MEMORANDUM

To: Board of Regents

From: Board Office

Subject: Capital Appropriations Requests for FY 2002

Date: September 5, 2000

Recommended Actions:

1. Approve a FY 2002 capital improvement appropriations request of $57,790,000.

2. Approve tuition replacement appropriations requests of $27,356,714 for FY 2002 and $26,692,212 for FY 2003 with the understanding that FY 2002 needs will be reassessed by November 15, 2000.

Executive Summary:

Consistent with the Board's strategic plan, each year the institutions request and the Board recommends capital funding from the state of Iowa. In July 1999, the Board approved a FY 2001 capital budget request of $77,405,000. The 2000 General Assembly appropriated and the Governor approved funding of $43,150,000 from the state Infrastructure Fund for FY 2001 projects. The funded projects included the Board's first three priorities plus the water system replacement at Iowa School for the Deaf. The funds were appropriated for FY 2001 – FY 2003.

The following table summarizes the funded projects and the appropriations by fiscal year:

Project	FY 2001	FY 2002	FY 2003	Total
SUI Biology Renovation	$4,400,000	$7,300,000	$3,000,000	$14,700,000
ISU Gilman Hall – HVAC	8,500,000	2,500,000		11,000,000
ISU College of Business – Planning	300,000			300,000
UNI McCollum Science Hall Addition	2,700,000	5,800,000	8,400,000	16,900,000
ISD Water System Replacement	250,000			250,000
Total	$16,150,000	$15,600,000	$11,400,000	$43,150,000

The institutions and Lakeside Laboratory have requested capital funding of $98,730,000 for FY 2002. The institutional requests are summarized on Table 1 (page 8) of this docket memorandum. Last year, the institutions requested

FY 2001 funding of $109,565,000 and the Board recommended funding of $77,405,000.

The Board Office recommendation for the FY 2002 capital budget request is consistent with the preliminary recommendation presented to the Board in July 2000. The recommended request, in priority order, is as follows:

Board Office Recommendation
FY 2002 Capital Budget Request

Inst	Project	($ Thousands)	
ISU	College of Business Building	$10,900	*
Regents	Lakeside Laboratory Improvements	239	*
SUI	Art Building, Phase 1	16,016	*
UNI	Steam Distribution System	12,700	**
ISU	Livestock Units for Swine & Cattle Research	4,900	*
ISU	LeBaron Hall – Systems Upgrade	1,700	*
ISU	General Classrooms and Auditoriums	3,000	
UNI	Innovative Teaching Ctr. (East Gym Ren.) – Planning	1,300	
SUI	Classroom / Journalism Building – Planning	1,200	
	Total Projects	$51,955	
	Fire Safety and Deferred Maintenance	5,835	
	Total	**$57,790**	

* Project recommended by the Board for FY 2001, but not funded except for $300,000 planning funds for ISU College of Business Building.

** Planning funds recommended by the Board for FY 2001, but not funded.

Tuition replacement appropriations represent an ongoing commitment of the state to meet the debt service cost of Academic Building Revenue Bonds. The Board is asked to approve a tuition replacement appropriations request of $27,356,714 for FY 2002. This amount is $818,140 less than the FY 2001 appropriation. The Department of Management recently requested that addition of budget requests for FY 2003. Therefore, it is recommended that the Board approve a tuition replacement appropriation request of $26,692,212 for FY 2003.

Background and Analysis:

Since 1995, the Iowa General Assembly has appropriated and the Governor has approved more than $190 million from the Infrastructure Fund for capital improvements at the Regent institutions. Included within that amount are the sums of $66.1 million appropriated in 1996 for FY 1997 – FY 1999, and $70.4 million appropriated in 1997 for FY 1998 – FY 2001.

The $190 million total also includes the sum of $43.2 million appropriated this year for the period FY 2001 – FY 2003, for Regent capital projects included in the Board's FY 2001 capital request.

FY 2002 Capital Improvement Requests

In making recommendations to the Board, the Board Office has reviewed the projects requested by the institutions for FY 2002 and the relationship of these projects to institutional strategic plans. Other criteria used in the review and priority ranking of recommended projects are:

- Priority order of projects in the Five-Year Plan approved by the Board for the prior five-year period with funded projects deleted from the list;
- Priority ranking of projects as submitted by the institutions;
- Prior appropriations for planning and / or construction;
- Consistency of the project with the campus master plan;
- Measure of equity among institutions since they all have demonstrated capital needs greater than the available level of funding; and
- Impact of projects on the state's economic development.

As illustrated on Table 1 (page 8), the Board Office recommendations are consistent with the priority order of the requests from the prior year, while being consistent with the institutional project priority rankings. The recommendations are also cognizant of prior appropriations and recognize that state resources for capital projects are limited. The recommendations include unfunded FY 2001 projects and high priority FY 2002 projects from the FY 2001 – FY 2005 Capital Plan approved by the Board in September 1999.

Specific information on the FY 2002 recommended projects and any changes, above a 4% inflationary increase from the Board's FY 2001 request, are summarized below. Detailed descriptions of the recommended projects are included in Appendix A.

ISU – College of Business Building (Priority #1, $10,900,000)

The project will construct a new building for the College of Business to replace existing facilities in three buildings. The 2000 General Assembly appropriated $300,000 in planning funds for the project. The requested state funding will be matched by $11,500,000 in gifts.

Since the amount of gifts has not been increased above the amount included last year, the state request includes an inflationary adjustment for the entire cost of the project, not just the portion for which state appropriations were requested in FY 2001. This adjustment has increased the state share by

$500,000 more than it would have increased had the gift funds been increased by the inflationary adjustment.

Regents – Lakeside Laboratory Improvements (Priority #2; $239,000)

Improvements to Mahan Hall, the largest classroom / lecture space at the Laboratory, would create a computer laboratory and a second year-round classroom / lecture facility.

SUI – Art Building, Phase 1 (Priority #3, $16,016,000)

The project would provide for construction of a new building of approximately 73,000 gross square feet to serve the instructional needs of the School of Art and Art History; construction of the facility would also allow for partial consolidation of remotely located portions of the School. The University has committed to raise $2.7 million in private funds for the project in addition to the state-requested funds.

Last year, the Board request included $11.0 million for FY 2001 and $7.4 million for FY 2002. The FY 2002 amount included construction funds of $4.4 million plus $3.0 million for site development costs, furnishings for the new building, and design fees for the renovation of the current Art Building, which is Phase 2 of the project.

Consistent with its past requests, the University has requested construction funds ($16,016,000) for FY 2002 and the remaining Phase 1 costs and design costs for Phase 2 in FY 2003. The Board Office recommendation includes the funds requested by the University.

While the Board request last year split the construction funds for the project into two years (FY 2001 and FY 2002), the funds requested for FY 2002 were the highest priority for that year in the Board approved FY 2001 – FY 2005 Capital Plan. Therefore, the Board Office recommendation for FY 2002 includes the requested capital funding. Including all construction funds in a single year request (rather than splitting over two years) will help ensure that there is no misunderstanding regarding the total construction cost of the project. Appropriation amounts, whether in a single sum or cash flowed over a number of years would, thus, hopefully equal the Board's request.

UNI – Steam Distribution System Replacement, Phase 1 (Priority #4; $12,700,000)

To increase reliability and eliminate possible loss of steam service to campus, two direct buried piping systems (south line installed in 1971 and north line installed in 1978) would be replaced with a tunnel system.

Last year, the University requested as its number 2 priority (after the McCollum Science Hall Addition) the sum of $12.2 million for the project. The Board's request for FY 2001 included $1 million for planning with the construction funds included in FY 2002 of the FY 2001 – FY 2005 Capital Plan. Due to the cost of the Steam Distribution project in relationship to the total capital resources likely to be available to the Regents and the need to undertake detailed planning and design, which could take 12 months, the sum of $1 million for planning was recommended.

During the last year, the number and severity of the breaks in the buried lines have increased. The Board Office recommends that the University begin detailed planning for Phase 1 of the Replacement Project with internal, reallocated funds. If an appropriation is received, construction could thus begin in a more timely manner.

ISU – Livestock Units for Swine and Cattle Research (Priority #5; $4,900,000)

This request will continue the project to provide new and remodeled support unit space for swine and cattle research in growth and development, disease management, genetic improvement, biotechnology and produce desirability.

ISU – LeBaron Hall – Systems Upgrade (Priority #6; $1,700,000)

This project will replace the building's heating, ventilating and air conditioning systems; the existing systems are more than forty years old.

ISU – General Classrooms and Auditoriums (Priority #7; $3,000,000)

This project will continue University endeavors to make improvements in general university classrooms in response to the growing numbers of faculty using technology in the classroom. The amount recommended represents one-half of the funds included in FY 2002 in the Board's FY 2001 – FY 2005 Capital Plan.

UNI — Innovative Teaching Center (East Gym Renovation) - Planning (Priority #8, $1,300,000)

The project, which was previously titled East Gym Renovation, will renovate the facility into a teaching and technology center, housing state-of-the-art classrooms and educational technology support personnel. Planning funds are recommended for FY 2002, the same year in which they were included in last year's Five-Year Capital Plan.

Construction funds are included in FY 2003 of the FY 2002 – FY 2006 Five-Year Plan (see G.D. 10) although the Board Office is continuing to work with the University on defining the proposed scope and cost of the renovation.

SUI – Classroom / Journalism Building – Planning (Priority #9; $1,200,000)

The project will construct a new building to serve as a classroom instructional facility and to house the School of Journalism. Planning is recommended in FY 2002 with construction funds in FY 2003 of the FY 2002 – FY 2006 Five-Year Plan. (see G.D. 10)

Fire and Environmental Safety ($2,000,000) and Deferred Maintenance ($3,835,000)

The correction of fire and environmental safety and deferred maintenance has been a priority for the Board of Regents for a number of years. While significant institutional funds have been committed (as noted in the November annual reports on these items), state capital funding is also needed. The FY 2001 operating budget reductions are going to make it more difficult to address fire safety issues and could lead to increases in the amount of deferred maintenance. State capital funding could help make up for the operating shortfall.

Projects requested but not recommended for funding in FY 2002 include two utility projects at the University of Iowa, Residence System – Academic Program Space at Iowa State University, and the University of Northern Iowa's request for Renovation of Price Laboratory School.

- These projects were lower ranked institutional priorities.
    - It is recommended that the two utility projects be funded through the University of Iowa's Utility Enterprise System.
    - The Academic Program Space and Renovation of Price Laboratory School are included in the Five Year Capital Plan in FY 2003 – FY 2005. (see G.D. 10)

Tuition Replacement Appropriations

Tuition replacement appropriations represent an ongoing commitment of the state to meet the debt service cost of Academic Building Revenue Bonds.

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

The tuition replacement needs are comprised of debt service payments (principal and interest), less the net interest earned on the bonds' reserves and investment earnings on bond proceeds during construction.

The Board's financial advisor, Springsted, Inc., projects tuition replacement needs for each university based on known debt service obligations and the universities' estimates of investment earnings.

The tuition replacement appropriation request may require modification due to changing interest rates as reserve funds are reinvested or refundings are accomplished.

The FY 2002 tuition replacement appropriation request is $27,356,714. This amount is $818,140 less than the FY 2001 tuition replacement appropriation of $28,174,854. The FY 2003 request is $26,692,212. No new Academic Building Revenue Bonds have been issued since 1995 and the amount of the needed tuition replacement appropriation is estimated to decline to $22.6 million by FY 2005 if no additional Academic Building Revenue Bonds are issued.

The FY 2001 education appropriation bill requires the Board of Regents, Department of Management and Legislative Fiscal Bureau to determine and agree upon, by November 15, 2000, the amount that needs to be appropriated for tuition replacement for FY 2002. Board Office staff will be working with the Department of Management and Legislative Fiscal Bureau to refine the FY 2002 estimate during fall 2000.

Joan Racki

Approved: Frank J. Stork

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Frank J. Stork

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TABLE 1
A COMPARISON OF BOARD OF REGENTS, STATE OF IOWA PRIOR ACTIONS
WITH INSTITUTIONAL FY 2002 REQUESTS (Submitted September 2000)
AND BOARD OFFICE FY 2002 RECOMMENDATIONS (September 2000)
(All $ Thousands)

		Prior Board Action				**FY 2002 Institutional Requests and Board Office Recommendations**											
		FY 2001 Request (approved 7/99)		FY 2002 Component of FY 2001 - FY 2005 Priority Plan (approved 9/99)		Institutional Requests											
						SUI		ISU		UNI		Lakeside Lab ISD, IBSSS		Board Office Recommendation	
Inst.	Project	Priority	Amount	Priority	Amount	Priority	Amount	Priority	Amount	Priority	Amount	Amount		Priority	Amount
ISU	Gilman Hall - Systems Upgrade	(1)	$ 11,000					Funded in FY 2001							
SUI	Biological Sciences Renov., Phase 2	(2)	14,700			Funded in FY 2001									
UNI	McCollum Science Addition	(3)	16,900							Funded in FY 2001					
ISU	College of Business Building	(4)	10,300					(1)	$ 10,900					(1)	$ 10,900
Regents	Lakeside Laboratory Improvements	(5)	230	(5)	$ 130							$ 239		(2)	239
SUI	Art Building, Phase 1	(6)	11,000	(1)	7,400	(3)	$ 16,016							(3)	16,016
UNI	Steam Distribution Sys. Replacement	(7)	1,000	(2)	11,200					(1)	$ 12,700			(4)	12,700
ISU	Livestock Units, Swine & Cattle Research	(8)	4,700					(2)	4,900					(5)	4,900
ISU	LeBaron Hall - Systems Upgrade	(9)	1,650					(3)	1,700					(6)	1,700
ISU	General Classrooms and Auditoriums			(3)	6,000			(4)	6,000					(7)	3,000
UNI	East Gym Renovation (Innovative Teaching Center)			(4)	1,600					(2)	1,700			(8)	1,300
SUI	Classroom Building / Journalism			(6)	12,360	(4)	12,860							(9)	1,200
ISU	Residence System - Academic Program Space			(7)	4,000			(5)	4,000						
UNI	Price Laboratory School Renovation			(8)	5,000					(3)	8,500				
ISU	Coover Hall (Electrical Engineering)			(9)	13,600										
SUI	Chemistry Building - East Wing Renovation			(10)	7,200										
ISU	Agricultural and Biosystems Engineering			(11)	1,000										
ISU	Morrill Hall Deferred Maintenance & Remodeling			(12)	500										
SUI	Steam Distribution Infrastructure					(5)	1,000								
SUI	Power Plant - East Egress Steam Tunnel					(6)	1,730								
	Subtotal		**$ 71,480**		**$ 69,990**		**$ 31,606**		**$ 27,500**		**$ 22,900**	**$ 239**			**$ 51,955**
	Fire and Environmental Safety		2,000		2,000	(1)	1,000		2,000						2,000
	Deferred Maintenance		3,925		3,250	(2)	4,000		3,000	(4)	5,000	1,485			3,835
	Total		**$ 77,405**		**$ 75,240**		**$ 36,606**		**$ 32,500**		**$ 27,900**	**$ 1,724**			**$ 57,790**
						Total FY 2002 Request =			**$ 98,730**						

Appendix A
Project Descriptions

Brief descriptions of projects recommended for funding in FY 2002 are as follows:

ISU – College of Business Building

FY 2002 Priority #1; $10,900,000

The College of Business intends to be recognized as the best land-grant business college in the nation. As a professional school, the College of Business emphasizes the linking of research with practice. It plays a strategic role in implementing the mission of Iowa State University by:

Preparing students with diverse backgrounds for the changing business needs of a technologically-oriented world, specializing in unique areas of expertise such as transportation and logistics, agricultural business and management information systems;

Conducting research to advance and improve business practice; and

Exchanging knowledge with the business community.

The College of Business currently occupies space in Carver Hall, English Office Building and the Memorial Union. Most of its programs are located in Carver Hall, which provides many of the general university classrooms that are used for classes for both business majors and the service load of other programs. The highly popular Saturday MBA program also uses classrooms in Carver Hall. Some graduate programs are housed in the English Office Building. In addition, hotel rooms have been used for job interviews for the College's students.

The new facility will address the College's problems with inadequate and dysfunctional space. Gifts totaling $11.5 million in support of the new facility will allow the College to develop office, laboratory and classroom spaces to meet the unique needs of modern business programs. Specialty space will include ICN rooms to support distance education instruction and learning spaces designed to meet the needs of the MBA students who spend entire Saturdays on campus. A new placement office will provide an area where the needs of both students and companies can be met. Additional office space will be provided; currently graduate students on appointment share desks and some tenure track faculty share offices as the number of faculty has increased by 23 percent during the last five years.

Growth in the number of College of Business majors over a five-year period has been roughly 25 percent. The number of student contact hours has increased by nearly 50 percent over the same period of time.

The General Assembly appropriated $300,000 for planning the facility for FY 2001.

Regents - Lakeside Laboratory Improvements

FY 2002 Priority #2; $239,000

Mahan Hall is the largest classroom / lecture space at the Lakeside Laboratory. It is used by large classes, visiting university and high school classes and other groups, and for a variety of public programs. Renovations to the facility would create two unequal rooms: a computer laboratory, and a large state-of-the-art classroom / lecture hall, which would accommodate approximately 60 people.

Work to be accomplished would include: partitioning the building into two rooms; insulating the facility; upgrading the electrical system; installing a heating/cooling unit; constructing bathrooms; and installing a new ceiling and lighting. The entrance will be modified to make the building wheelchair accessible, and the asbestos-containing walls will be removed and replaced.

SUI – Art Building, Phase 1

FY 2002 Priority #3; $16,016,000

The project would provide for needed expansion of instructional space and partial consolidation of remotely located portions of the School of Art and Art History. The new facility would contain approximately 73,000 gross square feet. The current shortage of classroom and studio space has forced the School to scatter its faculty and students among a half dozen buildings across the campus.

The current Art Building was constructed more than 60 years ago. Two wings were added in the late 1960s, one for printmaking and another shared by specialty programs in sculpture, ceramics and metalsmithing. All art-making processes and techniques occur in the same rooms as lectures and demonstrations, creating serious space and ventilation problems.

The number of students majoring in Art and Art History has increased almost 20 percent from Fall 1993 to Fall 1998, making the number of majors the third highest among academic departments in the College of Liberal Arts. The School also provides instruction to a significant number of non-art majors. Total Art and Art History headcount enrollments totaled more than 5,600 in academic year 1997–1998.

The new facility would include additional classrooms, teaching laboratories, and offices, and would allow for expansion of the departmental library. The multi-media program would be relocated from the International Center. After the new facility is complete, the current Art Building would be remodeled as Phase 2.

The sum of $3.1 million is included in FY 2003 of the Five-Year Plan for site development, furnishings for the new building, and design costs for renovation of the existing Art Building. The University has committed to raise $2.7 million to match the state-requested funds.

UNI - Steam Distribution System Replacement, Phase 1

FY 2002 Priority #4; $12,700,000

The University lacks a reliable steam distribution system between the Power Plant and central campus, and between some campus buildings and the existing campus steam distribution system. Two direct buried piping systems (south line installed in 1971 and north line installed in 1978) are the only means of supplying steam to campus. The direct buried piping systems have outlived their useful lives; they also have a lower reliability than tunnel systems. The existing piping continues to fail and must be repaired and / or replaced each year. In calendar year 2000 to date, there have been seven system failures, including five failed condensate lines.

The replacement distribution system, which would be completed in two phases, would include 9,700 feet of tunnel (3,100 feet of main and 6,600 feet of branch) and associated steam and condensate piping. Phase 1 will provide the link between the Power Plant and central campus, and construct 1,500 feet of branch tunnels. It is envisioned that the project will result in savings in energy costs and annual maintenance.

ISU - Livestock Units for Swine and Cattle Research

FY 2002 Priority #5; $4,900,000

The livestock industry generates more than one-half of Iowa's cash farm receipts; thus research, extension and resident instruction programs to support this industry are critical to the Iowa economy. Iowa will continue to maintain its competitive edge in livestock production in a global economy only by maintaining an edge in research and development.

This request will continue the project to provide new and remodeled support unit space for swine and cattle research in growth and development, disease management, genetic improvement, biotechnology and produce desirability.

Many of the livestock units were family farms when they were acquired in the 1940's and 1950's. While modifications and incremental improvements have been made, advances in research methods and equipment have rendered the facilities obsolete and inadequate to meet the current needs of the livestock industry. The comprehensive remodeling and construction projects will modernize the research centers and provide state-of-the-art research and teaching facilities to complement the on-campus programs in animal science and related disciplines.

The sum of $3,000,000 was authorized by the 1994 legislature for these units. Projects funded with the FY 1995 funds included: Bilsland Swine Breeding Research Center, Phase 1 ($700,000), Beef Nutrition and Management Research Center, Phase 1 ($950,000), Animal Science Teaching Center Addition, Phase 1 ($950,000), Animal Science Teaching Center (Swine, Phase 1) ($400,000).

Projects to be funded from the FY 2002 recommendation include: Bilsland Swine Breeding Research Center, Phase 2 ($700,000); Animal Science Teaching Center, Phase 2 ($3,600,000); Beef Nutrition Research Center Feedlot ($250,000); and Rhodes Research Center, Remodeling and Construction ($350,000).

ISU – LeBaron Hall – Systems Upgrade

FY 2002 Priority #6; $1,700,000

LeBaron Hall, constructed in 1958, houses the Departments of Human Development and Family Studies, and Textiles and Clothing. There are also a number of general university classrooms and a large auditorium in the building. There have been no major improvements to the building and it has reached the point where occupant activities are restricted by the facility's obsolescence.

The project will replace the complete heating, ventilating and air conditioning system, which is original to the building. It does not meet current fire codes or the needs of the occupants. The existing system is perimeter heating with ventilation supplied to the rooms and vented to the corridor for return. Use of the corridor for return air is a code violation. The proposed system would use fancoil units at the perimeter to supply both heating and air conditioning. Exhaust hoods and appropriate makeup air will be incorporated into the project to support a small number of teaching and research laboratories.

ISU - General Classrooms and Auditoriums

FY 2002 Priority #7; $3,000,000

The University currently operates and maintains 233 classrooms, including 13 auditoriums. Introduction of new technology requires computers and servers, projection and display equipment, and connection to telecommunications networks. The classrooms must also be remodeled to create an environment that supports the technology including air conditioning, improved lighting and lighting control, and classroom furniture.

The University has developed a multi-year plan to provide the necessary upgrades. To date, approximately 70 classrooms have been upgraded. The recommended project would continue implementation of the plan.

UNI – Innovative Teaching Center (East Gym Renovation) - Planning

FY 2002 Priority #8; $1,300,000

East Gym was constructed in 1904, with an addition completed in 1938. Much of the building is essentially the same as when it was constructed. The building became available for renovation and ultimately for classroom use with occupancy of the Wellness / Recreation Center. It has been used as temporary classroom space during the renovation of Lang Hall.

The building will be renovated as a teaching and technology center, housing state-of-the-art classrooms and educational technology support personnel. An academic department will be moved to the facility to relieve space pressures in Sabin Hall. The exterior and interior of the building, including mechanical and electrical systems, will be extensively renovated.

Planning funds are recommended for FY 2002 and construction funds are included in FY 2003 of the FY 2002 – FY 2006 Five-Year Capital Priority Plan. (See G.D. 10.)

SUI – Classroom Building / Journalism – Planning

FY 2002 Priority #9; $1,200,000

This project will construct a new building to serve as a classroom instructional facility and to house the School of Journalism. The University has a shortage of general and technologically sophisticated classrooms. The new building will include approximately 20 state-of-the-art classrooms, which will dramatically improve the University's ability to meet its current instructional needs.

The School of Journalism has been temporarily housed in Seashore Hall during the Engineering Modernization project. (Engineering faculty and staff are temporarily located in the Communications Center.) Planning efforts to renovate the Communications Center for re-occupancy by the School of Journalism have revealed that the needs of the School exceed the space available in that facility. Construction of a new building will provide a cost-effective, long-term solution for facilities problems faced by the School. A fundraising campaign is underway to support this capital project as well as the academic programs of the School. Approximately $3 million in gift funds have been earmarked for the purchase of equipment for the building, with approximately one-half of the funds to be used for the purchase of furnishings with the remainder to be used to equip the building with specialized technology capable of supporting a modern journalism curriculum.

Planning funds are recommended for FY 2002 and construction funds are included in FY 2003 of the Five-Year FY 2002 – FY 2006 Capital Plan. (See G.D. 10.)

Fire and Environmental Safety (SUI, ISU)

FY 2002 Amount: $2,000,000

A number of fire and environmental safety deficiencies exist in Regent facilities. The State Fire Marshal and the institutions have documented these deficiencies. Each Regent institution cooperates with the State Fire Marshal in establishing fire safety priorities and each institution has a systematic method for determining the priority of fire safety improvements to be undertaken.

While significant institutional funds have been committed for fire and environmental safety over the last few years, state capital funding is also needed. The sum of $1,000,000 is recommended for both the University of Iowa and Iowa State University.

Deferred Maintenance (All)

FY 2002 Amount: $3,835,000

The recommended amounts by institution for deferred maintenance resolution are as follows:

Institution	FY 2002 Recommendation
University of Iowa	$1,000,000
Iowa State University	1,000,000
University of Northern Iowa	1,000,000
Iowa School for the Deaf	435,000
Iowa Braille and Sight Saving School	400,000
Total	**$3,835,000**

Deferred maintenance projects are repair items which should have been completed but have not been due to insufficient levels of funding for normal and preventive maintenance. Continued insufficient funding in institutional operating budgets will increase the backlog of deferred maintenance projects.

The FY 2002 recommendations include the following projects at the Iowa School for the Deaf and the Iowa Braille and Sight Saving School:

	Amount
Iowa School for the Deaf	
Utility System Replacement	$250,000
Tuckpointing	185,000
Subotal	$435,000
Iowa Braille and Sight Saving School	
HVAC Upgrade	$400,000
Subtotal	$400,000
Total	$835,000

ISD – Utility System Replacement

This third phase of a multi-year project to upgrade the utility system would provide for the replacement of the steam distribution mains and returns for Giangreco Hall. New modulation controls and convection units would be installed at the same time. The domestic hot and cold water piping would be replaced and new bathroom fixtures installed in the boys' residence area of the facility.

ISD – Tuckpointing

This project would be the first phase in a comprehensive campus program of tuckpointing and waterproofing. FY 2002 funds would address the east and west wings and the auditorium area of Giangreco Hall.

IBSSS - HVAC Upgrade

The School's new strategic plan includes significant increases in summer enrollment. The HVAC Upgrade project will help provide a comfortable learning environment for the students during the hot and humid times of the regular school year as well as during the extended summer sessions. A FY 2000 capital appropriation of $360,000 provided initial funds for this project. The FY 2002 requested funding would provide for the second phase.