

CHAPTER 2  
ORGANIZATION AND STRUCTURE

**264—2.1(80GA, HF692, HF683) Location and administration.**

1. The board, committee, advisory board, and marketing board are located within the Iowa department of economic development for administrative purposes.
2. The department shall provide office space, staff assistance and budget money to pay the expenses of the board, committee, advisory board and marketing board.
3. Requests for information about the board, committee, advisory board or marketing board may be made by contacting the Board of Directors, Iowa Values Fund, 200 East Grand Avenue, Des Moines, Iowa 50309. Information about the board, committee, advisory board and marketing board is also available at [www.iowasmartidea.com](http://www.iowasmartidea.com).

**264—2.2(80GA, HF692, HF683) Organizational structure.** The values fund legislation, 2003 Iowa Acts, House File 692, establishes the board, the committee, the advisory board, the marketing board, and the review committee.

**2.2(1) Board.**

- a. The values fund board is comprised of 11 voting members appointed by the governor and 4 nonvoting, ex officio members appointed by the legislature.
- b. A majority of the voting members of the board constitutes a quorum.
- c. Once a quorum, 6 members, is convened, an affirmative vote of the majority of voting board members present is required for a motion to pass.
- d. The board annually elects a chairperson and vice-chairperson. The voting members of the board are appointed for three-year staggered terms. There is no statutory limitation to the number of terms a voting member may serve.
- e. The duties of the board are listed in 2003 Iowa Acts, House File 692, section 79. By statute, the board receives recommendations from the marketing committee and the due diligence committee. In performing its functions, the board may also seek the expertise of other boards, committees, agencies, and other individuals and organizations as deemed appropriate by the board. The board may direct a portion of certain funds to obtain technical assistance and for information technology purposes.

**2.2(2) Committee.**

- a. The due diligence committee consists of five voting members of the board elected annually by the voting members of the board. Committee members must have expertise in banking and entrepreneurship. The chairperson and vice-chairperson of the committee are elected by and from the committee members.
- b. A majority of the committee constitutes a quorum.
- c. The duties of the committee are to conduct a thorough review of proposed projects and make recommendations to the board as to whether such projects are practical and whether requests for funding are likely to contribute to achievement of the goals set forth in 2003 Iowa Acts, House File 692, section 83, except projects to be funded under the economic development loan and credit guarantee program created in 2003 Iowa Acts, House File 692, section 104. Committee recommendations may include imposing conditions on or rejecting a proposed expenditure.
- d. In discharging its fiduciary obligations, the committee may take all reasonable steps to collect the information it needs to make an informed decision about a proposed project. The committee may use all available resources it deems appropriate to thoroughly evaluate a proposed project and develop a recommendation for the board.

**2.2(3) Marketing board.** The marketing board is an advisory board composed of seven members, two of whom must be members of the values fund board. A duty of the marketing board is to accept proposals for development of a marketing strategy for the state of Iowa for recommendation to the board and implementation and administration by the department. Any such marketing strategy must be designed to promote the state of Iowa as a lifestyle, increase the population of the state, increase the wealth of Iowans and expand and stimulate the Iowa economy as directed by 2003 Iowa Acts, House File 692, section 83.

**2.2(4) Loan and credit guarantee advisory board.** The loan and credit guarantee board is an advisory board composed of seven members to advise the department with respect to the loan and credit guarantee program created in 2003 Iowa Acts, House File 692, section 104, and make recommendations to the department as to disposition of all applications for assistance under the program.

#### **264—2.3(80GA,HF692,HF683) Board procedures.**

**2.3(1) Meetings and agendas.** Meetings of the board, committee, advisory board and marketing board are generally held monthly at the offices of the department which are located at 200 East Grand Avenue, Des Moines, Iowa. By notice of the regularly published meeting agenda, the board, committee, advisory board and marketing board may hold regular or special meetings at other locations within the state. Meeting agendas are available on the department's Web site at [www.iowasmartidea.com](http://www.iowasmartidea.com).

##### **2.3(2) Meeting procedures.**

*a.* Any interested party may attend and observe board, committee, advisory board and marketing board meetings except for such portion as may be closed pursuant to Iowa Code section 21.5.

*b.* Observers may use cameras or recording devices during the course of a meeting so long as the use of such devices does not materially hinder the proceedings. The chairperson may order that the use of these devices be discontinued if they cause interference and may exclude any person who fails to comply with that order.

*c.* Open session and closed session proceedings are electronically recorded. Minutes of open meetings are available for viewing at the department's offices or through the Web site at [www.iowasmartidea.com](http://www.iowasmartidea.com).

**2.3(3) Board committees.** The board chairperson may appoint committees deemed necessary to accomplish the work of the board. The following committees have been appointed to assist the board: strategic plan committee, administrative rules committee, applications and other forms committee. These committees may be dissolved as deemed appropriate by the chairperson, and other committees may from time to time be appointed for specific purposes.

#### **264—2.4(80GA,HF692,HF683) Board conflict of interest procedures.**

**2.4(1)** Board members shall disclose any known actual or potential conflicts of interest they, or their immediate family, may have in connection with financial assistance applications submitted to the board. For purposes of this rule, "immediate family" means a board member's spouse, children, grandchildren and parents. Disclosures may be made in writing and submitted to the board chairperson or may be made verbally at a meeting of the board and be reflected in the minutes.

**2.4(2)** Nonvoting and nonparticipation in decision making. If a board member has identified and disclosed a potential or actual conflict of interest, that person shall not vote on the matter or participate in any discussions relating to the matter.

**2.4(3)** Projects from board member's county. A member of the board shall abstain from voting on applications for financial assistance to any project which is located in the county in which the member resides.

These rules are intended to implement 2003 Iowa Acts, House Files 692 and 683.

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