVERSITY OF IOWA BUILDING NAMING**

**Action Requested:** Consider the University of Iowa's request to name the Rowing Team Boat House the "P. Sue Beckwith, M.D., Boathouse."

**Executive Summary:** The Rowing Team Boat House project will construct a boat house along the east bank of the Iowa River (directly west of the Mayflower Residence Hall) to serve as the primary competitive and practice facility for the women's intercollegiate rowing team. The building would also provide space for University Recreational Services, which would operate community and other University rowing programs from the facility. The schematic design and project description and budget (\$6.2 million), funded by Athletics Department gifts and earnings, were approved by the Board at its August 2007 meeting.

The University requests approval to name the building for P. Sue Beckwith, M.D., in recognition of her very generous lead gift to the project. Dr. Beckwith is a graduate of the University of Iowa with a bachelor's degree in psychology (1980) and an M.D. (1984). She is a nationally-recognized colorectal surgeon, and one of only a few such surgeons in the state. She practices medicine in Des Moines.

Dr. Beckwith has actively contributed to several University organizations. This includes the President's Club, Kinnick Society, and I-Club, and she was a founding member of the College of Liberal Arts and Sciences Dean's Advisory Board. In addition, she was recently elected to the University of Iowa Foundation Board of Directors.

Dr. Beckwith's interest in athletics is both as a participant and a supporter. She was a four-year letter winner in basketball at the University of Iowa from 1976-1980, and is currently a member of the National Iowa Varsity Club Board of Directors. In addition, she is an avid rower and understands the importance of up-to-date facilities to enhance the University's rowing programs.

The University believes that naming the Rowing Team Boat House for Dr. Beckwith is highly appropriate recognition for her commitment to the institution.

Contact: Sheila Doyle

**REGISTER OF IOWA STATE UNIVERSITY CAPITAL IMPROVEMENT  
BUSINESS TRANSACTIONS AND BUILDING NAMING**

**Actions Requested:** For the **Chemistry Facilities** project, consider approval of a revised project budget (\$77,500,000), and the naming of the building "Hach Hall."

**Executive Summary:** The revised budget for the **Chemistry Facilities** project (\$77,500,000) would increase the project scope to include the installation of utility connections (steam tunnel and chilled water lines) to serve the building, and additional utility infrastructure to serve the building's future utility needs. The budget increase of \$3,000,000 would be funded by Utility Infrastructure funds.

The University requests Board approval to name the **Chemistry Facilities** building "Hach Hall," in honor of the late Clifford Hach and his widow, Kathryn Hach Darrow. Ms. Hach Darrow, of Mukilteo, Washington, has pledged a \$10 million major leadership gift to the University in support of the **Chemistry Facilities** project. This generous contribution reflects her high regard for the Iowa State University Chemistry Department, and the impact of Iowa State University on the success of Hach Chemical Company, founded by her late husband.

Mr. Hach received a Chemical Technology degree from Iowa State University in 1947. While attending Iowa State, he founded the Hach Chemical Company in Ames; his wife was an equal partner in the company. Ms. Hach Darrow recently received a bachelor's degree in Liberal Studies from Iowa State University; this was based on the credits she earned while a student at Iowa State in the 1940s, and her mentorship and civic responsibilities over the years.

In 1999, the Hachs sold the Hach Chemical Company and focused their time and energy on the Hach Scientific Foundation, a family-run foundation that provides support for chemistry students. The Foundation has funded many chemistry scholarships at Iowa State University, particularly for students with an interest in secondary school education. Today, the Foundation provides up to six annual scholarships at Iowa State University, and another 40 scholarships at other land grant universities around the country. The Hach family has been extremely generous to the Iowa State University Chemistry Department in recent years; gifts from Ms. Hach Darrow, the Hach Foundation, and other family members have totaled more than \$1.5 million for scholarship support.

The Hach family has demonstrated a high regard for Iowa State University and its dedication to a high quality chemistry education. In recognition of the Hach family's many contributions to the Iowa State Chemistry Department and its students, the University wishes to name the **Chemistry Facilities** building for the late Clifford Hach, and Kathryn Hach Darrow.



Detail of Projects:

**Chemistry Facilities**

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Report on University's Capital Request		Nov. 2005	Received Report
Initial Review and Consideration of Capital Project Evaluation Criteria		May 2006	Received Report
Permission to Proceed		May 2006	Approved
Program Statement		May 2007	Not Required
Final Review and Consideration of Capital Project Evaluation Criteria		Oct. 2007	Approved
Schematic Design		Oct. 2007	Approved
Project Description and Total Budget	\$ 74,500,000	Oct. 2007	Approved
Revised Project Description and Budget	77,500,000	March 2008	Requested

Project Budget

	<u>Initial Budget</u> <u>Oct. 2007</u>	<u>Revised Budget</u> <u>March 2008</u>
Construction	\$ 60,152,720	\$ 63,027,365
Professional Fees	9,049,350	9,174,705
Movable Equipment	1,985,970	1,985,970
Relocation	1,904,010	1,904,010
Project Contingency	<u>1,407,950</u>	<u>1,407,950</u>
TOTAL	<u>\$ 74,500,000</u>	<u>\$ 77,500,000</u>
Source of Funds:		
Academic Building Revenue Bonds	\$ 53,900,000	\$ 53,900,000
Private Giving and University/College Resources	15,600,000	15,600,000
Capital Appropriations	5,000,000	5,000,000
Utility Infrastructure	<u>0</u>	<u>3,000,000</u>
TOTAL	<u>\$ 74,500,000</u>	<u>\$ 77,500,000</u>

Contact: Diana Gonzalez

**ANNUAL STUDENT FINANCIAL AID REPORT**

**Action Requested:** Receive the annual governance report on student financial aid.

**Executive Summary:** This annual report describes the volume of student financial aid awarded at the Regent universities. Financial aid, in the form of grants, loans, and on-campus employment, is available to all Regent university students who qualify. In 2006-07, the total amount of financial aid awarded to students<sup>1</sup> at the Regent universities was \$744,241,891;<sup>2</sup> this represents an increase of \$28,398,342 (+4.0%) from the prior year.

Of the total financial aid awarded in 2006-07, 51.5% came from federal funds, 9.3% came from state funds, 30.5% came from institutional funds, and 8.7% came from other<sup>3</sup> funds. Furthermore, 25.4% was in the form of grants/scholarships; 19.5% was in the form of employment; and 55.1% was in the form of loans.

**TOTAL STUDENT FINANCIAL AID BY FUNDING SOURCE BETWEEN 2004-05 AND 2006-07**

	Federal	State <sup>4</sup>	Institutional	Other	Total
<b>2004-05</b>					
Amount & % Change	\$363,205,724 (+5.3%)	\$61,333,671 (-3.6%)	\$211,202,579 (+3.5%)	\$56,538,375 (+15.6%)	\$692,280,349 (+4.6%)
Awards & % Change	87,370 (+2.3%)	11,669 (0.0%)	66,751 (+4.3%)	19,194 (+5.1%)	184,984 (+3.2%)
Avg. Award & % Change	\$4,157 (+2.9%)	\$5,256 (-3.7%)	\$3,164 (-0.8%)	\$2,945 (+10.0%)	\$3,742 (+1.4%)
<b>2005-06</b>					
Amount & % Change	\$376,824,425 (+3.7%)	\$73,131,596 (+19.2%)	\$215,143,594 (+1.9%)	\$50,743,934 (-10.2%)	\$715,843,549 (+3.4%)
Awards & % Change	87,183 (-0.2%)	12,805 (+9.7%)	66,538 (-0.3%)	18,178 (-5.3%)	184,704 (-0.2%)
Avg. Award & % Change	\$4,322 (+4.0%)	\$5,711 (+8.7%)	\$3,233 (+2.2%)	\$2,792 (-5.2%)	\$3,876 (+3.6%)
<b>2006-07</b>					
Amount & % Change	\$383,353,496 (+1.7%)	\$69,551,570 (-4.9%)	\$226,710,632 (+5.4%)	\$64,626,193 (+27.4%)	\$744,241,891 (+4.0%)
Awards & % Change	87,382 (+0.2%)	11,053 (-13.7%)	67,811 (+1.9%)	20,020 (+10.1%)	186,266 (+0.8%)
Avg. Award & % Change	\$4,387 (+1.5%)	\$6,293 (+10.2%)	\$3,343 (+3.4%)	\$3,228 (+15.6%)	\$3,996 (+3.1%)

<sup>1</sup> Includes undergraduates and graduates.

<sup>2</sup> Data source: Student Financial Aid Annual Reports, Iowa College Student Aid Commission, 2006-07.

<sup>3</sup> Private grants, scholarships, loans, etc.

<sup>4</sup> For recording purposes, the Commission includes Regent IMAGES awards and private loan awards as state funds. In 2006-07, the Regent IMAGES awards totaled \$3,309,580 and the private loan awards totaled \$61,411,377.

◇ Trends.

- ☞ Between 1990 and 2004, the percentage of full-time dependent undergraduates in the U.S. who received some type of financial aid grew from 54% to 76%. The percentage of full-time dependent undergraduates who borrowed increased from 30% to 50%. At public four-year institutions, the percentage of students with loans increased from 26% to 51%.<sup>6</sup>
- ☞ Funding for federal student financial aid programs has lagged behind inflation and student need for two decades. In constant dollars, campus-based aid declined by 35% between 1980-81 and 1998-99.<sup>7</sup>
- ☞ Increases in the Pell Grant program have not kept pace with tuition increases. In 1979-80, the maximum Pell Grant covered 72.4% of costs at public universities; in 2006-07, it covered approximately 30.0%.<sup>8</sup> Without significant future increases, it is likely to cover less than 25% of college costs in the near future.<sup>9</sup>
- ☞ Lack of significant funding for all Iowa grant programs, including the Iowa Grant and the State of Iowa Scholarship, has limited access for many Iowa students. In 2006-07, the total funding for the two programs was \$508,826<sup>10</sup> which represents a decrease of \$241,256 (-32.2%) from the prior year and 0.3% of all grant/scholarship programs; the average award was \$825.
- ☞ In 2005-06, loss of funding for the federal contribution to the Federal Perkins Loan Program caused a decrease in Perkins Loan availability. The Federal Perkins Loan Program assists students with exceptional need and offers forgiveness provisions for students in employment areas such as law enforcement, teaching, and nursing.
- ☞ Loans continue to play a major role in the student financial aid packages of Regent university students. However, studies have shown that loans typically do not promote college enrollment; loans influence a student's choice of college especially when income and race-ethnicity are considered.<sup>11</sup>
- ☞ Students have assumed more reliance on employment while in school. According to the most recent federal statistics, "74% of all full-time undergraduates worked in 1999-2000 and they averaged 25.5 hours week."<sup>12</sup> However, studies have shown that working more than 20 hours per week can impede students' progress toward graduation.<sup>13</sup>
- ☞ Loss of significant funding for the Iowa Work-Study Program (approximately \$2 million per year before 2001-02) continues to limit the opportunities for on-campus student employment. This is contrary to studies that have shown that students who work on-campus have higher retention and persistence rates than students who work off-campus. The total awarded to the three Regent universities in 2006-07 was \$85,626 which served only 113 students, with an average award of \$758.
- ☞ For many students, the Iowa Forgivable Loan Program has played a significant role as an incentive to pursue a degree in education and to seek employment in the state.

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<sup>6</sup> National Center for Education Statistics (NCES): "Paying for College," 2004.

<sup>7</sup> NCES, 2004.

<sup>8</sup> Postsecondary Education OPPORTUNITY, December 2005.

<sup>9</sup> University of Iowa.

<sup>10</sup> In 2006-07, the State of Iowa Scholarship allocation was \$0.

<sup>11</sup> "A Research Agenda for Study of Indebtedness and College Enrollment."

<sup>12</sup> "Wall Street Journal," November 5, 2002.

<sup>13</sup> Student employment at the Regent universities is limited to 20 hours per week.

- ◆ College Cost Reduction and Access Act. The following include some significant components of the Act signed into law in September 2007.
  - ☛ Federal Pell Grants are authorized to increase by \$490 for 2008-2010; by \$200 for 2010-2012; and by \$400 for 2012-2013. By 2012-2013, the maximum award will have increased by 25.3% from the current maximum of \$4,310.
  - ☑ The Omnibus Appropriations Bill would have set the maximum Pell Grant for 2007-2008 at \$4,241, a reduction from the current amount. However, the College Cost Reduction and Access Act established the maximum amount at \$4,731.
  - ☛ The fixed interest rate for the subsidized Federal Stafford Loan for undergraduate students will decrease from the current rate of 6.8% to 3.4% by July 2011.
  - ☛ Increases in the family income threshold will allow more students from low income families to qualify automatically for an expected family contribution of \$0.
  - ☛ A new TEACH Grant will be implemented in July 2008, which will provide \$4,000 per year to undergraduate and graduate students who teach in shortage areas, such as math, science, foreign language, bilingual education, special education, and other high need areas. Students will be required to teach in one of these areas for at least four years in the eight years following graduation; otherwise, the grant will have to be repaid as an unsubsidized loan.
  - ☛ An income-based repayment program and deferments of loan repayment will be available following active military duty.

The Student Financial Aid Report addresses the Board of Regents Strategic Plan strategies (1.1.2) to “continue to improve efforts to recruit, enroll, and retain a qualified and diverse student population” and (1.2.2) “to continue efforts to maintain and enhance affordability of the Regent universities”.

**Highlights:**

**STUDENT FINANCIAL AID SUMMARY BY TYPE AND FUNDING SOURCE  
2006-07**

<b>Regent Total</b>	<b>Federal</b>	<b>State</b>	<b>Institutional</b>	<b>Other</b>	<b>Total</b>
Grants/Scholarships	\$34,391,671	\$7,534,381	\$108,579,617	\$38,281,293	\$188,786,962
Loans	\$320,116,380	\$61,931,563	\$1,842,888	\$26,344,900	\$410,235,731
Employment	\$28,845,445	\$85,626	\$116,288,127	NA	\$145,219,198
Grand Total	\$383,353,496	\$69,551,570	\$226,710,632	\$64,626,193	\$744,241,891

- ◆ Grants/Scholarships. In 2006-07, a total of \$188,786,962 (25.4%) was awarded in the form of grants and scholarships. Of the total grants and scholarships awarded in 2006-07, 57.5% came from institutional funds; 18.2% came from federal funds; 20.3% came from other funds; and 4.0% came from state<sup>14</sup> funds.

<sup>14</sup> For recording purposes, the Commission included the Regent IMAGES awards of \$3,309,580 as state funds.

- ◇ Employment. In 2006-07, a total of \$145,219,198 (19.5%) was awarded in the form of on-campus employment. Of the total amount awarded, 80.1% came from institutional funds; 19.8% came from federal funds; and 0.1% came from state funds. No state funds were appropriated for on-campus employment (work-study) between 2001-02 and 2004-05.
- ◇ Loans. In 2006-07, a total of \$410,235,731 (55.1%) was awarded in the form of loans. Of the total loans awarded in 2006-07, 78.0% came from federal funds; 15.1% came from state<sup>15</sup> funds; 6.4% came from other funds; and 0.5% came from institutional funds.

**TOTAL STUDENT FINANCIAL AID BY TYPE BETWEEN 2004-05 AND 2006-07**

	<b>Grants/Scholarships</b>	<b>Employment</b>	<b>Loans</b>	<b>Total</b>
<b>2004-05</b>				
Amount & % Change	\$167,566,203 (+5.5%)	\$138,217,687 (-0.7%)	\$386,496,459 (+6.3%)	\$692,280,349 (+4.6%)
Awards & % Change	70,728 (+7.5%)	37,390 (-0.8%)	76,866 (+0.6%)	184,984 (+3.2%)
Avg. Award & % Change	\$2,369 (-1.9%)	\$3,696 (-1.5%)	\$5,035 (+5.9%)	\$3,742 (+1.4%)
<b>2005-06</b>				
Amount & % Change	\$170,839,950 (+2.0%)	\$140,859,594 (+1.9%)	\$404,144,005 (+4.6%)	\$715,843,549 (+3.4%)
Awards & % Change	69,505 (-1.7%)	38,575 (+3.2%)	76,624 (-0.3%)	184,704 (-0.1%)
Avg. Award & % Change	\$2,458 (+3.8%)	\$3,652 (-1.2%)	\$5,274 (+4.8%)	\$3,876 (+3.6%)
<b>2006-07</b>				
Amount & % Change	\$188,786,962 (+10.5%)	\$145,219,198 (+3.1%)	\$410,235,731 (+1.5%)	\$744,241,891 (+4.0%)
Awards & % Change	73,819 (+6.2%)	37,977 (-1.6%)	74,470 (-2.8%)	186,266 (+0.8%)
Avg. Award & % Change	\$2,557 (+4.0%)	\$3,824 (+4.7%)	\$5,509 (+4.5%)	\$3,996 (+3.1%)

- ◇ Undergraduate Aid. In 2006-07, a total of \$487,142,603 was awarded to undergraduates at the Regent universities; this represents more than 65.5% of the total financial aid awarded in 2006-07.
  - ☛ Of the total amount awarded to undergraduates, 50.9% came from federal funds, 14.0% came from state funds, 24.7% came from institutional funds, and 10.4% came from other funds.
  - ☛ Of the total amount awarded to undergraduates, 29.0% was in the form of grants/scholarships, 10.3% was in the form of employment, and 60.7% was in the form of loans.

<sup>15</sup> For recording purposes, the Commission included the private loan awards of \$61,411,377 as state funds.

- ☛ In 2006-07, the average financial aid award to undergraduate students at the Regent universities was \$3,297, which represents a 2% increase from the prior year.
  - ➔ The average grant/scholarship award to undergraduate students at the Regent universities was \$2,322, which represents a 1.5% increase from the prior year.
  - ➔ The average loan award to undergraduate students at the Regent universities was \$4,804, which represents a 3.7% increase from the prior year.

**TOTAL UNDERGRADUATE FINANCIAL AID BY FUNDING SOURCE BETWEEN 2004-05 AND 2006-07**

	<b>Federal</b>	<b>State</b>	<b>Institutional</b>	<b>Other</b>	<b>Total</b>
<b>2004-05</b>					
Amount & % Change	\$245,655,816 (+2.9%)	\$60,218,135 (-4.2%)	\$112,878,412 (+2.8%)	\$49,018,132 (+17.3%)	\$467,770,495 (+3.2%)
Awards & % Change	71,093 (+0.5%)	11,276 (-1.7%)	49,294 (+3.0%)	15,506 (+4.0%)	147,172 (+1.5%)
Avg. Award & % Change	\$3,455 (+2.3%)	\$5,340 (-2.6%)	\$2,290 (0.0%)	\$3,161 (+12.7%)	\$3,178 (+1.6%)
<b>2005-06</b>					
Amount & % Change	\$249,863,081 (+1.7%)	\$69,756,563 (+15.8%)	\$113,508,005 (+0.6%)	\$39,976,388 (-18.4%)	\$473,104,037 (+1.1%)
Awards & % Change	71,402 (+0.4%)	12,153 (+7.8%)	48,699 (-1.2%)	14,186 (-8.5%)	146,440 (-0.5%)
Avg. Award & % Change	\$3,499 (+1.3%)	\$5,740 (+7.5%)	\$2,331 (+1.8%)	\$2,818 (-10.9%)	\$3,231 (+1.7%)
<b>2006-07</b>					
Amount & % Change	\$247,873,704 (-0.8%)	\$68,057,770 (-2.4%)	\$120,415,199 (+6.1%)	\$50,795,930 (+27.1%)	\$487,142,603 (+3.0%)
Awards & % Change	71,202 (-0.3%)	10,690 (-12.0%)	50,541 (+3.8%)	15,332 (+8.1%)	147,765 (+0.9%)
Avg. Award & % Change	\$3,481 (-0.5%)	\$6,366 (+10.9%)	\$2,383 (+2.2%)	\$3,313 (+17.6%)	\$3,297 (+2.0%)

- ☛ NPSAS data describe student data rather than award data. The national average financial aid to undergraduate students who received aid in public four-year institutions in 2003-04 was \$7,400.<sup>16</sup> The national average grant/scholarship award to undergraduate students was \$4,000. The national average loan award was \$5,800.

<sup>16</sup> 2003-04 National Postsecondary Student Aid Study (NPSAS); most recent data available.

UNDERGRADUATE STUDENT FINANCIAL AID BY TYPE BETWEEN 2004-05 AND 2006-07

	Grants/Scholarships	Employment	Loans	Total
<b>2004-05</b>				
Amount & % Change	\$128,145,833 (+1.2%)	\$50,641,258 (+1.6%)	\$288,983,404 (+4.4%)	\$467,770,495 (+3.2%)
Awards & % Change	57,334 (+4.5%)	25,749 (-0.8%)	64,089 (-0.1%)	147,172 (+1.5%)
Avg. Award & % Change	\$2,235 (-3.1%)	\$1,967 (+2.4%)	\$4,509 (+4.5%)	\$3,178 (+1.6%)
<b>2005-06</b>				
Amount & % Change	\$129,287,048 (+0.9%)	\$48,181,691 (-4.9%)	\$295,635,298 (+2.3%)	\$473,104,037 (+1.1%)
Awards & % Change	56,521 (-1.4%)	26,106 (+1.4%)	63,813 (-0.4%)	146,440 (-0.5%)
Avg. Award & % Change	\$2,287 (+2.3%)	\$1,846 (-6.2%)	\$4,633 (+2.7%)	\$3,231 (+1.6%)
<b>2006-07</b>				
Amount & % Change	\$141,115,752 (+9.1%)	\$50,303,548 (+4.4%)	\$295,723,273 (+0.0%)	\$487,142,573 (+3.0%)
Awards & % Change	60,775 (+7.5%)	25,428 (-2.6%)	61,562 (-3.5%)	147,765 (+0.9%)
Avg. Award & % Change	\$2,322 (+1.5%)	\$1,978 (+7.2%)	\$4,804 (+3.7%)	\$3,297 (+2.0%)

- ◆ Graduating Seniors Without Debt. The debt load for students is based on debt incurred while attending one of the Regent universities. In 2006-07, 39.0% of the graduating seniors at SUI graduated without debt; at ISU, 27% graduated without debt; and at UNI, 22% graduated without debt. Nationally, 36% of graduating seniors in 2003-04 graduated without debt.<sup>17</sup>
- ◆ Debt Upon Graduation. The average indebtedness for those graduating with debt<sup>18</sup> in 2006-07 was \$22,181 at SUI; at ISU, it was \$30,475; and at UNI, it was \$22,541. The national average indebtedness in 2003-04 was \$19,202.<sup>19</sup>
  - ### The average need-based indebtedness for those graduating with debt in 2006-07 was \$11,430 at SUI; at ISU, it was \$13,329; and at UNI, it was \$12,848. The national average was \$11,080 in 2003-04.<sup>20</sup>
- ◆ Default Rates. In 2005, the national default rate for federal student loans was 4.6%. The default rate for Iowa was 5.3%. For the University of Iowa, it was 1.7%; for Iowa State University, it was 2.1%; and for the University of Northern Iowa, it was 1.3%.

<sup>17</sup> 2003-04 NPSAS.

<sup>18</sup> Excludes PLUS loans.

<sup>19</sup> 2003-04 NPSAS.

<sup>20</sup> 2003-04 NPSAS.

UNDERGRADUATE DEBT LOAD AT THE REGENT UNIVERSITIES  
2006-07

	RESIDENT			NON-RESIDENT			TOTAL		
	SUI	ISU	UNI	SUI	ISU	UNI	SUI	ISU	UNI
Total undergrad. students	14,011	15,735	9,907	6,727	4,705	795	20,738	20,440	10,702
No. & % of undergrads. who received fin. aid	10,802 77%	13,765 88%	8,375 85%	4,324 64%	3,736 79%	643 81%	15,130 73%	17,501 86%	9,018 84%
No. & % of undergrads. who received loan aid	8,789 63%	10,770 68%	7,254 87%	2,696 40%	2,276 48%	329 51%	11,485 55%	13,046 64%	7,583 84%
% of undergrads. who graduated with debt	67%	78%	78%	47%	55%	59%	61%	73%	78%
Avg. debt load for those with debt	\$21,260	\$29,349	\$22,528	\$24,098	\$36,373	\$22,904	\$22,181	\$30,475	\$22,541
Avg. need-based debt load for those with debt	\$11,293	\$13,123	\$12,915	\$11,908	\$14,545	\$11,020	\$11,430	\$13,329	\$12,848
% of graduating seniors who graduated without debt	33%	23%	22%	53%	45%	41%	39%	27%	22%

- ◆ Tuition Set-Aside. Board of Regents tuition policy §8.02C-5i requires that a minimum of 15% of gross tuition proceeds be set aside annually by each Regent university for student financial aid. Each university has exceeded the minimum requirements during the last several years.

TUITION SET-ASIDE BY INSTITUTION BETWEEN 2004-05 AND 2006-07

Total Tuition Set-Aside	2004-05	% of Total Tuition	2005-06	% of Total Tuition	2006-07	% of Total Tuition
SUI	\$37,394,756	18.2%	\$39,788,835	18.4%	\$41,809,000*	17.4%
ISU	\$37,879,100	23.0%	\$39,285,708	23.4%	\$39,116,196*	22.0%
UNI	\$10,891,319	18.8%	\$11,052,650	18.9%	\$11,033,612*	18.7%
Undergraduate Tuition Set-Aside	2004-05	% of Total Set-Aside	2005-06	% of Total Set-Aside	2006-07	% of Total Set-Aside
SUI	\$19,147,933*	51.2%	\$20,617,939*	51.8%	\$22,207,408*	53.1%
ISU	\$26,636,675*	70.3%	\$27,890,101*	71.0%	\$28,867,752*	73.8%
UNI	\$8,708,857*	80.0%	\$8,988,252*	81.3%	\$9,047,562*	82.0%

\* Funds distributed through the Student Financial Aid Department.



◆ Issues.

- ### Federal and state work-study funding is not sufficient to meet the needs of students. These programs play a vital role in helping students earn money while in college, thus reducing the students' dependence on loans.
- ### There is a need to increase the loan limit in the federal student loan program. The current limit of \$5,500 is not sufficient for many students to meet the total cost of attendance and it has encouraged the use of private loans.
- ### A national shift from grant assistance to loan assistance as a percentage of total aid has increased the need for borrowing. According to Federal Student Aid Chief Operating Officer Larry Warder, Iowa has the 8<sup>th</sup> highest gap between Pell Grants and the total cost of education.
- ### In his testimony to the Iowa Legislature in October 2007, Robert Shireman<sup>21</sup> pointed out that "increasing need-based grant aid would be one of the most constructive steps that could be taken to reduce the need for students to borrow. If a \$1,000 increase for students with substantial unmet need reduced their borrowing by the same amount each year, it could reduce Iowa's debt levels to close to the national average."

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<sup>21</sup> Robert Shireman is President of the Institute for College Access and Success, Inc. and director of the Project on Student Debt.

Regent University Awarding Philosophies.

- ◇ University of Iowa – “Assistance will be awarded on a first-come, first-served basis to students demonstrating financial need; assistance should be provided to as many students as possible who qualify; students with the greatest need should have a larger portion of their need met by grants, scholarships, and work-study assistance. Financial aid awarded from all sources should not in combination exceed the individual’s cost of attendance.”
- ◇ Iowa State University – “In concert with recruitment and retention goals, the University’s strategic plan and land grant mission, financial aid is awarded to as many students as possible who qualify. Students who demonstrate the greatest financial need should receive the most financial aid. Students whose aid applications are received by the published priority date of March 1 are considered for funding from all resources; students whose applications are received after this date are awarded on the basis of eligibility and aid availability. All financial aid awarded cannot, in combination, exceed the individual cost of attending the institution.”
- ◇ University of Northern Iowa - “The awarding philosophy is based on the recruitment goals and objectives of the University’s strategic enrollment plan. UNI strives to maintain an appropriate balance between need- and merit-based awards based on this enrollment plan. Typically, need-based aid is awarded to students on a first-come, first-serve basis. Students with the greatest need will be awarded a larger proportion of non-loan aid to the extent gift aid remains available. Private loans will not be automatically packaged with student awards. Total financial aid awarded will not exceed the student’s cost of attendance.”

Institutional Initiatives.

- ◇ The following are examples of institutional programs provided by the University of Iowa:
  - ### The University implemented the Iowa Pathways Program in 2007-08. The University committed federal, state, and institutional grants, scholarships, and work-study to pay all direct educational costs for qualifying undergraduates who are Iowa residents, who graduate in the top 10% of their high school class, who qualify for a Federal Pell Grant, and whose parents’ income is at or below 150% of the poverty level. Almost 50 first-year undergraduate students have received \$100,000 in SUI Pathways Grants.
  - ### The Iowa Heritage Award of \$1,500 is available to non-resident students whose parent(s) or grandparent(s) graduated from the University of Iowa. It is renewable for three years for a qualifying undergraduate student. Approximately 120 non-resident first-year undergraduate students have received more than \$182,000 in Iowa Heritage Awards, which were implemented in 2007-08.
  - ### The Advantage Iowa Program facilitates diversity by recognizing students who may be underrepresented, first generation, economically disadvantaged, or with special disabilities that may have impeded their preparation for higher education. More than 230 first-year undergraduate students have received \$1,764,481 through this program, which was implemented in 2007-08.

¶¶ In December 2007, the Iowa Promise Scholarship was created by the president to partner with the All Iowa Opportunity Scholarship Program that pays one year of tuition and fees for high need undergraduate students. The SUI Iowa Promise Scholarship will pay tuition and fees for the sophomore, junior, and senior years of the All Iowa Opportunity Scholars who enrolled at the University in 2007-08.

¶¶ By 2010-2011, the Iowa Pathways Program, Iowa Heritage Award, Advantage Iowa Program, and the Iowa Promise Scholarship Program are expected to provide approximately \$9 million to 1,700 students.

◇ The following are examples of institutional programs provided by Iowa State University:

¶¶ In 2007-08, significantly more than the required 15% (21.1%) of tuition revenues were set-aside for financial aid.

¶¶ A Return to Iowa Generations Award of \$1,500 was implemented in 2006-07 and is available to non-resident students whose parent(s) or grandparent(s) graduated from ISU. It is renewable for up to three years for freshmen (\$6,000 total) and up to two years for transfer students (\$4,500 total). To date, approximately 250 students have enrolled under this program.

¶¶ An electronic system for awarding athletic aid in accordance with NCAA guidelines was implemented in 2007-08. The system automatically calculates all grant-in-aid awards for more than 400 student-athletes.

¶¶ The University is transitioning to a new Resource Management Model; significant research and discussion have been necessary to be prepared to implement the model in FY 09.

◇ The following are examples of institutional programs provided by the University of Northern Iowa:

¶¶ The *Distinguished Scholars Award* (DSA) is available to all incoming Iowa resident students in the upper 25% of their high school graduating class. As a result of this program, there was an increase in enrollment of more than 100 high-ability Iowa students.

¶¶ The *Tuition Opportunity Program for Iowans* (TOPs) is for needy Iowa freshmen whose families are unable to contribute financially to their child's education. The program offers a guarantee of tuition and fees for four years with grant and scholarship assistance. In 2007-08, UNI expanded the definition of financial need for this program to be able to offer it to more students. Therefore, UNI had an 80% increase in recipients from 130 to 240 students.

¶¶ UNI implemented a number of Financial Literacy Initiative Programs:

☑ Workshops on credit card use, debt management, private loans, and money management.

☑ Expanded financial aid sessions for transfer students during orientation.

☑ Detailed counseling sessions with professional staff for students borrowing private loans.

☑ Required completion of an information packet, which includes budget information, debt to income ratio upon repayment for private loan borrowers, and other pertinent information.

## GLOSSARY

Direct Lending Schools. Students are able to borrow directly through the school to receive their federal student loans. Direct lending schools remove the “middle person” regarding applying for and receiving student loans, allowing families to obtain education loans without using a bank, credit union, or private lender.

Expected Family Contribution (EFC). This is the amount that the student and his/her family are expected to contribute toward the student’s education. If the EFC is below a certain amount, the student may be eligible for a Federal Pell Grant. The EFC data elements may be adjusted under certain circumstances, e.g., the EFC may be adjusted to consider the family’s elementary and secondary tuition expenses, their medical and dental expenses not paid by insurance, unusually high child care expenses, a family member’s recent unemployment, or other changes in a family’s income, a family’s assets, or a student’s status.

Federal Pell Grant. A Federal Pell Grant, unlike a loan, does not have to be repaid. Pell Grants are awarded only to undergraduate students who have not earned a bachelor’s or professional degree.

Federal Supplemental Educational Opportunity Grant (FSEOG). A Federal Supplemental Educational Opportunity Grant is for undergraduates with exceptional financial need, i.e., students with the lowest expected family contributions with priority given to students who receive Federal Pell Grants. An FSEOG does not have to be repaid. FSEOG awards are based on the availability of funds at the school. The student can receive between \$100 and \$4,000 a year, depending on the date of application, level of need, funding level of the school, and school’s financial aid office policies.

Subsidized Loan. A subsidized loan is awarded on the basis of financial need. The student will not be charged any interest before beginning repayment or during authorized periods of deferment. The federal government subsidizes the interest during these periods.

Types of Loans. There is a variety of loan programs available to students and their parents.

- ◆ Federal Perkins Loan is a low-interest loan for students with exceptional financial need.
- ◆ Federal Stafford Loan is a simple interest, government guaranteed, no collateral loan.
- ◆ Federal PLUS (Parent Loan for Undergraduate Students) is a simple interest, government guaranteed, no collateral loan; parents are eligible for the PLUS if they meet the minimum government credit requirements.
- ◆ Partnership Loan and Parent Partnership Loan are private, non-need based loans that have flexible features, such as a choice between a fixed or variable interest rate.

Unmet/Overmet Financial Need. Unmet/overmet financial need is calculated by subtracting the expected family contributed (EFC) and the assistance (grants, scholarships, loans, and employment) provided by the institution or other sources from the cost of attendance (tuition, fees, books, and room and board).

Unsubsidized Loan. An unsubsidized loan is not awarded on the basis of need. The student will be charged interest from the time the loan is disbursed until it is paid in full.

Work-Study Funds. Work-study funds come from federal and state programs in which a maximum of 75% of the wages is covered by the federal or state program. The federal government covers 100% of the wages for students who are employed in community service positions, such as America Reads<sup>22</sup> and America Counts<sup>23</sup>. The federal government covers 75% of the wages for students who are employed in community-based organizations; the employing organization covers the other 25% of the wages.

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<sup>22</sup> Federal initiative to improve elementary students’ reading skills.

<sup>23</sup> Federal initiative to improve elementary students’ math skills.

Contact: Diana Gonzalez

**ANNUAL REGENT STUDENT FINANCIAL AID STUDY**

**Action Requested:** Receive the annual Regent student financial aid study.

**Executive Summary:** In response to the Board's request for information regarding the socio-economic status of students who receive financial aid at the Regent universities, the Board Office and institutional representatives designed the annual Regent Financial Aid Study in 2004. The study analyzes student financial aid by family income (AGI) and by expected family contribution (EFC) of a segment of the population of financial aid recipients. This annual report, which looks at characteristics of students receiving financial aid, differs from Agenda Item 17, which looks at the volume of financial aid distributed at the Regent universities.

The results of the Regent Student Financial Aid Study conducted in Fall 2007 revealed that, in 2006-07, there were 23,233 **full-time, resident, dependent undergraduate** FAFSA<sup>1</sup> filers who received and accepted financial aid at one of the Regent universities.<sup>2</sup> This is a decrease of 208 students (-0.9%) from the prior year.

- ◆ At the three Regent universities, a financial aid package is designed for each student who applies and completes a FAFSA. The financial aid package, which includes a combination of grants/scholarships, work-study, and loans<sup>3</sup>, is designed to meet each student's total need. Frequently, students, especially those with an expected family contribution (EFC) ≤ \$3,850 decide not to accept certain components of the package, such as employment or loans, which results in unmet financial need for the student.
- ◆ Financial need is calculated by subtracting the expected family contribution from the cost of attendance (tuition, fees, books, room and board, and personal expenses).
  - ▮ Unmet financial need results when the financial aid (grants, scholarships, loans, and work-study) provided by the institution or other sources and accepted by the student is less than the total need.
  - ▮ Overmet financial need results when the financial aid accepted by the student primarily through non-need based programs exceeds total need. These dollars may be used to help defray the expected family contribution.
- ◆ Trends
  - ▮ Students with a family AGI < \$15,000 tend to have a higher average total grant award and a smaller total loan award accepted while students with a family AGI ≥ \$45,000 tend to have a smaller grant award and a higher total loan award accepted.
  - ▮ The Regent average grant awards are lower than the national average due in large part to the lack of state grants, which also contributes to the Regent average loan awards being higher than the national average.<sup>4</sup>

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<sup>1</sup> FAFSA – Free Application for Federal Student Aid.

<sup>2</sup> There were approximately 36,400 full-time, resident undergraduates in Fall 2007.

<sup>3</sup> From all sources, including PLUS.

<sup>4</sup> National Postsecondary Student Aid Study (NPSAS) 2003-04.

☞ This is the second year of a decrease in the number of full-time, resident, dependent undergraduate FAFSA<sup>1</sup> filers.

◇ The following table describes the average financial need by EFC for all students in this study at the three universities. Students with an EFC≥\$5,001 had no unmet need. In fact, the average financial aid accepted exceeded the calculated need by \$5,789 due, in large part, to receiving non-need-based loans. This group constitutes the majority of students (70.6%).

**AVERAGE FINANCIAL NEED BY EXPECTED FAMILY CONTRIBUTION  
2006-07**

Expected Family Contribution (EFC)	Number of Students and Percent of Total	Percent of Aid Accepted/Total Need	Average Financial Need Not Met by Total Financial Aid Accepted
\$0	885 (3.8%)	82.47%	\$2,815
\$1 - \$2,000	2,377 (10.2%)	81.94%	\$2,802
\$2,001 - \$3,850	2,117 (9.1%)	89.04%	\$1,474
\$3,851 - \$5,000	1,450 (6.3%)	93.94%	\$727
≥\$5,001	16,404 (70.6%)	>100.00%	-\$5,789

◇ The following table describes the average financial need by adjusted gross income (AGI) for all students in this study at the three universities. Students whose families had an AGI≥\$45,000 had no unmet need. In fact, the average financial aid accepted exceeded the calculated need by \$5,221 due, in large part, to receiving non-need-based loans. This group also constitutes the majority of students (76.5%).

**AVERAGE FINANCIAL NEED BY ADJUSTED GROSS INCOME  
2006-07**

Family Income Range by Adjusted Gross Income (AGI)	Number of Students and Percent of Total	Percent of Aid Accepted/Total Need	Average Financial Need Not Met by Total Financial Aid Accepted
<\$15,000	971 (4.2%)	81.18%	\$2,921
\$15,000 - \$29,999	1,695 (7.3%)	82.23%	\$2,682
\$30,000 - \$44,999	2,781 (12.0%)	91.51%	\$1,085
≥\$45,000	17,786 (76.5%)	>100.00%	-\$5,221

The Regent Financial Aid Study addresses the Board of Regents Strategic Plan strategies (1.1.2) to “continue to improve efforts to recruit, enroll, and retain a qualified and diverse student population” and (1.2.2) “continue efforts to maintain and enhance affordability of the Regent universities.”

<sup>1</sup> FAFSA – Free Application for Federal Student Aid.

**Background:**

- ◇ The Regent Financial Aid Study includes the following variables:
  - ▮ FAFSA filers who are undergraduates, full-time, dependent students, Iowa residents, receiving financial aid;
  - ▮ family income (adjusted gross income);
  - ▮ cost of attendance (with/without budget adjustments);
  - ▮ expected family contribution;
  - ▮ total need;
  - ▮ total financial aid accepted; and
  - ▮ financial need not met by aid accepted by students.
  
- ◇ At the University of Iowa, there were 7,633 students in this study who received financial aid in 2006-07.
  - ▮ The majority of those students (70.3%) had an  $EFC \geq \$5,001$  and no unmet need. The average financial aid accepted by students with an  $EFC \geq \$5,001$  exceeded the calculated need by \$6,122 due, in large part, to receiving non-need-based loans.
  - ▮ Almost all students with an  $EFC \leq \$3,850$  received some type of grant with an average grant award of \$5,915. More than 85% of the students with an  $EFC \leq \$3,850$  received some type of loan with an average loan award of \$7,237.
  - ▮ About 50% of the students with an  $EFC \geq \$5,001$  received some type of grant with an average grant award of \$3,710. More than 87% of the students with an  $EFC \geq \$5,001$  received some type of loan with an average loan award of \$8,982.
  
- ◇ At Iowa State University, there were 9,762 students in this study who received financial aid in 2006-07.
  - ▮ The majority of those students (70.4%) had an  $EFC \geq \$5,001$  and no unmet need. The average financial aid accepted by students with an  $EFC \geq \$5,001$  exceeded the calculated need by \$5,805 due, in large part, to receiving non-need-based loans.
  - ▮ Almost all students with an  $EFC \leq \$3,850$  received some type of grant with an average grant award of \$5,665. Approximately 89% of the students with an  $EFC \leq \$3,850$  received some type of loan with an average loan award of \$7,520.
  - ▮ Approximately 64% of the students with an  $EFC \geq \$5,001$  received some type of grant with an average grant award of \$2,646. Approximately 83% of the students with an  $EFC \geq \$5,001$  received some type of loan with an average loan award of \$9,226.

- ◆ At the University of Northern Iowa, there were 5,838 students in this study who received financial aid in 2006-07.
  - ◆ The majority of those students (71.4%) had an EFC $\geq$ \$5,001 and no unmet need. The average financial aid accepted by students with an EFC $\geq$ \$5,001 exceeded the calculated need by \$5,326 due, in large part, to receiving non-need-based loans.
  - ◆ Almost all students with an EFC $\leq$ \$3,850 received some type of grant with an average grant award of \$4,353. More than 93% of the students with an EFC $\leq$ \$3,850 received some type of loan with an average loan award of \$7,972.
  - ◆ Approximately 44% of the students with an EFC $\geq$ \$5,001 received some type of grant with an average grant award of \$2,370. Approximately 90% of the students with an EFC $\geq$ \$5,001 received some type of loan with an average loan award of \$9,060.
  
- ◆ The following table describes the types of financial aid by expected family contribution and the average unmet need for all Regent university students in the 2006-07 study. As noted earlier, unmet need results when students do not accept certain components of financial aid offered, such as loans and employment.

**EXPECTED FAMILY CONTRIBUTION AND AVERAGE UNMET NEED  
2006-07**

Expected Family Contribution (EFC) Range	Number & % of Students (n=23,233)	Average EFC	Average Total Need	Average Total Grants (n=15,264)	Average Total Work-Study (n=2,669)	Average Total Loans <sup>1</sup> (n=20,248)	Average Total Financial Aid Accepted (n=23,233)	Average Financial Need Not Met by Total Financial Aid Accepted
\$0	885 (3.8%)	\$0	\$15,999	\$7,087 n <sup>2</sup> =865	\$2,125 n=187	\$6,853 n=756	\$13,246 n=885	\$2,753
\$1 - \$2,000	2,377 (10.2%)	\$848	\$15,542	\$6,047 n=2,365	\$1,962 n=588	\$7,019 n=2,097	\$12,714 n=2,377	\$2,828
\$2,001 - \$3,850	2,117 (9.1%)	\$2,922	\$13,468	\$4,027 n=2,051	\$1,974 n=504	\$8,378 n=1,918	\$11,977 n=2,117	\$1,491
\$3,851 - \$5,000	1,450 (6.2%)	\$4,414	\$12,024	\$3,134 n=1,114	\$2,025 n=273	\$9,177 n=1,340	\$11,279 n=1,450	\$745
\$5,001 - \$8,000	3,095 (13.3%)	\$6,454	\$9,997	\$3,286 n=2,061	\$2,061 n=499	\$9,012 n=2,849	\$10,819 n=3,095	-\$822
\$8,001 - \$11,000	2,604 (11.2%)	\$9,465	\$7,123	\$3,225 n=1,553	\$1,946 n=359	\$9,147 n=2,345	\$10,432 n=2,604	-\$3,309
\$11,001 - \$14,000	2,265 (9.7%)	\$12,426	\$4,257	\$3,070 n=1,258	\$1,648 n=182	\$9,059 n=2,020	\$9,917 n=2,265	-\$5,660
>\$14,000	8,440 (36.3%)	\$28,771	\$301	\$2,536 n=3,997	\$1,425 n=77	\$9,134 n=6,923	\$8,707 n=8,440	-\$8,407

<sup>1</sup> From all sources, including PLUS.

<sup>2</sup> Describes the number of students who accepted a particular type of aid.



- ◆ The following table compares the average grant and loan awards by family income for students in the Fall 2007 Regent Financial Aid Study to the NPSAS 2003-04 data, which are the most recent data available.

Family Income Range by AGI	Number & % of Students	Average Regent Total Grants <sup>1</sup> 06-07	Average Regent Total Grants 03-04	U.S. Average Grants <sup>2</sup>	Average Regent Total Loans <sup>3</sup> 06-07	Average Regent Total Loans 03-04	U.S. Average Loans <sup>4</sup>
<\$30,000	2,666 (11.5%)	\$6,291 n=2,549	\$4,982 n=3,264	\$6,428	\$7,000 n=2,274	\$6,071 n=2,898	\$5,319
\$30,000 - \$59,999	6,162 (26.5%)	\$4,030 n=5,002	\$3,278 n=5,996	\$4,207	\$8,483 n=5,542	\$7,375 n=6,865	\$6,204
\$60,000 - \$89,999	7,114 (30.6%)	\$2,997 n=4,154	\$2,437 n=3,986	\$3,508	\$9,227 n=6,376	\$8,239 n=6,979	\$6,959
≥\$90,000	7,291 (31.4%)	\$2,617 n=3,559	\$2,383 n=2,063	\$3,869	\$9,109 n=6,056	\$8,306 n=4,180	\$6,601

◆ Issues.

- ◆ EFC reflects a number of variables in addition to family income – family size; number of siblings in college; age of oldest parent; family assets; untaxed income; and allowances against income. This can result in an EFC that appears inconsistent with the family AGI.
- ◆ The financial aid packages offered to students do not include institutional employment (other than work-study) or off-campus employment. Institutional and off-campus employment can be used by students to meet their financial need.
- ◆ Except for programs such as ROTC, federal grants are primarily need-based. For state and institutional/private grants, there is a mix of need-based and merit-based aid.
- ◆ Loans, such as Perkins and subsidized Stafford loans, require demonstration of financial need. Other loans, such as unsubsidized Stafford loans, PLUS, and alternative loans, do not require demonstration of need.
- ◆ Interest rate increases which became effective on July 1, 2006 for the Stafford and PLUS loan programs may have resulted in different borrowing practices. Both programs changed from annual variable rates to fixed rates of 6.8% and 7.9%, respectively.

<sup>1</sup> Iowa residents.

<sup>2</sup> All students.

<sup>3</sup> Iowa residents; includes PLUS.

<sup>4</sup> All students.

Contact: Diana Gonzalez

**PROPOSED NEW CENTER AT IOWA STATE UNIVERSITY**  
**EGG INDUSTRY CENTER**

**Action Requested:** Consider approval of the request by Iowa State University to establish an Egg Industry Center that will report to the Dean of Agriculture and Life Sciences.

**Executive Summary:** The proposed Egg Industry Center will create a mechanism to promote and enrich the relationship between the egg industry and faculty at land-grant institutions across the country. It will provide funding and support collaborations to encourage development of new ideas and technologies that address emerging needs of the egg industry. This proposal was reviewed by the Board Office and the Council of Provosts and is recommended for approval. Although creation of the Center does not initially require Board of Regents approval because the Center will not require an annual institutional commitment of \$250,000 or more as stated in the Board of Regents Policy Manual §6.08, the proposed Center is expected to grow during the next few years. This request addresses the Board of Regents Strategic Plan priorities (2.0) to “provide needed service and promote economic growth” and (3.0) to “discover new knowledge through research, scholarship, and creative activities.”

**Background:**

- ◇ Iowa Egg Council. Recently, the Iowa Egg Council made a \$2 million pledge over 10 years to support the creation of a national egg industry center at Iowa State University. The funds will be directed to an endowment with annual proceeds used to fund new research programs, educational courses, and extension/outreach components.
- ◇ Need for the Center. There is no center/institute at other Iowa colleges and universities that addresses the needs of the egg industry.
- ◇ Center mission and goals. The mission of the proposed Center is to add value to the egg industry by facilitating research and learning for egg producers, processors, and consumers through national and international collaboration. The proposed Center will meet its goals by providing the following leadership roles:
  - 📖 Creating efficiencies through coordination across land-grant universities.
  - 📖 Identifying industry needs that can best be impacted through the Center.
  - 📖 Identifying and attracting funds to direct to high areas for effective problem-solving.
  - 📖 Communicating solutions to stakeholders throughout the egg industry and consuming public.

- ◇ Relationship of the Center to other ISU Centers. The proposed Center is modeled after the Iowa Beef Center and the Iowa Pork Industry Center, which have developed excellent partnerships with stakeholder groups in Iowa. Creating this Center will enhance other activities at the University by promoting a partnership with a key commodity group in the state. Iowa is 1<sup>st</sup> in the nation in egg production and processing. Creating this Center will demonstrate the University's commitment to additional research opportunities to support the industry. In addition, the proposed Center will extend beyond the state to achieve a nationally recognized program through partnerships with land-grant universities and the egg industry nationwide.
- ◇ Relationship of the Center to other institutions. Deans from Colleges of Agriculture at seven land-grant universities (Cornell, University of Florida, Pennsylvania State University, University of Arkansas, Washington State University, Purdue, and the University of Minnesota) have expressed interest in working with the proposed Center. In addition, program leaders at the Cooperative State Research, Education, and Extension Service of the U.S. Department of Agriculture have expressed support for the concept.
- ◇ Center uniqueness. There is no nationally-coordinated program to address the research and educational needs of the egg industry. ISU has a strong relationship with the Iowa egg industry. Currently, there are more than 10 faculty members working on research projects funded through the Iowa Egg Council, which makes ISU unique in its relationship with an egg commodity group. This investment from industry provides ISU with unique research capabilities and positions the University to partner with other land-grant universities.
- ◇ Staff. Once the fund-raising goal of \$10 million is reached, the proposed Center staff will include a director and communication specialist who will be hired when funding becomes available and a secretary/office coordinator who will be hired from re-allocated funding. Coordination with key units, including the Department of Animal Science, the Department of Agricultural and Biosystems Engineering, the Department of Food Science and Human Nutrition, and the College of Veterinary Medicine, is expected to occur. If the proposed Center is approved, an Administrative Team will be appointed by the Dean of the College of Agriculture and Life Sciences to provide oversight for the Center until funds are available to hire a director.
- ◇ Facilities. The proposed Center will be housed in Kildee Hall.
- ◇ Equipment. Equipment costs will include new office equipment. When the new director is hired, a typical startup package will be developed for the director's program and will come from internal funding sources or the Iowa Egg Council.
- ◇ Expected need. The proposed Center is expected to be in existence as long as Iowa is involved in egg production. The proposed Center will be reviewed every five years through the institutional review process.

- ◇ Costs and funding sources. The cost of the proposed Center is expected to be \$60,000 during the first year with an increase to \$72,970 by year 7. Funding sources include reallocation by the College of Agriculture and Life Sciences (\$50,000 per year for Years 2 and 3); reallocation by the Department of Animal Sciences (secretarial assistance estimated at \$10,000 per year); endowment revenue of \$35,129 beginning in Year 4 and growing to \$91,000 by Year 10; and expendable gifts of \$50,000 which are currently available. The proposed Center's long-term success will be based on the ability to continue to increase its endowment through fund-raising with a goal of \$10 million.
  
- ◇ Link to Strategic Plan. The proposed Center addresses the University's Strategic Plan vision – "Strengthen educational and outreach programs aimed at Iowa's economy, workforce, and technology development; strengthen Iowa State University's partnerships and communications with Iowans to better identify, address, and solve problems."

**Contact: Diana Gonzalez**

**FACULTY PRESENTATION AT THE UNIVERSITY OF IOWA**  
**“THE IOWA CAUCUSES AND PRESIDENTIAL NOMINATIONS – LESSONS FROM 2008”**

**Action Requested:** Receive the presentation.

**Executive Summary:**

During 2007, the SUI Department of Political Science began the University of Iowa Hawkeye Poll with support from the Provost's Office and the College of Liberal Arts and Sciences. The Hawkeye Poll, directed by Professors David Redlawsk and Caroline Tolbert, received international attention during the period before the Caucuses. Professor Redlawsk will present findings from the Poll that help us understand the role of Iowa in the nomination process and the importance of this year's historic Caucuses in particular.

David Redlawsk is an associate professor of political science at the University of Iowa. His research focuses on campaigns, elections, and the role of information in voter decision-making. His research also focuses on emotional (affective) responses to campaign information. Dr. Redlawsk teaches courses in local politics, survey research, political psychology, and campaigns and elections.

With Teresa Mangum, Dr. Redlawsk is co-director of the Obermann Graduate Institute on Engagement and the Academy, an intensive one-week graduate program taught during the past two winter breaks. The Institute brings together 15 outstanding University of Iowa graduate students across disciplines to discuss and learn about engaged scholarship, teaching, and service.

Dr. Redlawsk has served as chair of a local planning commission and as an elected official in Pennsylvania and New Jersey. In Iowa City, Dr. Redlawsk was chair of the Johnson County Democratic Party during the 2004 Iowa Caucuses and was responsible for managing 57 precincts.

**Contact: Andy Baumert**

**GROW IOWA VALUES FUND AND BATTELLE PROJECT UPDATE**

SUI Vice President for Research Meredith Hay, ISU Vice Provost for Research and Economic Development John Brighton, and UNI Executive Director of Business and Community Services Randy Pilkington will provide updates on the universities' economic development and technology transfer projects which receive funding through the Grow Iowa Values Fund or Battelle programs.

**BOARD OF REGENTS  
STATE OF IOWA**

**AGENDA ITEM 22  
MARCH 11, 2008**

**Contact: Andy Baumert**

**HIGHLIGHTED TECHNOLOGY TRANSFER PRESENTATION**

The University of Iowa will present information on the SUI Research Foundation's Entrepreneur-In-Residence (EIR) Program which is critical to the development of new companies formed around University innovations. Mr. Bob Karr, a former executive of the Pfizer corporation and a experienced entrepreneur, will discuss his role as the University's EIR and his role as CEO of Terpenoid Therapeutics, a cancer therapeutics company spun off from the Carver College of Medicine. SUI Vice-President for Research Dr. Meredith Hay and University of Iowa Research Foundation Executive Director Pam York will also participate in the presentation.