

The State Board of Regents met on Wednesday, December 14 and Thursday, December 15, 1988, at the Marriott Hotel in Des Moines. The following were in attendance:

	<u>December 14</u>	<u>December 15</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Duchon	All sessions	All sessions
Mr. Fitzgibbon	All sessions	All sessions
Mr. Greig	All sessions	All session
Dr. Harris	All sessions	All sessions
Mr. Tyler	All sessions	All sessions
Miss VanEkeren	All sessions	All sessions
Mr. VanGilst	All sessions	All sessions
Mrs. Williams	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Secretary Richey	All sessions	All sessions
Director Barak	All sessions	All sessions
Director Eisenhauer	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Jensen	All sessions	All sessions
Associate Director Kading	All sessions	All sessions
Assistant Director Peters	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Rawlings	All sessions	Excused at 9:20 a.m.
Vice President Phillips	All sessions	Excused at 9:20 a.m.
Vice President Vernon	All sessions	Excused at 9:20 a.m.
Treasurer True	All sessions	Excused at 9:20 a.m.
Associate Vice President Small	All sessions	Excused at 9:20 a.m.
Assistant to President Mears	All sessions	Excused at 9:20 a.m.
Director Cooper	All sessions	Excused at 9:20 a.m.
Director Gibson	All sessions	Excused at 9:20 a.m.
<u>Iowa State University</u>		
President Eaton	All sessions	All sessions
Exec. Vice President McCandless	All sessions	All sessions
Provost Glick	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Vice President Moore	All sessions	All sessions
Treasurer Thompson	All sessions	All sessions
Assistant to President Bradley	All sessions	All sessions
Director Lendt	All sessions	All sessions
Ass't. to Vice President Pickett	All sessions	All sessions
<u>University of Northern Iowa</u>		
President Curris	All sessions	Excused at 9:00 a.m.
Vice President Martin	All sessions	Excused at 9:00 a.m.
Vice President Conner	All sessions	Excused at 9:00 a.m.
Vice President Follon	All sessions	Excused at 9:00 a.m.
Exec. Ass't. to Pres. Stinchfield	All sessions	Excused at 9:00 a.m.
Director Chilcott	All sessions	Excused at 9:00 a.m.
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 8:45 a.m.
Business Manager Ahrens	All sessions	Excused at 8:45 a.m.
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 8:46 a.m.
Director Hauser	All sessions	Excused at 8:46 a.m.

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, December 14, 1988.

APPROVAL OF MINUTES OF BOARD MEETING, NOVEMBER 16-17, 1988.

President Pomerantz asked for corrections, if any, to the Minutes.

ACTION: President Pomerantz stated the Minutes of the November 16-17, 1988, meeting were approved by general consent.

REPORT ON ORGANIZATIONAL AUDITS. (a) General Progress Report. The Board Office recommended the Board receive the report of progress on the Organizational Audit.

Of the eleven Regent-wide organizational audit items, the Board has already received a report on the "Concept Statement for Strategic Planning" (A.1.1) and the "Review of Board of Regents Budget Process" (A.3.2). The item related to "Presidential Evaluation" (A.4.1) was presented this month.

Reports on the "Evaluation of Methodology for Program Review" (A.2.1) and the "Evaluation of the Board and Board Office" (A.1.2) and possibly some of the other reports are due to be presented to the Board in January. Most of the remainder, both Regent-wide and institutional audits, will be reported in February.

Mr. Richey stated that Dr. Alceste Pappas and James Carney of Peat Marwick Main would deliver progress report on activities undertaken under their contract.

Dr. Pappas stated there will be 34 reports in all. Under the category of "academic programs" she said the program duplication report is well underway. Next week the presidents and Regents will receive the first phase report of those programs that appear to be duplicative as well as an explanation of the methodology for phase two. In mid-January phase two will be completed and the third phase will begin. Subcontractors will be brought to the campuses to review the programs needing further review. They anticipate phase three will be completed by February 28. Dr. Pappas said they will present another

progress report at the January 11, 1989, Board meeting. The second audit which is related to academic programs concerns funding guidelines. That report will be issued in mid-January and discussed at the February Board meeting.

Dr. Pappas said the fourth audit related to academics concerns research productivity at Iowa State University. They have completely revised that work program. The report will be issued in mid-January. The other report that is part of the academic program review is the length of time to complete an undergraduate degree. The consultants are collecting data and the report will be completed in late-January.

The human resources studies were the next set of audits addressed by Dr. Pappas. She noted that the Board members had received copies of the presidential evaluation report. Another substantial piece of work included in that category is the issue of faculty workload. That report will be issued in mid- to late-January. They have totally revised that particular work plan. The consultants are 4 to 6 weeks late in the time schedule for that report due to difficulty experienced in gathering peer data. The third audit concerning human resources is a review of staff performance evaluation, particularly as it relates to the University of Iowa. They have received a tremendous response from employees of the universities. Around the first of the year they will be reporting to the campus.

The third area of the study is planning and organization which includes the strategic planning concept paper. The consultants are well underway at the University of Northern Iowa and Iowa State University in working with the already-configured planning committees. They will address strategic planning for each campus and then an overall report. They will be on the campus of the University of Iowa for that study very soon. This is another study that has been delayed. They anticipate completion in late-February. The study that will take a look at the indirect cost recovery rate on campus is scheduled to be completed by January 26.

Dr. Pappas said the consultants have submitted to President Rawlings the draft of their findings, conclusions and recommendations as relates to the University of Iowa administrative structure. The consultants will be receiving from the university by January 10 their analysis of the consultants' report and will provide a detailed presentation at the February Board meeting.

Dr. Pappas referred to the Iowa State University organization study and said they have presented their oral findings and conclusions. University of Northern Iowa was the last institution whose organization structure is being reviewed. That will be completed by February 3. The Board members will be receiving within the next 2 weeks the final report for the Board of Regents study of both the staff and the Board. That report will be discussed in January.

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Another functional area is financial management. They have completed the budget process audit. Another audit related to budgeting is budget planning activities. That report will be issued on January 13. The whole area of internal policies and procedures is also being reviewed. University of Iowa officials are reviewing the second draft of that report. It will then be revised in the next few weeks and will be discussed at the January Board meeting. A draft report of Iowa State University's internal policies and procedures will be issued on December 30. University of Northern Iowa's draft report will be provided to university officials the week of January 13.

On December 13 Stan Schoenfield discussed the reviews of the special schools with Superintendents Thurman and Johnson and Director Barak. Those reports will be discussed at the February Board meeting.

Dr. Pappas said the consultants are trying very diligently to give Board members two weeks to review the audit reports.

President Pomerantz said the Board urged the consultants to complete the duplication of academic programs study sooner than the end of February. He said any improvement would be appreciated. He noted that review of the physical plants will be underway shortly. Dr. Pappas said that study is getting underway the first of January and will be completed the first of March.

Regent Duchen asked what areas of the physical plant would be studied. President Pomerantz responded that it would be a study of the condition, deferred maintenance needs and overall operations.

Regent Fitzgibbon said he felt it was important to maintain the integrity and credibility of the consultants' reports.

Dr. Pappas said that University of Iowa officials who have received reports on some of their audit areas have strong feelings, both pro and con, about the reports.

President Pomerantz said it was his understanding that at the end of this whole process there will be a summary and a list of recommendations. However, he asked that as they find certain problems, such as bank accounts that are not earning interest, immediate action should be taken and they should not wait until a report is finalized.

ACTION:

President Pomerantz stated the Board received the report of progress on the Organizational Audit by general consent.

President Pomerantz recognized Mary Neuhauser, state representative from Johnson County.

(b) Report on Budget Processes - Proposal for Implementation. The Board Office recommended the Board approve the proposed implementation plan for the Peat Marwick Main and Co. Organizational Audit on budget procedures.

The Peat Marwick Main Budget Report analyzed and made recommendations regarding the processes by which the Board's request budgets, operating budgets and capital budgets are developed and monitored.

An interinstitutional committee, in cooperation with the Board Office, has reviewed in depth the Budget Report of the Organizational Audit and has developed a plan for implementing several recommendations contained in the report along with other budget system improvements identified by the committee.

Fourteen findings and thirty specific recommendations are included in the consultant's report. The implementation proposal addresses all of the findings and adopts all but eight of the recommendations. The eight remaining recommendations require further study.

Director Eisenhower stated the Capital Financing and Financial Oversight Priority Issue Study Groups met on December 14 to review the committee's proposed budget system improvements and recommended to the Board that the Board Office, in cooperation with the institutions, document a revised budget process, initiate a review of capital procedures, and finalize related forms. She said they were pleased to present the first implementation plan for the organizational audit.

MOTION: Regent Williams moved to approve the proposed implementation plan for the Peat Marwick Main and Co. Organizational Audit on budget procedures. Regent Duchon seconded the motion.

Regent Tyler asked that the following recommendation be revised to strike the word "review":

Recommendation: Review the account structures currently used by each institution, and assess the costs and constraints associated with standardizing them to help ensure the consistent aggregation of individual expenditures.

VOTE ON THE MOTION: The motion carried unanimously.

(c) Report on Presidential Evaluation - Proposal for Implementation. The Board Office recommended that the Board receive the report of Peat Marwick regarding evaluation of institutional heads, hear the report of the Priority Issue Study Group on Institutional Head Evaluation chaired by Regent Duchen, and consider the recommendations of the Study Group.

Peat Marwick recommended that the Board:

1. Conduct Operations and Management Cycle evaluations of the institutional heads, annually;
2. Conduct Planning Cycle evaluations of the institutional heads on a less frequent basis, to coincide with planning cycles;
3. Have institutional heads prepare a self-assessment as a part of the annual evaluation;
4. Conduct the evaluation discussion with the institutional head in closed session;
5. Determine if it wants others to participate in the evaluation discussions;
6. Determine if it wants campus constituent evaluations to be a part of its evaluation discussion;
7. Develop criteria with open-ended questions to frame the evaluation discussion;
8. Have the Priority Issue Committee make recommendations to the Board on the alternatives available within the recommendations; and
9. Conduct ad hoc dialogues with institutional heads to prevent problems.

President Pomerantz and Regent Duchen, in cooperation with the Board Office, developed recommendations to the Study Group in the areas identified by Peat Marwick.

Regent Duchen stated that the study group on presidential evaluations reviewed the audit report of Peat Marwick Main. The committee recommended that the Board adopt the three types of evaluations identified by Peat Marwick Main. These evaluations include an operations and management cycle to be conducted annually, a planning cycle evaluation to be conducted every 3 to 4 years where progress on planning would also be discussed. Regent Duchen noted that this planning cycle review can be piggy-backed with the annual sessions. Ad hoc discussions will also take place at any time desired by the Board to discuss problems or misunderstandings. He noted that they wanted the schedule to be flexible. The study group recommended that evaluations be conducted by the

Board as a whole with the Board president serving as a chairperson. They want the executive secretary to be present during these evaluations and believe that the executive secretary should be excused 15 to 20 minutes before the meeting is over. The study group recommended that the institutional heads prepare a self-assessment for delivery to Board members at least one month prior to the scheduled evaluation. The study group recommended that as a basis for future evaluation discussion the Board president provide the institutional head with a summary of the evaluation. This summary will include identification of matters the Board will consider in its next evaluation. The study group is particularly concerned that the evaluation sessions not be conducted at the end of a regular Board meeting day. Regent Duchen thanked Peat Marwick Main personnel for their assistance in developing a better evaluation program.

MOTION: Regent Duchen moved to receive the report of Peat Marwick regarding evaluation of institutional heads, accept the report of the Priority Issue Study Group on Institutional Head Evaluation and adopt the recommendations of the Study Group. Regent Williams seconded the motion, and it carried unanimously.

Regent Harris asked if the evaluations will be tape recorded. President Pomerantz said they will be since they are closed sessions.

Regent Harris asked if the cassette tape would then be transcribed. Mr. Richey responded that legally the Board has to prepare minutes of closed sessions; however, the minutes will be sealed with the tape and only released under court order.

PROGRESS REPORT ON PRIORITY ISSUES. The Board Office recommended the Board receive the progress report on priority issues.

This month's docket contained reports on two priority issues, the report on Energy Conservation and the Report on Budget Process-Proposal for Implementation.

Priority issue study committees on "Financial Performance and Capital Procedures" met in conjunction with the Banking Committee prior to this meeting.

It was proposed that the following issues be given a priority preference:

- Executive Management and Financial Performance
- Presidential Evaluation

Financial Performance Reviews
Minority Recruitment and Retention
Student Financial Aid

The priority issues listed above will be among those that will be addressed as soon as possible. Other priority issues may be added to this list as needed.

Mr. Richey stated that they will give priority to several of those issues that relate to areas of study by Peat Marwick Main. They will dovetail the studies as closely as possible with those of Peat Marwick Main.

ACTION: President Pomerantz stated the Board received the progress report on priority issues by general consent.

REPORT OF INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a)
Center for Laser Science and Engineering - University of Iowa: The Board Office recommended the Board approve of a Center for Laser Science and Engineering at the University of Iowa and strongly encourage interinstitutional laser-related activities with the appropriate personnel at Iowa State University.

The University of Iowa proposed a Center for Laser Science and Engineering. The proposed Center was reviewed by the Interinstitutional Committee and the Board Office and was recommended for approval. The Center will be supported by state and private sources.

MOTION: Regent Harris moved to approve of a Center for Laser Science and Engineering at the University of Iowa and strongly encourage interinstitutional laser-related activities with the appropriate personnel at Iowa State University. Regent VanEkeren seconded the motion, and it carried unanimously.

(b) Library Cooperation. The Board Office recommended the Board approve the recommendations of the Interinstitutional Committee for the establishment of a committee to make recommendations concerning additional areas of library cooperation.

The Interinstitutional Committee recommended that a committee be established to review areas of possible cooperation and report back to the Board of Regents through the Interinstitutional Committee.

This item follows up on Board discussion in September and November regarding the hiring of a library consultant to assist the institutional librarians in identifying cooperative areas as recommended by the Board Office (September) and the Interinstitutional Committee (November).

Vice President Vernon stated that after meeting three times on this matter the committee decided it would be most effective if they could get a full report on state of the art plans in place nationally and which of those the universities might wish to participate in. They hope to get a full picture of what is available. They anticipate it will take several months to get this task accomplished.

MOTION:

Regent Duchen moved to approve the recommendations of the Interinstitutional Committee for the establishment of a committee to make recommendations concerning additional areas of library cooperation. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(c) Report on Case Management Services. The Board Office recommended the Board receive the report and approve submission of the report to the Legislative Council.

House File 2447, the Department of Human Services appropriation bill, as passed by the Legislature and approved by the Governor, includes a provision requiring the Board of Regents to submit to the Legislative Council a report regarding the professional training required to ensure a sufficient number of qualified staff to deliver case management services for mental health, mental retardation and developmental disabilities.

Dr. Alfred Healy, M.D., Professor and Director, Division of Developmental Disabilities at the University of Iowa, has prepared a report which has been reviewed by the other Regent institutions. The report outlines standards for case management services as noted in House File 2447 and Department of Human Services administrative rules and discusses training needs of case management professionals. The report concludes that there is an immediate need for the employment of appropriately-trained persons as case managers in Iowa because of a shortage of available personnel resulting from a lack of availability of appropriate training programs in Iowa.

The report recommends creating a Curriculum Task Force, composed of representatives from the Board of Regent institutions, the Department of Education, and the Department of Human Services, to determine how those agencies can jointly develop curricular offerings to meet the needs of individuals desiring to become case managers. A report would be due June 1, 1989.

ACTION:

President Pomerantz stated the Board received the report and approved submission of the report to the Legislative Council as a consent item.

TEN-YEAR ENROLLMENT PROJECTIONS. The Board Office recommended the Board (1) receive the report on ten-year enrollment projections, (2) adopt the enrollment projections as contained in the report, and (3) request that each of the universities begin immediately to develop enrollment management and marketing strategies for inclusion in the long-range plans to be presented to the Board in 1989.

Ten-year enrollment projections were presented to the Board of Regents for approval that show decreases in enrollment until 1995 when slight increases are projected until 1998.

Overall Regent enrollment is projected to decline by 3 percent from enrollment in Fall 1988. This decline is more modest than that predicted a year ago in which a decline of 7.9 percent was projected by 1997.

Director Barak stated that there are some differences of opinion on enrollment projections depending on which population trends a person adopts. U.S. Census data is more pessimistic. Regent enrollments are expected to decline by 3 percent. That figure is based on the assumption that the number of students going from high school to college will continue. Changes in the economy could change that.

Regent Duchen stated that Regent Fitzgibbon pointed out that a marketing effort would help the Regent universities. He questioned whether they are really stretching themselves to work toward quality to attract even finer students. He said they will get those students with an improvement in the quality of their educational programs.

Director Barak stated that the Board Office recommended that each university begin immediately to develop enrollment management and marketing strategies for inclusion in the long-range planning reports.

Regent Fitzgibbon said he was glad that the universities are to address those issues in their long-range plans; however, he said now is a good time to market the universities. He said that just this weekend he talked with parents of juniors who want to start looking for a college for their child. He emphasized that this is the time to market our product. He said they must sell their product now and not wait to put it in a plan a year from now. He encouraged the universities to go "full blast" in that effort.

President Pomerantz said it is not acceptable that the Regent universities do not receive a bigger percentage of the Iowa students that go to college. He said that whether they call it marketing or selling, a significant effort is needed. He suggested that starting today they adopt a more enhanced and comprehensive effort to get a larger percentage of the total numbers available. He said they need not suffer a decline in enrollment unless they want to. They should increase their marketing efforts in order to maintain

the vitality and to grow in appropriate amounts without outstripping their financial structures. He said they should grow in an amount that gives them enough revenue to accomplish the goals of the strategic planning process. He encouraged university officials to do some targeted marketing.

Regent Williams referred to Regent Duchen's comment that they should recruit scholars as vigorously as they recruit athletes. She said the state of Nevada offers full scholarships to every valedictorian in the state. She suggested that Iowans needed to make a similar commitment to academics, and that it was something the Board members should become involved. She said it might be difficult but Iowa has some remarkable scholars who are getting scholarships from out of state. She said this is an area during the next year that they should be working on to try to keep the best of the best here in this state.

Regent VanEkeren said she believed that the state of Missouri has the same type of scholarship program as the state of Nevada. She encouraged the university administrations to encourage the foundations to support such a program.

Regent Fitzgibbon said there is a very competitive market out there for students. He suggested that the universities need to have a marketing person who is professionally trained. He said they should go for a real pro that knows how to sell the product. He would like to see the universities develop strong marketing programs.

Regent VanGilst cautioned that they should remember that as the economy improves enrollments traditionally go down.

MOTION:

Regent Harris moved to (1) receive the report on ten-year enrollment projections, (2) adopt the enrollment projections as contained in the report, and (3) request that each of the universities begin immediately to develop enrollment management and marketing strategies for inclusion in the long-range plans to be presented to the Board in 1989. Regent Williams seconded the motion, and it carried unanimously.

LEGISLATIVE PROGRAM, 1989 SESSION. The Board Office recommended the Board (1) receive the report on proposed legislative issues and approve the legislative program for the 1989 session and (2) approve a supplemental appropriation request of \$850,410 for state audit costs to cover deficiencies in fiscal year 1988 and fiscal year 1989.

The next session of the General Assembly, which begins January 9, 1989, is the first session of the 73rd General Assembly. Bills introduced during the past two sessions are no longer eligible for debate.

Listed below are recommended legislative issues accompanied by a brief description.

Board meeting to determine tuition policy

Language approved by the last General Assembly was intended to require that the Board discuss and set tuition while meeting on one of the university campuses. The current statute was incorrectly structured and requires the November meeting to be held on one of the three campuses without regard to the tuition discussion.

Authority to manage risk management issues

Enable the Board to manage property and casualty loss exposures and to collaborate with the Department of General Services on risk management issues.

Discretion to use alternative retirement systems

The Board of Regents should be given the discretion to grant Regent employees eligibility to elect coverage in a retirement system other than the Iowa Public Employees Retirement System (IPERS). Presently most Regent employees are eligible to elect alternative coverage. The exception is Board Office employees who are eligible only for the Iowa Public Employees Retirement System.

Coal preference only on coal "mined" in Iowa

Currently, Iowa statutes provide that coal mined or produced in Iowa may be granted up to a 5 percent preference over coal mined or produced outside of Iowa when considering bids. By striking the words "or produced" any possibility of out-of-state coal receiving the preference in bids would be eliminated.

Fiscal year 1990 Education and Agricultural Research and Development Account (EARDA) proposals

At the October meeting the Board of Regents expressed its support for a \$10 million appropriation of lottery funds for economic development research proposals in fiscal year 1990. It was noted at that time that a more detailed recommendation would be included as a part of the legislative program to be approved by the Board in December.

When the lottery was first established it was approved for only five years. At that time several appropriations were made covering the entire five-year period, including \$10 million annually for educational research and development. Each year the legislature has modified those appropriations and for fiscal year 1988, fiscal year 1989 and fiscal year 1990 only \$7 million was appropriated for EARDA projects. Additionally, earmarking has left little money for competitive research grants.

The Legislature will likely reauthorize the lottery this session and the Board Office recommended that the original \$10 million level be reinstated. The Board Office recommended the \$10 million EARDA appropriation be distributed as follows:

*ISU Agricultural Biotechnology Research	\$4,250,000
*University-based Research Consortiums	360,000
*Patent Library	40,000
UNI Institute for Decision Making	250,000
SUI Research Park	221,000
ISU Research Park	250,000
Competitive Education Research Grants	<u>4,629,000</u>
	\$10,000,000

*Previously appropriated by the Legislature for fiscal year 1990

The first four programs listed above are continuations of current programs funded through the lottery. The University of Iowa Research Park is requested in the University of Iowa docket. Iowa State University requested operating funds for the existing research park on the ISU docket. The Board Office recognizes the need for ongoing funding for the research parks and will address that need in the next operating budget cycle when the future of lottery funding is more clear.

No appropriations have been made for fiscal year 1991 because the lottery is scheduled to terminate June 30, 1990, unless reauthorized by the Legislature and Governor. It is anticipated that action will be taken during the 1989 session to extend the life of the lottery.

It is extremely important that adequate funds be appropriated for competitive research grants. There are a substantial number of excellent projects which would be eligible for these funds if available. This was evidenced by the almost \$2 million of proposals submitted by the universities last month for only \$700,000 of available funds. It is important for the continued support of economic development-related research to have a pool of funds available on a competitive basis. The Board of Regents will continue to determine the priorities of projects to be submitted to the Department of Economic Development. Private colleges and universities and area colleges are also eligible. With the large

amount of earmarked funds the past few years, little money has been left for the competitive grants. For this reason, it is important to increase the EARDA appropriation back to \$10 million.

No earmarking other than the items listed above should be allowed from the \$10 million EARDA program. Earmarked projects reduce the funds available for the competitive grants program and, therefore, restricts the ability of the Board and the Department of Economic Development to set policy. The projects listed above, however, have important overall economic development aspects which lend themselves to specific funding.

Repeal University of Northern Iowa boiler expenditure limitation

The language in last session's appropriation bill, Senate File 2312, required that funds appropriated for the University of Northern Iowa boiler not be committed by the Board of Regents or paid, either in full or in part, until the Governor has certified that the estimated budget resources during the fiscal year are sufficient to pay all other appropriations. The Board authorized the university to begin demolition of the old boiler prior to receiving the certification from the Department of Management and assured the university that the funds will be reimbursed. The funds were advanced from the special student fee building fund. The university should not be penalized for its good faith effort. The full \$11.1 million should be restored for obligations incurred.

Repeal Iowa Braille and Sight Saving School Hall of Fame requirement

The 1988 Board of Regents appropriation bill, Senate File 2312, provided for the establishment of a Hall of Fame for distinguished graduates at the Iowa Braille and Sight Saving School and at the Iowa School for the Deaf. This effort was initially aimed at the Iowa School for the Deaf and is appropriate for that school. The Iowa Braille and Sight Saving School was added later and it is not common for braille and sight saving schools to have halls of fame.

Mr. Richey said that this is the plan under which the Board's legislative liaisons will work during the coming year. He noted that the two research parks line items under EARDA disbursements are not intended to be line itemed for the General Assembly. He referred to the University of Northern Iowa boiler legislation and said the university had already spent about \$1.1 million for planning and clearing a site. The appropriation for the boiler precluded disbursement of funds for monies already spent. He noted that the Board asked President Curris to move on that and spend those funds so the classroom building could be sited. He asked Associate Director Kading to report on a capital financing legislative proposal.

Associate Director Kading stated that a bill proposed by Representative Doderer involves capital financing. A capital project committee consisting of

legislators and private individuals would develop criteria for evaluating projects in excess of \$100,000. Such projects would be required to be approved by that committee.

Mr. Richey stated that such legislation would hamstring the Board of Regents in a most negative way. There would be too much red tape involved in proceeding with capital projects. The projects included in this legislation include appropriated as well as non-appropriated funds, and most particularly hospital buildings. That legislation has serious governance ramifications as regards the Board of Regents.

President Pomerantz stated that he felt the Board of Regents would be very opposed to such legislation.

MOTION:

Regent VanGilst moved to (1) receive the report on proposed legislative issues and approve the legislative program for the 1989 session and (2) approve a supplemental appropriation request of \$850,410 for state audit costs to cover deficiencies in fiscal year 1988 and fiscal year 1989. Regent Williams seconded the motion.

Regent VanGilst asked if by accepting the motion the Board was approving the request of University of Iowa officials regarding a research park. President Pomerantz suggested that the motion would be to approve the proposed legislative issues subject to the Board's subsequent acceptance of the University of Iowa research park presentation. The maker and seconder of the motion agreed with this clarification.

VOTE ON THE MOTION:

The motion carried unanimously.

REPORT ON UNIVERSITY-BASED RESEARCH CONSORTIA. The Board Office recommended the Board (1) receive the report on university-based research consortia; (2) approve proposed institutional consortia at the University of Iowa and Iowa State University; and (3) defer action on the University of Northern Iowa's proposal pending further discussion between the Board Office and the University of Northern Iowa on the nature of its proposal.

Last month the Board of Regents approved an interinstitutional consortia for the exchange of technology transfer information and deferred action on individual institutional consortia. This proposal was for individual institutional consortia. It was originally recommended that the University of Iowa and Iowa State University consortia be approved and that the University of Northern Iowa's consortia be deferred pending further consultation with the Board Office and the universities.

Director Barak said that discussions regarding the intent of the University of Northern Iowa consortium are now complete and after discussing the University of Northern Iowa intent with Iowa State University and University of Iowa, the Board Office now recommended approval of all three consortia.

Mr. Richey stated that the understanding with respect to the University of Northern Iowa consortium is that its function would not be to market the research of the other institutions and that it would coordinate with the other institutions with respect to its own.

MOTION: Regent VanEkeren moved to receive the report on university-based research consortia and to approve proposed institutional consortia at the University of Iowa and Iowa State University and the University of Northern Iowa. Regent Williams seconded the motion.

Director Barak stated that in conjunction with this whole effort the Board would need to execute a 28E Agreement with the Department of Economic Development. The Board Office staff is in consultation with Department of Economic Development officials and hope to bring an agreement to the Board next month. He added that he learned that day of a proposal to consolidate the consortiums into one and there was a need to do some additional study of the issue.

VOTE ON THE MOTION: The motion carried unanimously.

REPORT ON IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Board Office recommended the Board receive the report of the December meeting of the Iowa Coordinating Council for Post-High School Education.

An extensive discussion of the work of the Legislative Higher Education Task Force and a discussion of the legislative objectives of the sectors comprised the bulk of the December meeting.

ACTION: President Pomerantz stated the Board received the report of the December meeting of the Iowa Coordinating Council for Post-High School Education by general consent.

ANNUAL GOVERNANCE REPORTS. (a) Report on Fire and Environmental Safety. The Board Office recommended the Board receive the annual report on fire and environmental safety.

Fire and environmental safety has been established by the Board and the General Assembly as an issue warranting continuous review. This was last reported to the Board in March 1988. Accordingly, this report will update the Board on the status of this critical subject.

For the last three years the Board of Regents has as its top capital priority fire safety projects at the Regent institutions. For fiscal years 1990 and 1991 the Board's top priorities are \$1.8 million and \$2.5 million, respectively, for capital improvements related to fire and environmental safety. Changing fire safety standards and aging buildings will require continuing capital commitments for fire safety. The Board's Ten-Year Building Program includes \$13.6 million for fire and environmental safety projects, reflecting this commitment.

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. Maintenance and operating deficiencies are typically done immediately or as soon after they are detected as possible. Projects involving expenditure of capital funds are priorities based upon risk formulas to determine the highest priority projects. Resident system facilities occupied by students as well as classroom facilities are given the highest priority.

Each institution has had a history during the 1980s of committing considerable appropriations, proceeds from the sale of Academic Building Revenue Bonds, and internal building repair and other funds toward accomplishing fire safety-related capital programs.

Remaining fire safety improvements include additional exits, fire alarm systems, improved fire separation, installation of fire retardant materials and other similar measures.

ACTION: President Pomerantz stated the Board received the annual report on fire and environmental safety by general consent.

(b) Report on Energy Conservation. The Board Office recommended the Board receive the report and authorize the Executive Secretary to approve engineering consultant agreements in order to comply with statutory requirements for energy audits of Regent facilities to be completed by June 30, 1989.

Energy conservation has been established by the Board and by the General Assembly as an issue warranting continuous review. Accordingly, this is the first annual report of the status of energy conservation efforts at Regent institutions.

House File 2387, as passed by the 1988 Session of the General Assembly, required comprehensive engineering analyses of all Regent facilities to be completed by June 30, 1989. Institutions are moving forward to meet this deadline and a request for a supplemental appropriation of \$1,095,000 for this purpose has been approved by the Board.

While institutional reports indicate significant progress has been made to identify opportunities for conserving energy, further coordination is needed to achieve the lowest possible levels of energy consumption and the highest possible levels of energy efficiencies.

Energy consumption at all Regent institutions has been reduced by varying degrees. The University of Iowa has reduced consumption 37 percent since 1976. Iowa State University has reduced consumption 25 percent since 1979 and the University of Northern Iowa consumption declined 15 percent during the same period of time.

Director Eisenhower stated this is the first annual report of each institution on this subject. She said the legislature requires that energy audits be conducted at each of the institutions. She said that while the institutional reports indicate that each of them made significant progress this issue is dependent largely on the resources applied to it; therefore, within the resources available they have made significant progress. She also stated that energy audits of each Regent building must be done by June 30, 1989.

Regent Fitzgibbon stated that with all the properties the state owns he felt it ought to have some agency statewide that can handle energy audits. Mr. Richey said it costs less to bring someone in to do the job.

MOTION: Regent Duchen moved to receive the report and authorize the Executive Secretary to approve engineering consultant agreements in order to comply with statutory requirements for energy audits of Regent facilities to be completed by June 30, 1989. Regent Harris seconded the motion, and it carried unanimously.

(c) Report on Deferred Maintenance. The Board Office recommended the Board receive the annual report on deferred maintenance.

Deferred maintenance has been established by the Board as an issue warranting continuous review. This was the first annual report on deferred maintenance.

The Regent institutions report a deferred maintenance backlog of \$59 million, as follows:

University of Iowa	\$26,000,000
Iowa State University	15,000,000
University of Northern Iowa	16,000,000
Iowa School for the Deaf	1,525,000
Iowa Braille and Sight Saving School	<u>200,000</u>
TOTAL	\$58,725,000

The Board of Regents Ten-Year Building Program recognizes this critical need by including \$59 million for deferred maintenance, of which \$5 million is requested in the current capital program, \$2.5 million each year.

Associate Director Jensen stated that by definition deferred maintenance is routine maintenance. Deferred maintenance may take the form of leaky roofs and windows, and obsolete electrical systems.

President Pomerantz stated that with a maintenance program of this magnitude they should address a significant segment each year.

Mr. Richey said it involves more than 20 million square feet. President Pomerantz said that equals about \$3/square foot.

Mr. Richey said it involves all kinds of space including athletic facilities and dormitories.

Regent Greig said University of Iowa officials conducted a very unique program for acquainting others with their deferred maintenance needs. He said Vice President Phillips provided the Regents with a video tape of some of their needs. He said permanent videos are an ideal way of having such information on file.

President Pomerantz said he hoped that the Governor's recommendation would include funding to address some of their deferred maintenance needs.

Regent VanGilst suggested that University of Iowa officials provide the same video tape to the Governor and the legislative committee. Vice President Phillips said they sent a copy to the Governor's Office and the legislative fiscal bureau.

ACTION: President Pomerantz stated the Board received the annual report on deferred maintenance by general consent.

(d) Salary Report. The Board Office recommended the Board receive the Board of Regents Annual Salary Report covering salaries for faculty, professional and scientific and general service staff for the current fiscal year.

Regent university faculty salary increases for the second consecutive year were the highest of their comparison universities. As a result, the University of Iowa advanced from ninth to seventh in salary rankings and the University of Northern Iowa advanced from ninth to eighth in salary rankings. Iowa State University did not advance from last place ranking.

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	Increase	Average Increase for Comparison Universities
University of Iowa	10.0 %	5.3 %
Iowa State University	10.8 %	5.3 %
University of Northern Iowa	10.0 %	6.2 %

Average nine-month equivalent salaries for non-professional college faculty at the Regent universities for 1988-89 are as follows:

University of Iowa	\$46,288
Iowa State University	43,125
University of Northern Iowa	35,805

Special school faculty salary increases averaged 7.2 percent at the Iowa Braille and Sight Saving School and 8.0 percent at the Iowa School for the Deaf for continuing faculty.

Professional and Scientific staff salaries increased beyond the overall state salary policy through internal reallocations. State policy was for budgeted increases of approximately 4 percent plus a merit step increase of approximately 4.3 percent. Professional and Scientific staff at the Regent institutions were as follows:

University of Iowa	8.1 percent
Iowa State University	7.5 percent
University of Northern Iowa	7.7 percent

Mr. Richey stated that this is a governance report that has been coming to the Board for more than 10 years. He noted that the table that shows what happened to salaries for each employee categories since fiscal year 1971 provides some perspective for the Regents as they consider salary policy issues in the future. The report shows progress in competitive salaries with the peer institutions.

ACTION: President Pomerantz stated the Board received the Board of Regents Annual Salary Report covering salaries for faculty, professional and scientific and general service staff for the current fiscal year by general consent.

(e) Report of Affirmative Action and Contract Compliance. The Board Office recommended the Board (1) receive the affirmative action and contract compliance reports. (2) authorize the Executive Secretary to submit the Board's annual Affirmative Action Report to the Department of Management on or before January 31, 1989, and (3) request the institutions and Board Office to submit Affirmative Action Progress Reports to the Board for the June 1989 Board meeting.

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Over the past five years, Regent institutions have experienced significant gains in the employment of women and minorities. Regent universities have met 50 percent of their goals for women and minorities in Executive/Administrative/Managerial positions.

Major problems have been encountered by the universities in the employment of women in Faculty (Tenure Track) positions. Current efforts to recruit significant numbers of minorities in Faculty (Tenure Track), Secretarial and Skilled Craft positions have not been successful. The appointment of women and minorities in Faculty (Non-Tenure Track) positions has been successful. The institutions have shown significant progress in the employment of women in Professional positions.

The Iowa School for the Deaf is initiating steps which should lead to the employment of more minorities.

The overall number and percentage of vendors and suppliers having satisfactory affirmative action plans is increasing.

Compliance Officer Maxwell stated that this was the best report that has ever been submitted to the Board. He noted that progress is being made and they are seeing the results. He recognized the leadership provided by the presidents and the superintendents in that effort. Although the battle is not over he encouraged institutional officials to continue making progress.

Compliance Officer Maxwell introduced the following affirmative action officers: June Cargile, University of Iowa; Charles Samuels, Iowa State University; and Winston Burke, University of Northern Iowa.

MOTION:

Regent Harris moved to (1) receive the affirmative action and contract compliance reports, (2) authorize the Executive Secretary to submit the Board's annual Affirmative Action Report to the Department of Management on or before January 31, 1989, and (3) request the institutions and Board Office to submit Affirmative Action Progress Reports to the Board for the June 1989 Board meeting. Regent VanEkeren seconded the motion.

President Pomerantz stated that he emphasized the importance of this area. Affirmative Action is the policy of the Board of Regents and the State of Iowa. He agreed with Mr. Maxwell's comment that while it is a good report they should encourage the institutions to continue their efforts.

VOTE ON THE MOTION:

The motion carried unanimously.

(f) Report on Tenure. The Board Office recommended the Board (1) receive the reports on faculty tenure policies and practices, (2) request that a report on the outcome of the university efforts to systematically evaluate tenured faculty be included with next year's tenure report and (3) request that the Interinstitutional Committee on Educational Coordination assemble a task force to review the issues related to tenure and provide a report with recommendations to the Board of Regents in the next annual report in December 1989.

The percentage of total faculty tenured at the Regent universities is below the national average and either average or below average with comparable peer institutions.

Since 1977-78 the percentage and number of tenured-track faculty with tenure has increased at all three universities (9.6% SUI, 9.2% ISU, and 4.8% UNI). Since 1979-80 the percent of non-tenured faculty not on tenure track has increased at all three universities (16% SUI, 3% ISU, and 3% UNI). Since 1977-78 the percent and number of departments with 90% or more tenured faculty has decreased at all three universities.

Minorities as a percent of tenure-track faculty increased slightly at all three universities since 1982-83 (0.4% SUI, 0.8% ISU, and 0.9% UNI).

The percentage of women on tenure-track with tenure has increased dramatically in percentage this year when compared with the percentage in 1977-78 at the University of Iowa and at Iowa State University (increase of 21% SUI and 16% ISU). The University of Northern Iowa's percentage was the same in 1977-78 as in 1988-89.

The percentage of women faculty tenured in the total faculty has declined from 1977-78 at all three universities (-7% SUI, -6% ISU, and -7% UNI).

Proper implementation of tenure requires a balance between a number of factors such as the percent tenured, and the percent non-tenured, strict guidelines for tenure yet adequate opportunities for younger faculty and women and minorities. It was recommended that a task force be formed to advise the Board with respect to the proper balance among these various tenure-related issues.

Vice President Martin stated that the University of Northern Iowa's report shows a slight decrease in the percentage of total faculty tenured. He said that may be partly attributable to the number of part-time temporary faculty employed by the university. University officials expect over the next several years to have an increase in total faculty tenured. The most pronounced increase in total faculty tenured came in the early-1960s. Those faculty members are approaching retirement age which creates a significant opportunity to appoint more tenure-track faculty. University of Northern Iowa officials are pleased with the university's comparison to comparison institutions in

this area. Vice President Martin noted that they make tenure-track appointments rather cautiously.

Vice President Glick stated that the Iowa State University tenure report shows that 83 percent of those eligible are tenured; however, only 65 percent of total faculty are tenured. University officials hope to take that difference and reduce it by making a special effort. They will use less temporary faculty and more tenured faculty. They are especially concerned that in the 1990s there will be a considerable number of retirements. He noted that the number of persons granted Ph.D.s will not be as large a number as that seen in the last decade. University officials hope to capture their share of those bright young faculty.

Vice President Vernon stated that the University of Iowa tenure figures have remained stable for the last five years. He felt that there was a reasonable number of faculty tenured. He noted that the university has a large number of faculty members who are not on tenure track as well as quite a few temporary faculty. University officials don't want too many tenured because they want new ideas. Vice President Vernon felt that the key figure is not how many are tenured but the flow of new people coming in.

President Pomerantz stated that Vice President Vernon made a good point. He said the problem is tenure being given to faculty the universities don't want to maintain.

Vice President Vernon assured President Pomerantz that university officials are very careful in terms of granting tenure. He noted, however, that they are dealing with human beings and hope they are making the right decision. They have very hard working faculty.

President Pomerantz clarified that he was not paying any disservice to any of the faculties.

Vice President Vernon said the right salary system helps enormously.

MOTION:

Regent VanEkeren moved to (1) receive the reports on faculty tenure policies and practices, (2) request that a report on the outcome of the university efforts to systematically evaluate tenured faculty be included with next year's tenure report and (3) request that the Interinstitutional Committee on Educational Coordination assemble a task force to review the issues related to tenure and provide a report with recommendations to the Board of Regents in the next annual report in December 1989. Regent Harris seconded the motion, and it carried unanimously.

REPORT OF REGENTS BANKING COMMITTEE. The Board Office recommended the Board receive the report of the Banking Committee and take action on appropriate items.

Regent Fitzgibbon, chairman of the Banking Committee, stated that the Banking Committee members discussed the future capital appreciation bond sales. There will be another one in February. The committee took action to select a risk management consultant. Proposals were sent to 20 firms and 10 responded. Institutional personnel and Board Office staff reviewed and discussed the proposal among themselves. At the last meeting Regent Fitzgibbon met with them. They reduced the 10 firms to the 4 more outstanding proposals and then further reduced that to 2. They then zeroed in on their favorite. He felt that either of the top two would have qualified. The Banking Committee approved the selection of Advanced Risk Management Techniques at a cost of \$40,000. The range of fees bid were \$40,000 to \$320,000. He said the one selected bid a cost of \$40,000 but was not selected because of price but rather that they could best do the job.

MOTION: Regent Fitzgibbon moved to approve the selection of Advanced Risk Management Techniques as risk management consultant at a cost of \$40,000. Regent Duchen seconded the motion, and it carried unanimously.

Regent Williams asked where the firm was located? Regent Fitzgibbon said the firm is based in California.

President Pomerantz stated the Board needed to authorize the executive secretary to proceed with the capital appreciation bond sales.

MOTION: Regent Fitzgibbon moved to authorize the executive secretary to proceed with the capital appreciation bond sales. Regent Williams seconded the motion, and it carried unanimously.

TEN-YEAR CAPITAL PLAN. The Board Office recommended the Board receive the revised Ten-Year Building Program for fiscal years 1990 through 1999, as follows:

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University of Iowa	\$187,596,000	
University of Iowa Hospitals and Clinics	42,332,000	
Iowa State University	186,655,000	
University of Northern Iowa	<u>57,468,000</u>	
Total Universities		\$474,051,000
Iowa School for the Deaf	\$ 6,185,000	
Iowa Braille and Sight Saving School	<u>612,000</u>	
Total Special Schools		<u>\$ 6,797,000</u>
GRAND TOTAL		<u>\$480,848,000</u> =====

The only changes to last month's preliminary Ten-Year Building Program were the addition of \$4 million to the University of Iowa plan for Medical Laboratories and the inclusion of the special schools.

The Ten-Year Building Program for the universities must be approved by the General Assembly as a part of any authorization of additional Academic Building Revenue Bonds. If bonding is not requested, the General Assembly need only receive it.

Currently, only the universities are required by law to submit annually to the General Assembly a Ten-Year Building Program. The University of Iowa Hospitals and Clinics and the special schools are included to provide the overall Board of Regents capital needs.

The Ten-Year Building Program for the University of Iowa Hospitals and Clinics is \$42,332,000. All projects are completely funded by the Hospital's building usage fund and without state appropriations.

The recommended amounts by institution are as follows:

University of Iowa	\$187,596,000
University of Iowa Hospitals and Clinics	42,332,000
Iowa State University	186,655,000
University of Northern Iowa	57,468,000
Iowa School for the Deaf	6,185,000
Iowa Braille and Sight Saving School	<u>612,000</u>
TOTAL	\$480,848,000

Mr. Richey stated the ten-year capital program was tentatively before the Board last month. The Board Office added \$4 million for the University of Iowa Hospitals and Clinics medical laboratories project. They also defined

the 10-year building program for the two special schools. \$612,000 would be provided to Iowa Braille and Sight Saving School for deferred maintenance and remodeling. Iowa School for the Deaf would be granted \$6,185,000, \$2,450,000 of which is designated for the recreation building. The other major project is for \$1.4 million for deferred maintenance. The total recommended for all the institutions is \$480,848,000 compared to \$728,000,000 requested by the institutions.

President Pomerantz suggested it might be a good practice to identify an amount for annual deferred maintenance projects so they can start attacking that number.

Regent Fitzgibbon said he thought that was good idea since the institutions are not allowed to build reserves.

Mr. Richey noted that it was in the Board's budget request.

President Pomerantz stated that the Board's legislative liaisons should be aware of that priority.

MOTION: Regent Williams moved to receive the revised Ten-Year Building Program for fiscal years 1990 through 1999, as presented. Regent Harris seconded the motion, and it carried unanimously.

APPROVAL OF THE EDUCATION FOR ECONOMIC SECURITY ACT, TITLE II GRANTS FOR FISCAL YEAR 1988. The Board Office recommended the Board (1) approve the Education for Economic Security Act, Title II Higher Education Grants for fiscal year 1988 subject to negotiation to ensure compliance with federal regulations and (2) approve use of any leftover funds to strengthen existing proposals and for use on a project for the two special schools.

The Board Office administers Title II of the Education for Economic Security Act with the assistance of an advisory committee composed of representatives of the public 2-year and 4-year, private institutions, and elementary and secondary schools was recommending approval of FY 1988 grants.

Eight proposals were recommended for approval. The projects will take place during the next year.

Director Barak stated that the EESA Title II program provides grants for the purpose of improving teacher preparation in the areas of math, science, computer learning and foreign language. This year the advisory committee recommended 8 projects be funded. One was at the University of Iowa, four were for Iowa State University, one at the University of Northern Iowa, one at Drake University and one at Central College. He said the Board Office was requesting Board approval pending negotiations with certain individuals concerning federal regulations that need to be met.

MOTION:

Regent VanEkeren moved to (1) approve the Education for Economic Security Act, Title II Higher Education Grants for fiscal year 1988 subject to negotiation to ensure compliance with federal regulations and (2) approve use of any leftover funds to strengthen existing proposals and for use on a project for the two special schools. Regent Williams seconded the motion, and it carried unanimously.

APPEAL BY EMPLOYEE. The Board Office recommended that the Board deny the request of Virginia Clark, a former Iowa State University employee, for review of institutional decisions surrounding her departure from the university.

Ms. Clark was a probationary Regent Merit System employee who resigned her position at Iowa State University in 1984. She claims that the university should have assisted her in securing Workers' Compensation which she has been denied.

The Board Office recommended that based on the evidence submitted by Ms. Clark and the staleness of the record, the request be denied.

Director Wright stated that Ms. Clark had less than six months of service when she resigned. She contends that she did not intend to resign and that she was injured during the course of her employment. There is no record of the injury at the time of its occurrence and 3-1/2 years later it is difficult to determine what might have happened. He assured the Board that consistent with a previous request of Regent Harris, Ms. Clark was treated humanely and with respect.

Regent Harris asked for the reason for her resignation. Director Wright stated that Ms. Clark claims she submitted a resignation to her supervisor and requested it not be turned in. He noted that the Board Office first became aware of this employee's complaint in late-summer of this year. He said the union representing Ms. Clark has indicated to her that she does not have a claim against the university. She submitted that opinion as well as a similar opinion from her attorney.

MOTION:

Regent Tyler moved to deny the request of Virginia Clark, a former Iowa State University employee, for review of institutional decisions surrounding her departure from the university. Regent Williams seconded the motion, and it carried unanimously.

RESIDENCY APPEAL. The Board Office recommended the Board uphold the nonresident classification as established by the University of Iowa.

Dennis A. Bjorklund, a University of Iowa student, appealed his residency status for tuition and fee purposes. The appeal was reviewed by the Regents Registrars and Admissions Officers Committee and they voted to uphold the nonresident classification. The Board Office also recommended that the Board uphold the nonresident classification.

MOTION: Regent Williams moved to uphold the nonresident classification as established by the University of Iowa. Regent VanGilst seconded the motion, and it carried unanimously.

CONSENT DOCKET. The Board Office recommended the Board receive the report of the executive secretary on a proposed docket change for future months and approve the consent docket items listed below.

Several changes could be made to the docket procedures to improve the efficiency of Board meetings. Next month two new items will be on the General Docket. The first item will group all institutional leases and easements, which are in order and for which there is not expected to be Board discussion, into a single motion and roll call vote for Board action.

The second item will group all personnel appointments for which there is not expected to be Board discussion into a single item. As with the consent docket, Board members would have complete freedom to bring any of the bundled items to the floor for discussion. Action on these items will be recorded in the appropriate sections of the minutes as is now done for "Consent Items".

MOTION: Regent Williams moved to receive the report of the executive secretary on a proposed docket change for future months and to approve the consent docket items, as presented. Regent Harris seconded the motion, and it carried unanimously.

Regent Tyler commended the Board Office on the distribution of docket books for this meeting. Mr. Richey said it will be difficult to get the docket books out early for the January meeting, but by February the Board Office should be back on the new schedule.

BOARD OFFICE PERSONNEL REGISTER. The Board Office recommended the Board approve the Register as outlined below for November 1988.

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Merit Increase Including Extra-Meritorious Increase:

Kristyn Stumpf, Secretary II, effective November 25, 1988, from Step 4 to Step 6, \$19,344 per annum.

ACTION: President Pomerantz stated the Board approved the Personnel Register, as presented, as a consent item.

NEXT MEETINGS SCHEDULE. The Board Office recommended the Board review the next meetings schedule.

January 11, 1989	Iowa State University	Ames
February 15-16	Marriott Hotel	Des Moines
March 15-16	Iowa School for the Deaf	Council Bluffs
April 12	University of Iowa	City
April 13	Iowa Braille and Sight Saving School	Vinton
May 24-25	(To Be Designated)	Atlantic
June 21-22	University of Northern Iowa	Cedar Falls
July 25-26	Village West Inn	Okoboji
August	NO MEETING	
September 20-21	Iowa State University	Ames
October 18-19	University of Iowa	Iowa City
November 15-16	University of Northern Iowa	Cedar Falls
December 13-14	(To Be Designated)	Des Moines

ACTION: President Pomerantz stated the meetings schedule was received by general consent.

President Pomerantz then asked Board members and institutional executives if there were additional general or miscellaneous items for discussion. There were none.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, December 14 and Thursday, December 15, 1988.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the Register for the month of October 1988.

ACTION: President Pomerantz stated the Board approved the Register for the month of October 1988 as a consent item.

APPOINTMENT. The university requested that the Board approve the appointment of KWAN RIM as Acting Director of the Iowa Institute of Biomedical Engineering, effective January 1, 1989, and serving at the pleasure of the university president until a permanent director is appointed, at an academic year salary of \$90,000.

Vice President Vernon presented the following supplemental appointments:

J. Patrick Grady as Director of State Relations at the University of Iowa, effective January 3, 1989, at an annual salary of \$60,000.

William C. Stwalley as Director of the Center for Laser Science and Engineering, effective December 16, 1988, at an academic-year salary of \$80,500.

Regent Williams asked if the Board Office staff had worked with university officials on the appointment of the Director of State Relations. President Pomerantz stated the Mr. Richey and he interviewed Mr. Grady. He added that the Board employs the Director of State Relations.

MOTION: Regent Williams moved to approve the appointment and supplemental appointments, as presented. Regent Greig seconded the motion, and it carried unanimously.

Regent VanGilst asked if the salary for the newly-appointed Director of State Relations was comparable to the salaries of the lobbyists at the other two universities. President Pomerantz stated that Mr. Grady's salary was somewhat less than the others' due to the amount of his experience coming into the job.

ANNUAL REPORT OF INTERNATIONAL PROGRAMS, AGREEMENTS AND MEMORANDA OF UNDERSTANDING. The Board Office recommended the Board receive the annual report on International Programs from the University of Iowa.

The University of Iowa reported a total of 56 agreements in its annual report. Twenty-seven agreements are university-wide, 22 are college-wide and 7 are department-wide.

New agreements this past year were signed with Japan, France, the Netherlands and South Korea. The bulk of the agreements are for student exchange and faculty visits.

The costs associated with these agreements is approximately \$277,093.

ACTION: President Pomerantz stated the Board received the annual report on International Programs from the University of Iowa by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the Register of Capital Improvement Business Transactions.

PROJECT DESCRIPTIONS AND BUDGETS

The university submitted nine new projects for approval by the Board.

University Hospitals and Clinics--Patient, Visitor and Staff Dining Facilities

\$1,702,460

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$1,418,720
Contingency	141,870
Engineering Support	70,935
Planning and Supervision	<u>70,935</u>
TOTAL	\$1,702,460

Permission to proceed with project planning was approved by the Board in June 1988. The project includes a separate, full-service cafeteria for outpatients and visitors and staff facilities which will incorporate a "free flow" system.

The Hospital reported that since 1963 the number of meals served to outpatients, visitors and staff has tripled without an increase in dining capacity.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--Diagnostic Radiology Faculty
Office Consolidation \$598,455
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 500,800
Contingency	50,080
Architectural and Engineering Support	32,550
Planning and Supervision	<u>15,025</u>
 TOTAL	 \$ 598,455

This project involves finishing approximately 8,000 gross square feet of shelled-in space located on the second floor of the Psychiatric Pavilion clinic wing. This space will be developed for Diagnostic Radiology faculty and staff offices and will permit the relocation and consolidation of these offices in close proximity to the Diagnostic Radiology imaging facilities for which these faculty have clinical responsibility.

The University of Iowa Hospitals and Clinics also requested approval of the University Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--General Hospital Elevator
Replacement--Phase I \$511,600
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 411,000
Contingency	41,100
Engineering Support	39,500
Planning and Supervision	<u>20,000</u>
 TOTAL	 \$ 511,600

This project will replace the original 1928 center stretcher elevator and a 33 year old freight elevator in the General Hospital. Work to be accomplished includes removal of all existing components and controls, refurbishing of the shafts, and installation of new elevators, controls, and support components.

Improvements will be made in speed, operation and safety. The age of these elevators has resulted in additional service calls and availability of service parts is difficult.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--Bone Marrow Transplant
Laminar Flow Installation \$481,250
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 385,000
Contingency	38,500
Architectural/Engineering Support	38,500
Planning and Supervision	<u>19,250</u>
 TOTAL	 \$ 481,250

This project provides for the installation of eight modular air flow rooms in the Adult Bone Marrow Transplant Unit on the seventh floor of Carver Pavilion. Bone marrow transplant patients are significantly more susceptible to infection than the normal patient population due to a suppression of their immuno-defense system created by their disease and therapy. Completion of this project provides a laminar air flow environment in eight of the largest patient rooms on this unit. This laminar flow system has been shown to be very effective in removing infectious microorganisms from rooms equipped with such a system and can be highly effective in reducing the incidence of infection.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

Utility Tunnel Asbestos Abatement \$337,800
Source of Funds: Treasurer's Temporary Investments with
Reimbursement from Utility Enterprise Funds

Preliminary Budget

Construction	\$ 270,000
Engineering Design	24,450
Construction Management	16,350
Contingency	<u>27,000</u>
 TOTAL	 \$ 337,800

The project involves the removal of asbestos in 700 feet of the Burlington Street tunnel and 750 feet of the Madison Street tunnel and replacement with fiberglass insulation. The asbestos abatement and pipe reinsulation should be accomplished during the winter and early spring months when the utility tunnels are the coolest. Removal of asbestos during the summer with excessive heat in the tunnels would be very difficult.

Remodel Business/Cashier Office--Jessup Hall \$366,135
Source of Funds: Treasurer's Temporary Investments

Preliminary Budget

Design, Inspection and Administration	\$ 43,935
Construction	227,400
Furnishings	65,500
Contingency	<u>29,300</u>
TOTAL	\$ 366,135

This project involves remodeling approximately 4,800 square feet, including the installation of a new HVAC system. Functional improvements that will result from the project include separate and secure space for the University Internal Auditor as recommended by external auditors, improved security for the Cashier's Office and adjacent housing, which will facilitate improved communications and thus efficiency for the Business Manager, Treasurer, University Secretary/Comptroller, and their staffs. The university reported that other than minor incremental changes, the area has not been remodeled for 35 years.

University Hospitals and Clinics--Material Services Office
Consolidation--Material Distribution System--Phase IV \$355,190
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 297,230
Contingency	29,725
Engineering Support	19,320
Planning and Supervision	<u>8,915</u>
TOTAL	\$ 355,190

This project represents the fourth phase of the University Hospitals' multi-phased Consolidated Material Distribution System project for which the project program was approved by the Board in September 1986. The project involves finishing approximately 8,500 gross square feet of shelled-in space located on the third floor of the soon-to-be completed Shipping and Receiving Facility. Finishing this space will permit the relocation and consolidation of the Department of Material Services offices now located in the General Hospital and Carver Pavilion basement space scheduled for redevelopment during later phases of the Consolidated Material Distribution System project. The project will also permit the relocation of University Hospital carpenter and key shop functions now located in shelled-in Colloton Pavilion basement space, which is also scheduled for completion during a later phase of this project.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--Expansion of General Hospital
Fire Alarm System \$293,800
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 235,000
Contingency	23,500
Engineering Support	23,500
Planning and Supervision	<u>11,800</u>
 TOTAL	 \$ 293,800

This project consists of upgrading the existing fire alarm system with a new and expanded system that will increase coverage and reduce response time. The existing system does not annunciate large areas of the original General Hospital and the system has no capacity for modification or expansion. In October 1984 the State Fire Marshal cited the General Hospital fire zones as being excessive in size and lacking a sufficient number of devices. These deficiencies will be corrected by completion of this project.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--Emergency Generator Sets
Interconnection System \$273,200
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 219,200
Contingency	22,000
Engineering Support	22,000
Planning and Supervision	<u>10,000</u>
 TOTAL	 \$ 273,200

This project consists of installation of transfer switches, tie circuit breakers, feeders and control gear in each of the emergency generator rooms of the South Wing of the General Hospital and Carver and Colloton Pavilions. This arrangement will provide redundancy in the emergency power system and, in the event of a generator failure during a power outage, critical and life safety branches can be served from the emergency generator room of an adjoining building.

The University of Iowa Hospitals and Clinics also requested approval of University Architectural/Engineering Services as inspection supervisor.

* * * * *

The university presented a revised budget on the following project.

University Hospitals and Clinics--Surgery Faculty Office Consolidation

Original Budget \$395,345
Revised Budget \$451,119

Project Budget

	<u>Original Budget</u>	<u>Revised Budget</u>
Construction	\$ 339,350	\$ 407,184
Architectural and Engineering Support	22,060	23,575
Contingency	33,935	20,360
Planning and Supervision*	<u>(16,970)</u>	<u>(16,970)</u>
TOTAL	\$ 395,345	\$ 451,119

Source of Funds: University Hospital Building Usage Funds

* Provided by University of Iowa Hospitals staff

The University of Iowa Hospitals and Clinics requested approval to increase the project budget by \$55,774. The Hospital reported the increase is due to construction cost increases that have occurred since the preliminary budget was put together in March 1987. The project architect (Hansen Lind Meyer, Iowa City, Iowa) reviewed the six bids received and indicated the low bid cost of \$63 per square foot was fair and recommended.

The additional funds to cover the increased budget are from the Hospital building usage fund. The increase in the project budget will permit award of the construction contract to the low bidder and completion of the project.

* * * * *

The university presented 11 new projects with budgets of less than \$200,000 that will be initiated in the coming months. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

ARCHITECT/ENGINEER AGREEMENTS

Approval Requested:

Utility Tunnel Asbestos Abatement \$40,800
Hall Engineering Company, Iowa City, Iowa

Hall Engineering Company of Iowa City, Iowa, was recommended to provide design services, project inspection and contract administration for this project. The professional services agreement is in the standard form of agreement. Basic and additional services shall be computed on the basis of \$55 per hour for principal's time with a multiple of 2.39 of the employee's direct personnel expense.

CONSTRUCTION CONTRACTS

Approval Requested:

The university presented the following construction contract for approval by the Board.

University Hospitals and Clinics--Surgery Faculty Office Consolidation

The university recommended award of this contract to the low bidder, McComas-Lacina Construction Company, Inc., Iowa City, Iowa, as follows:

Base Bid	\$388,801	
Alt. #1	12,950	
Alt. #4	<u>5,433</u>	
Total	\$407,184	(6 bids received)

The university reported this award is in compliance with the Targeted Small Business requirement (six percent) for this project.

Awarded:

The following construction contracts were awarded by the Executive Secretary:

Armory Demolition and Field House West Wall Replacement \$786,773
Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(4 bids received)

University of Iowa Hospitals and Clinics--Radiation Oncology
Modernization Project \$374,714
Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(1 bid received)

Kinnick Stadium--Replace Playing Surface--Phase I \$174,537
Award to: Barker's, Inc., Iowa City, Iowa
(6 bids received)

Associate Director Jensen presented the following supplemental item to be included with this month's capital register:

Van Allen Hall, Remodel Rooms 408 and 418

The university requested approval to reject the bid received December 1, 1988, and to approve the revised budget, as follows:

	<u>6/88 Approved Budget</u>	<u>Revised Budget</u>
Design, Inspection and Administration	\$ 36,500	\$ 36,500
Construction	207,200	263,500
Contingency	<u>21,000</u>	<u>21,000</u>
TOTAL	\$264,700	\$321,000

Source of Funds: General University Building Repairs

MOTION: Regent Harris moved to approve the capital register, as presented. Regent VanGilst seconded the motion, and it carried unanimously.

LEASE OF PROPERTIES. The Board Office recommended that the Board approve leases, as follows:

- a) with FUNCTIONAL HOME DESIGNERS for their use of approximately 124 square feet of office space in the university's Technology Innovation Center (TIC) at the Oakdale Campus, for a period of six months commencing January 1, 1989, at a rent of \$62 per month;
- b) with ARIE AND TONI KROEZE for the university's use of approximately 23,000 square feet of storage space in the building at 1225 South Gilbert Street, Iowa City, and approximately 50,000 square feet of land adjacent to the building, for a period of five years commencing December 31, 1988, with the option for two additional three-year extensions and one four-year extension, at a monthly rent of \$3,833.34 for the first five-year period with the university spending \$200,000 for refurbishing and remodeling subject either to lengthening the initial five-year lease or to limiting the amount of increase that the landlord can seek after the first five-year term; and

- c) with ELSIE BARKER for the university's use of approximately 5,320 square feet of warehouse space in the building located at 429 Highway 1 West, Iowa City, for a period of one year commencing January 1, 1989, with an option to renegotiate for an additional one-year period.

The lease with FUNCTIONAL HOME DESIGNERS is a renewal with a tenant in the university's Technology Innovation Center (TIC) at the standard rate of \$6.00 per square foot per year. The lease was in order.

The lease with ARIE and TONI KROEZE is a new lease for storage space for the university's General Stores operation.

- 1) The lease for the 23,000 square feet of building space and 50,000 square feet of land is \$46,000, each of the first five years. The rate is subject to negotiations for three renewal periods.
- 2) The university will be able to discontinue three other leases costing approximately \$54,900 per year which presently accommodate General Stores.
- 3) There will be a \$200,000 expense to the university for remodeling the new warehouse space which if amortized in the first five years results in an additional \$1.74 per square foot per year.
- 4) The university's analysis indicates a net break-even in the arrangement at the end of five years.
- 5) The Board Office believes the university should either seek to extend the initial five-year lease or put a limit on the amount of increase that can be made in the first extension of the lease as the university will just be at the break-even point when the lease first expires.

The lease with ELSIE BARKER is a renewal of a lease that provides space for storage for the Housekeeping Department of University Hospitals. The rent on the 5,320 square foot facility is \$1.75 per square foot per year with the tenant paying utilities.

Vice President Phillips stated that in the university's long-range ten-year plan they would like to build for the General Stores storage space. The land where they are planning to put it has some other buildings on it that have to be knocked down. She said the ability for university officials to lease this space will solve a number of problems. University officials did an analysis that indicated they do recover costs and start saving money after a five-year period. That analysis, however, does not consider the ability to improve efficiency and capability. If the General Stores stayed where they are university officials would have some safety and environmental corrections to make to the facility. There will be a cap on lease payments beyond the first 5-year period.

President Pomerantz asked if university officials had investigated the possibility of having a developer build a warehouse consistent with their long-term goals. Vice President Phillips responded that university officials had not considered that specific option.

President Pomerantz asked if there was an alternate piece of ground? Vice President Phillips said there was not.

President Pomerantz asked for the number of general stores buildings. Vice President Phillips stated that the general stores were housed in three buildings.

Vice President Phillips stated that university officials would prefer, in the long run, to build. This rental solves their problems for the next 10 years.

Regent Fitzgibbon questioned what would happen if they were to have a developer build a building and lease it back to the university? That would shorten the period to 3 years. He noted that he had no problem with the direction recommended by the university.

President Pomerantz said they could amortize the improvements over a shorter period of time.

Regent Fitzgibbon said he believed that the landlord would accommodate university officials.

Vice President Phillips stated that if the Board would like them to, university officials would be glad to explore those options. She said the long-term plan is for a parking ramp and offices for the physical plant and General Stores. However, there are currently buildings on the site. The goal is to get all those functions in one location.

President Pomerantz said they needed as much flexibility as possible once they invest in improvements. He said they should negotiate a shorter term.

Vice President Phillips said she had no problem with going back to see if they can do what was being suggested.

President Pomerantz said that if their analysis did not include a lease-back with an option to purchase they might want to consider that.

President Pomerantz suggested they could defer for one month while university officials look at other alternatives.

Regent Duchon asked if university officials had done projections to determine how much square footage they would need in the next 10 years. Vice President Phillips said it was 23,000 square feet.

Regent VanGilst said that what university officials were proposing was a good buy. He didn't see where they would gain anything by going with another option.

President Pomerantz said that he has personally looked at real estate in Iowa City and there is not a lot of warehouse space.

President Pomerantz asked if it is a dock-high building? Director Gibson said it was not. A dock is part of the expenditures.

MOTION: Regent VanEkeren moved to approve the FUNCTIONAL HOME DESIGNERS and ELSIE BARKER leases, and to defer action on the KROEZE lease until the January Board meeting. Regent Williams seconded the motion, and it carried unanimously.

MISCELLANEOUS TUITION AND FEES, 1989-90. The Board Office recommended the Board (1) approve the University of Iowa part-time tuition schedule for 1989-90 and (2) approve miscellaneous tuition-related fees noted below that were not approved at the November 1988 Board meeting.

The university's part-time tuition schedule was consistent with approved Regent part-time tuition policy. All increases fall within the 7-9 percent range.

Estimated revenue from miscellaneous fees in 1988-89 amounts to \$4,229,000, of which \$1,621,000 is identified as General Fund support.

MOTION: Regent Fitzgibbon moved to (1) approve the University of Iowa part-time tuition schedule for 1989-90 and (2) approve miscellaneous tuition-related fees, as presented. Regent Greig seconded the motion, and it carried unanimously.

Regent Williams asked for clarification of the professional liability insurance fee.

Vice President Vernon said that was actually misleading. He said the increase has to do with the year book which the dental students produce. The only way they can get it produced is to require a mandatory fee. The liability insurance does not increase.

Regent Williams questioned whether any other college has a mandatory year book fee. She said that in the process of looking at fees in June she would like this particular item brought out. She hoped that university officials would look at this very closely.

UNIVERSITY-AFFILIATED RESEARCH PARK. The Board Office recommended the Board (1) authorize the university to proceed with planning the university-affiliated research park in accordance with the timetable presented and (2) approve a request of \$221,000 from the Board's fiscal year 1990 EARDA (Lottery) funds request for the purpose of supporting essential research park activities.

The University of Iowa has decided to pursue the development of a university-affiliated research park at the Oakdale campus. An aggressive timetable was proposed with the business plan and site plan to be completed in January 1989. Preliminary site plans will be presented during the December Board meeting.

A lease was proposed between the Board and the University of Iowa Facilities Corporation to enable the Corporation to sublease parcels within the research park. The lease would provide that university staff will manage the research park on behalf of the corporation. The agreement will be submitted for Board approval in January or February. Management oversight would be accomplished with existing university staff.

The university requested a fiscal year 1990 appropriation of \$221,000. Due to the strong relationship between the goals of the research park and the goals of the Education and Agricultural Research and Development Account (EARDA) lottery program the Board Office recommended \$221,000 be identified for the research park as part of the Board's fiscal year 1990 EARDA appropriation request. Ongoing operating budget needs will be addressed during the next budget cycle.

This recommendation will not diminish the strength of the competitive research grant program which will still have approximately \$4.6 million available assuming the Board of Regents request of \$10 million is total.

President Rawlings stated that university officials discussed the rationale for the research park with the Board in September. It has had very strong support from the Governor, legislature, faculty, and business and community leaders. University officials have undertaken a feasibility study with the assistance of the George firm. Strong research capability is required. The University of Iowa is particularly strong in medicine, pharmacy and laser science. Future graduates from the Technology Innovation Center will locate in the research park.

In order to make the project a reality university officials will need support from the Iowa Department of Transportation, other governmental agencies and the city of Coralville. The project will complement other projects including the Iowa State University Research Park. He felt there should be very little competition because of the different strengths of the universities. This project will be located on the Oakdale campus. They have already received several strong expressions of interest. They plan an aggressive time table and want to get started as soon as possible. They have been warned that an aggressive time table is necessary in order to take advantage of the

opportunities currently available. They want to build in a phased fashion. They do not feel that the 160 acres should be developed as a whole but rather in parcels. That would likely reduce the risk and would not require a great deal of up-front money.

University officials anticipate returning to the Board in January or February with details of the land lease, operating agreements and business plans for the park. They have identified the annual operating costs. President Rawlings introduced Richard Gibson, Director of Planning and Administrative Facilities.

Director Gibson stated that an airport is located 15 minutes to the north of the proposed site. University officials are proposing to put the research park on the Oakdale campus. There will be roadways on two sides of it. The whole Oakdale campus consists of 504 acres. 160 acres will be used for this project. Railroad tracks run to the north of the site. There is a natural drainage passage. The higher use sites will be on the outside and near the amenities. The main entrance is the present entrance to the Oakdale campus and will tie the two campuses together. The roadway connects with a county road. The site is bounded on the south by a ravine. They will use the drainage passage to develop ponds.

President Pomerantz asked for the building restrictions. Director Gibson said they haven't defined those. They anticipate it will be for medium quality structures. There will be building restrictions and those will be brought to the Board for approval.

President Pomerantz asked about the sanitary sewer. Director Gibson said the sanitary sewer is already there. However, at the north end of the site is a different situation.

Director Gibson said university officials are working with developers on building a multi-tenant facility. They will build one or two buildings initially. The parcel sizes are 4.3 to 7.7 acres. Two larger lots are 14 acres each. Phase one will work with the half of the site in the southwest corner which includes the ponds, the new roadway and the amenities. They will be asking the DOT for the money to construct roadways to the north of the site.

President Pomerantz asked who is building the roads? Director Gibson said that if they use RISE funds they would work through the city of Coralville.

President Pomerantz commended university officials on their choice of professionals.

MOTION:

Regent Harris moved to (1) authorize the university to proceed with planning the university-affiliated research park in accordance with the timetable presented and

(2) approve a request of \$221,000 from the Board's fiscal year 1990 EARDA (Lottery) funds request for the purpose of supporting essential research park activities. Regent VanGilst seconded the motion, and it carried unanimously.

President Rawlings thanked the Board for the opportunity to make this presentation. He acknowledged that it was a rapid presentation. He recognized Vice President Phillips, Director Gibson and Treasurer True for their efforts in this regard. He said they needed to take advantage of this opportunity quickly. The time table allows for university officials to bring this project back to the Board quite regularly. He assured the Board members that they are, indeed, part of this planning process.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the University of Iowa. There were none.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, December 14 and Thursday, December 15, 1988.

RATIFICATION OF ACTIONS IN REGISTER OF PERSONNEL CHANGES FOR NOVEMBER 1988, INCLUDING EARLY RETIREMENT AND PHASED RETIREMENT REQUESTS. The Board Office recommended that the Board approve the Register for the month of November 1988.

The register included ratification of faculty/staff early and phased retirements, as follows:

Early Retirement -- Clarence J. Lacey, Assistant Professor for Electrical Engineering, retiring May 31, 1989. The cost of incentives will be \$45,260 and the college will use the cost savings for faculty replacement and salary reversions.

Phased Retirement -- Elmer W. Schwieder, Jr., Professor, Family Environment, will begin phased retirement on August 21, 1989, with full retirement May 20, 1990.

ACTION: President Pomerantz stated the Board approved the Register for the month of November 1988 as a consent item.

APPROVAL OF APPOINTMENT. The university requested that the Board approve the appointment of Dr. Mark L. Power as Interim Chair of the Department of Finance, effective January 1, 1989, through June 30, 1990, at an academic year salary of \$56,457, of which \$3,000 is an administrative increment.

MOTION: Regent Williams moved to approve the appointment, as presented. Regent VanEkeren seconded the motion, and it carried unanimously.

APPROVAL OF CURRICULUM/MAJOR TITLE CHANGES. The Board Office recommended the Board refer this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University requested title changes in the curriculum in Occupational and Traffic Safety Education to Occupational Safety and the curriculum in Adult Home Economics Education to Educational Services in Family and Consumer Sciences and the graduate major in Agricultural Climatology to

Agricultural Meteorology. These changes were requested to update titles to bring them in line with current practices or the nature of the program being offered.

ACTION: President Pomerantz stated the Board referred this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

APPROVAL TO DISCONTINUE CURRICULUM. The Board Office recommended the Board refer this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University proposed to discontinue the curriculum in Community Nutrition - Food and Nutrition and the curriculum in Survey Engineering. Both are low enrollment programs.

ACTION: President Pomerantz stated the Board referred this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

APPROVAL OF GRADUATE MAJOR. The Board Office recommended the Board refer this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University requested approval of an Interdepartmental Graduate Major in Ecology and Evolutionary Biology (M.S. and Ph.D.). This academic area is concerned with the phenomena that occur at levels of biological organization from genes to ecosystems.

ACTION: President Pomerantz stated the Board referred this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

APPROVAL OF TITLE CHANGE. The Board Office recommended that the Board approve the change in title of GEORGE JACKSON from Director of Minority Student Affairs and Assistant Dean of the Graduate College to Assistant Vice President for Student Affairs and Assistant Dean of the Graduate College, effective December 15, 1988, with the annual salary changed from \$60,625 to \$63,625.

President Eaton stated that university officials are continuing to expand Mr. Jackson's activities. University officials consider this title change as an upgrade of Mr. Jackson's position.

MOTION: Regent Williams moved to approve the change in title of GEORGE JACKSON, as presented. Regent Harris seconded the motion, and it carried unanimously.

ACCEPTANCE OF INTERNATIONAL AGREEMENTS REPORT. The Board Office recommended the Board receive the annual report on International Agreements from Iowa State University.

Iowa State University reported 38 International Agreements, an increase of 9 over last year. Seventeen of the agreements are university-wide, 14 are college-wide, and seven are departmental. Some 49 faculty and students are benefiting from the agreements this year.

The financial obligations of the university are minimal. Thirty of the 38 agreements involve no Iowa State University financial obligation, the remainder involve costs of travel for Iowa State University faculty. The cost for one agreement was for \$200 for expenses associated with foreign faculty visit. In three agreements foreign students successfully competed for available scholarships.

ACTION: President Pomerantz stated the Board received the annual report on International Agreements from Iowa State University by general consent.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the capital register.

PROJECT DESCRIPTIONS AND BUDGETS

The university submitted five new projects for approval by the Board.

1989 Institutional Roads Projects--Morrill Road

<u>Reconstruction</u>			<u>\$161,000</u>
Source of Funds:	1989 Institutional Road Funds	\$ 31,000	
	1990 Institutional Road Funds	<u>130,000</u>	

Initial Project Budget

Contracts	\$ 120,000
Design Services	13,950
Construction Administration	18,050
University Services	1,000
Miscellaneous	500
Landscaping	1,000
Reserved for Future Contracts and Contract Changes	<u>6,500</u>
TOTAL	\$ 161,000

The university requested approval of the project and permission to proceed with engineering services on the Institutional Roads project, Morrill Road Reconstruction.

Morrill Road south of Union Drive has severely deteriorated. As part of the Institutional Roads program, the university wishes to review existing circulation patterns in the area and reconstruct the 0.5 mile of road. The project is scheduled for engineering in 1989 and construction in 1990, in accordance with the Regents 1989-1994 Institutional Roads program approved at the October Board meeting.

1989 Institutional Roads Projects--Resurface Various Roads (1989)

\$151,950

Source of Funds: 1989 Institutional Road Funds

Initial Project Budget

Contracts	\$ 115,000
Design Services	11,250
Construction Administration	14,750
University Services	500
Miscellaneous	500
Landscaping	500
Reserved for Future Contracts and Contract Changes	<u>9,450</u>
TOTAL	\$ 151,950

As part of the continuing Institutional Roads maintenance program, the university wishes to continue with the resurfacing of campus streets in 1989. This project will review and repair the 2.4 miles of roads identified as having the highest priority needs. The project is scheduled for engineering and construction in 1989, in accordance with the Regents 1989-1994 Institutional Roads program approved at the October Board meeting.

1989 Institutional Roads Projects--North Campus Loop--
Preliminary Design

\$60,000

Source of Funds: 1989 Institutional Road Funds

Initial Project Budget

Design Services	\$ 60,000
TOTAL	\$ 60,000

The university wishes to secure a consultant to develop preliminary road and intersection assignments and cost estimates. The project is scheduled for preliminary engineering in 1989, with final engineering and construction costs shown as occurring in 1994 and as unmet needs, in accordance with the Regents 1989-1994 Institutional Roads program approved at the October Board meeting.

1989 Institutional Roads Projects--South 16th Temporary
Street Lights

\$10,000

Source of Funds: 1988 Institutional Road Funds \$ 3,200
1989 Institutional Road Funds 6,800

Initial Project Budget

Design Services	\$ 1,600
Construction Administration	300
University Services	<u>\$ 8,100</u>
TOTAL	\$ 10,000

The university is responsible for 0.63 miles of South 16th Street just north of the College of Veterinary Medicine. This section of roadway does not have street lights. The university requested permission to install temporary light fixtures at the intersections of South 16th Street and the Veterinary Medicine entrance drives. The university plans to coordinate the installation of permanent lighting with the City of Ames' plans to widen South 16th Street in the mid-1990s.

1989 Institutional Roads Projects--Pavement Management
System (1989)

\$8,700

Source of Funds: 1989 Institutional Road Funds

Initial Project Budget

Design Services	\$ 8,700
TOTAL	\$ 8,700

Project Budget

	Original Budget <u>April 1988</u>	Revised Budget <u> </u>
Contracts	\$ 5,232,036	\$ 2,100,000
Design Services	842,999	640,950
Surveys and Testing	10,000	10,000
Facilities Design and Construction	75,141	8,000
Construction Administration	100,000	40,000
Architect/Engineer Agreement	103,756	194,000
University Services	40,000	1 0,000
Miscellaneous	15,000	5,000
Landscaping	20,000	10,000
Utility Extensions	170,000	240,000
Fixed Equipment	2,890,000	2,500,000
Movable Equipment	30,000	
Art Work	50,865	30,000
Building Automation	45,000	10,000
Telecommunications	45,000	2,000
Reserved for Future Contracts and Contract Changes	<u>503,203</u>	<u>\$ 200,050</u>
TOTAL	\$10,173,000	\$ 6,000,000
Source of Funds: 72nd General Assembly		
Academic Revenue Bonds	\$ 1,000,000	\$ 1,000,000
Department of Energy Grant	4,000,000	4,200,000
Future Department of Energy Grant	<u>5,173,000</u>	<u>800,000</u>
TOTAL	\$10,173,000	\$ 6,000,000

The total project budget for implementing the master plan design is \$10,173,000, which was approved by the Board in April 1988. The university reported that the first phase of the project will provide a functional facility commensurate with current funds available (Phase I, \$6 million). The completion of the master plan will only take place when funds become available. Phase II of the project will be submitted for the review and approval of the Board when funds become available.

1988 Institutional Roads Projects--Resurface
Selected Campus Streets (1988)

Original Budget \$142,000
Revised Budget \$179,700

Source of Funds: 1988 Institutional Roads Funds \$ 14,000
1989 Institutional Road Funds 165,700

Project Budget

	Original Budget <u>March 1988</u>	Revised Budget <u> </u>
Contracts	\$ 103,800	\$ 140,000
Design Services	25,700	25,700
Construction Administration		1,000
University Services	1,000	500
Miscellaneous	500	600
Landscaping	1,000	1,000
Reserved for Future Contracts and Contract Changes	<u>10,000</u>	<u>\$ 10,900</u>
TOTAL	\$ 142,000	\$ 179,700

This budget has increased by \$37,700 from the last approved budget of \$142,000 reported in March 1988. This is the result of a bid received in June which exceeded the estimates of the engineer and the Iowa Department of Transportation (the bid was rejected by the Board in July 1988). The university was now revising the budget to reflect a more realistic construction cost and to show the 1989 Institutional Roads Fund as being added as a source of funds. 1988 funds have been reduced by \$14,000 to reflect engineering fees to date. The remainder of the project will be funded by the 1989 funds.

* * * * *

The university presented three new projects with budgets of less than \$200,000 that will be initiated in the coming months. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

CONSTRUCTION CONTRACTS

Awarded:

The Durham Center (Computation Center) \$15,232
Award to: Latta Company, Cedar Falls, IA
(3 bids received)

This purchase order award was reported on the register because construction of The Durham Center is being funded from the sale of Computation Center Revenue Bonds. Three bids were received for this purchase order. The other two firms

bidding were Pioneer Office Products and Storey-Kenworthy. Latta Company was the low bidder.

ISU Research Park--Phase I--Telecommunications \$50,941
Award to: Trinity Engineering Company, Huxley, Iowa
(4 bids received)

Elm Hall--Remodel for Social and Behavioral Research Center
for Rural Health \$139,465
Award to: R. H. Grabau Construction, Boone, Iowa
(4 bids received)

The Durham Center (Computation Center) \$111,083
Award to: Henkel Construction Company, Mason City, Iowa

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

Gilman Hall Renovations--Phase II \$213,267
McHan Construction, Inc., Sioux City, Iowa

A summary of all changes to the Agreement is as follows:

Original Agreement		\$3,081,755
Change No. 1	\$ 20,639	
Change No. 2	15,011	
Change No. 3	<u>213,267</u>	
Subtotal, all changes	\$248,917	
Maximum amount payable for services including this Change Order		\$3,330,672

In April 1988 the Board approved the university's request to redesign the basement area of Gilman Hall for a new laboratory facility to accommodate a new faculty member who required special laboratory space. The changes were estimated to cost \$290,000. The university requested cost proposals from the prime contractor, McHan Construction, Inc. The costs were reviewed by the project architect and the university and were accepted. The final cost for this work is \$213,267.

This change order will not require an increase in the last approved budget of \$5,906,000.

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Molecular Biology Building--Phase I--Site Preparation, Utility Relocation
ACI Mechanical Corporation, Ames, Iowa

1987 Institutional Roads Projects--Elwood Drive and Sixth Street Signalization
Dickinson, Inc., Oskaloosa, Iowa

MOTION: Regent VanGilst moved to approve the capital register. Regent VanEkeren seconded the motion, and it carried unanimously.

IOWA STATE INNOVATION SYSTEM LEASES - AMERICAN RADON SERVICES, SPECTROCHROM, LTD., AND HEALTH INNOVATIONS, INCORPORATED. The Board Office recommended that the Board approve leases with tenants in the Iowa State Innovation System (ISIS) Center in the building commonly called the Lab of Mechanics Building, as follows:

- (1) HEALTH INNOVATIONS INCORPORATED for their use of approximately 148 square feet of space (Room 208) at a monthly rental of \$74 for a period of two months commencing December 1, 1988, and ending January 31, 1989 with the right to renew for successive six-month intervals;
- (2) SPECTROCHROM, LTD. for their use of approximately 800 square feet of space (Rooms 301A and a portion of 304) at a monthly rental of \$300 for a period of three months commencing November 1, 1988, and ending January 31, 1989, with the right to renew on a monthly basis until the ISIS program is relocated to the ISU Research Park; and
- (3) AMERICAN RADON SERVICES (formerly d.b.a. Energy Marketing Midwest) for their use of approximately 700 square feet of space (Rooms 302 and 303) at a monthly rental of \$350 for a period of three months commencing November 1, 1988, and ending January 31, 1989, with the right to renew on a monthly basis until the ISIS program is relocated to the ISU Research Park.

The leases are all renewals with current tenants. The leases are on the standard Board-approved lease document.

MOTION: Regent Harris moved to approve leases with tenants in the Iowa State Innovation System (ISIS) Center in the building commonly called the Lab of Mechanics Building, as presented. Regent Williams seconded the motion.

Regent Fitzgibbon asked if there was a lot of space available to lease.

Vice President Madden stated that the incubator is currently housed in the old mechanical engineering building and has been there 2-1/2 years. He said the Board previously approved relocating the incubator to the new research park in February. The current building is completely full and there is a waiting list. The new location will be substantially full. University officials have found that they have had to push some of these businesses out of the

incubators. The purpose of the incubator is to get these businesses established. He noted that the radon firm has been very successful in its business plan.

Regent Greig stated that he felt it would be appropriate for the Board members to receive some information on how successful these incubators have been.

Vice President Madden said he would be glad to provide that information.

President Eaton stated that university officials held a press conference when the first two companies graduated. He noted that they both stayed in Iowa.

Regent VanGilst said it would be useful to know in the past one to two years how many companies graduated from the incubators and are on their own, whether they are staying in Iowa, etc. He said they could "toot their own horn".

President Eaton suggested that might be information the Board would like to see on an annual basis. Vice President Madden said he would be glad to put a report together.

President Eaton suggested the Board members could tour the incubator in January.

Vice President Madden said it might be appropriate for the Board to look at the new multi-tenant facility.

President Eaton noted that the manager of the incubator is a woman.

VOTE ON THE MOTION:

The motion carried unanimously with the following roll call vote:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

MEATS LABORATORY ADDITION. The Board Office recommended the Board, subject to the information presented by the university and its architect, (1) approve the schematic design master plan for the Meats Laboratory Addition and (2) authorize the university to proceed with design development, construction documents, and construction of the first phase of the project.

The schematic design master plan was developed and approved by appropriate university personnel. The design was prepared by the architectural firm of Rudi/Lee/Dreyer with input from the approved building program and potential occupants of the new Meat Irradiation Technology Center.

The total project budget for implementing the master plan design is \$10,173,000, which was approved by the Board in April 1988. The university reports that the first phase of the project will provide a functional facility commensurate with current funds available (Phase I, \$6 million). The completion of the master plan will only take place when funds become available. Phase II of the project will be submitted for the review and approval of the Board when funds become available.

In March 1988 the Board approved proceeding with architect and engineer agreements for the schematic design phase of the project. In April the Board approved the project description and budget for the entire project (\$10,173,000). In separate action on this month's capital register, the university requested approval of a revised budget (subject to Board approval of schematic design master plan presented by the university and its architect) to commensurate with current funds available, as follows:

Meats Laboratory Addition (Phase I)

Original Budget \$10,173,000
Revised Budget \$ 6,000,000

Project Budget

	<u>Original Budget April 1988</u>	<u>Revised Budget</u>
Contracts	\$ 5,232,036	\$ 2,100,000
Design Services	842,999	640,950
Surveys and Testing	10,000	10,000
Facilities Design and Construction	75,141	8,000
Construction Administration	100,000	40,000
Architect/Engineer Agreement	103,756	194,000
University Services	40,000	10,000
Miscellaneous	15,000	5,000
Landscaping	20,000	10,000
Utility Extensions	170,000	240,000
Fixed Equipment	2,890,000	2,500,000
Movable Equipment	30,000	
Art Work	50,865	30,000
Building Automation	45,000	10,000
Telecommunications	45,000	2,000
Reserved for Future Contracts and Contract Changes	<u>503,203</u>	<u>\$ 200,050</u>
TOTAL	\$10,173,000	\$ 6,000,000

Source of Funds:	72nd General Assembly		
	Academic Revenue Bonds	\$ 1,000,000	\$ 1,000,000
	Department of Energy Grant	4,000,000	4,200,000
	Future Department of Energy Grant	<u>5,173,000</u>	<u>800,000</u>
	TOTAL	\$10,173,000	\$ 6,000,000

Vice President Madden stated that university officials were presenting the schematic design for approval in accordance with the Board of Regents' capital planning procedures. He introduced Dean Morton, associate university architect, and Bill Lee of Rudi/Lee/Dreyer.

Mr. Lee stated that the site is located on the north side of campus near the old horse and cattle barns and adjacent to Kildee Hall. It is a difficult site because the access is so restrictive and because of the requirements of the USDA for a clean dock and a dirty dock. He said there is stainless steel everywhere inside the building. The floors are non-biological as are all the walls. The USDA standards are extremely high. There is a USDA meat inspector on board. The facility has an international reputation and is the finest of its kind in the world. He said much forethought went into the planning for this facility. The first priority is the irradiator. It will be completely functional from the day it goes in. He said the poultry area is in violation of USDA standards. The space will be remodeled to come into conformance. Mr. Lee noted that the facility will take a tremendous amount of electrical energy.

Phase two of this project will involve the biological research spaces which is the most expensive phase of this project. That area will address pathogenic and contaminated material. The facility will be 62 percent efficient. The architects have applied numbers on this now based on their experience and some current projects. Their mechanical consultants have just finished their review of the plans. Project totals indicate the project will be 66 percent efficient.

President Pomerantz said it is not just a building, it is a factory with a single purpose. It requires unique design characteristics.

Regent Fitzgibbon noted that the remodeling cost is unusually high and even though the project is highly sophisticated, remodeling estimates exceed basic building costs.

President Pomerantz stated that figures on the second sheet indicate remodeling costs of \$130/square foot. That reflects the cost of bringing the facility up to USDA requirements.

Regent Fitzgibbon pointed out that here they were at a meeting again and reviewing a building that costs a lot per square foot. He felt they should

have gotten some of the Board members involved earlier in this process. He said they need time to think about this. He was concerned about the process for granting schematic design approval. He said University of Iowa and Iowa State University officials should be complimented for saving millions of dollars on the last two buildings they presented. He did not feel comfortable, however, approving this schematic design without ample time to review the project. He was in favor of the project but uncomfortable with the process.

President Pomerantz asked if the time table for the project would allow the Board to defer approval until the January meeting? Vice President Madden suggested the Board could approve the design and university officials would proceed with working on the cost per square foot figures. He noted that these were schematic design estimates.

President Pomerantz said that was acceptable. At the next meeting the Board would deliberate and hopefully approve the rest of the project.

Regent Tyler noted that Regent Fitzgibbon wasn't the only Regent who felt they were being asked to approve the project without ample time for review.

President Pomerantz stated that if a Regent feels that the pressure of the time frame is too great they will slow it up. He acknowledged that there were probably few alternatives for the specifications but said they still needed time for evaluation.

Regent VanGilst stated that he is very supportive of the project. He added that he also felt it was hasty to make a decision at this meeting.

Vice President Madden stated that most of the concerns he was hearing were about the cost per square foot. He said university officials would continue with planning of the irradiator part.

President Pomerantz said the concern was related to the process.

MOTION: Regent Fitzgibbon moved to authorize the university to proceed with planning on the irradiator. Regent VanGilst seconded the motion, and it carried unanimously.

President Pomerantz stated that in the future the process for schematic design approval of facilities will be to make the presentation at one meeting and to approve the project at a subsequent meeting.

TUITION AND MISCELLANEOUS FEE SCHEDULE, 1989-90. The Board Office recommended the Board (1) approve Iowa State University's part-time tuition schedule and (2) approve miscellaneous fees noted below on which action was deferred in November pending approval of the university's 1989-90 full-time tuition rates.

The university's part-time student tuition schedule proposed for the 1989-90 academic year is in accordance with published Board policy on part-time tuition rates. Extension course work fees, workshop fees and the developmental mathematics fee deferred pending approval of full-time tuition rates were proposed for Regent action. Rates of increase are consistent with increases in full-time tuition for 1989-90.

Estimated revenue from miscellaneous fees for fiscal year 1989 amounts to \$3,483,000, including special course fees.

Vice President Madden stated that the student counseling service requested one change since these fees were presented to the Board. They wish to raise the fee for the credit by examination. He said CLEP exams have raised their costs. He noted that it is in the student's interest to test out of courses.

President Pomerantz asked if the university had no obligation to give notice on that kind of an increase? Vice President Glick said the new fee wouldn't go into effect until the fall. Mr. Richey said there had been consultation with student leaders.

Regent VanEkeren expressed concern about the diploma fee of \$10. She said it seemed to her that they should get the diploma for free after all the students had gone through.

MOTION:

Regent Greig moved to approve Iowa State University's part-time tuition schedule and to approve miscellaneous fees on which action was deferred in November pending approval of the university's 1989-90 full-time tuition rates. Regent Duchon seconded the motion, and it carried unanimously.

REQUEST FOR RESEARCH PARK FUNDING. The Board Office recommended the Board approve a request for annual operating support for the Iowa State University Research Park in the amount of \$250,000 for the 1989-90 fiscal year from lottery economic development research funds.

The Iowa State University research park, which has been discussed previously with the Board, is progressing with Phase I site development work substantially completed and tenants scheduled for occupancy in February.

Development costs of \$9.4 million have been obtained with \$5.3 million derived from private sources and \$4.1 million from a variety of public sources, including \$750,000 from Regents academic revenue bonds.

The Iowa State University Foundation has provided operating support during the two years of operation with the understanding that other sources would be obtained to keep the project going.

The university requested ongoing annual operating funds of \$250,000 per year commencing with the 1990 fiscal year.

Due to the strong relationship between the goals of the research park and the goals of the Education and Agriculture Research and Development Account (EARDA) lottery program, the Board Office recommended \$250,000 for the research park be included as part of the Board's fiscal year 1990 EARDA appropriation request. Ongoing operating budget needs will be addressed during the next budget cycle.

Vice President Madden introduced two Iowa State University alumni; John Shors, who is a member of the board of directors of the Research Park Corporation, and Steve Zumbach, to talk about the research park.

Mr. Shors stated that in 1985 the High Technology Council and the Governor recommended funding of university-related research parks. The general concept was approved by the Board of Regents in October 1985. Iowa State University officials started planning to fulfill that charge immediately. He noted that one of the problems associated with research parks is that they use money, not create money. Nonetheless, the Foundation of Iowa State University undertook to make this project a reality. They initially engaged Stanley Engineering which also did the study for the High Technology Council. The Foundation funded that effort. Next it hired a full-time president of the corporation, Leonard Goldman. The goal of this effort was a public/private partnership. The State of Iowa, Board of Regents, Story County and the City of Ames joined with the Iowa State University Foundation to make this a reality. They broke ground in Fall 1987. The first multi-tenant building will be finished this winter. They are close to closing with the first private company to build on the property. University officials are very pleased with the progress made. Collectively they have gone a long way toward making the goal a reality but they need help funding the project.

Mr. Zumbach stated that 90 percent of the development funds have come from the Foundation. At the time this opportunity arose no one else stepped up to the plate. Foundation officials believed that a research park was an integral part of economic development for this state. In order to put Iowa State University in that place someone needed to make that financial commitment. A research park would also enable the university to attract faculty of high quality. There would be new research opportunities for graduate students. From a development standpoint the park would facilitate the transfer of technology. In North Carolina where there is a research park for every one job in the research park 3 jobs are created in the private sector. \$75 million in federal funds is committed for research centers. Businesses are attracted to private sector research parks that are in close proximity to

research universities which he said is why Foundation officials made the financial commitment. However, he said they have limited resources. He said that with most other research parks the private sector makes the first financial commitment. He said they have now proven they have a viable program. He asked that the Board of Regents request funding for the \$250,000 needed.

MOTION: Regent Fitzgibbon moved to approve a request for annual operating support for the Iowa State University Research Park in the amount of \$250,000 for the 1989-90 fiscal year from lottery economic development research funds. Regent Williams seconded the motion, and it carried unanimously.

Regent Greig stated that he believed the research park would do great things for the state. He noted that most of the Regents went by the site the last time the Regents met at Iowa State University.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to Iowa State University.

At the request of Regent Duchon, President Eaton commented on the recent earthquake in Soviet Armenia.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, December 14 and Thursday, December 15, 1988.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended that the Board approve the Register for the month of November 1988.

ACTION: President Pomerantz stated the Register was approved as a consent item.

OTHER PERSONNEL TRANSACTIONS. The university requested that the Board approve the appointment of MARILYN MERCANDO as Head, Catalog Department, University Library, effective January 1989, at an annual salary of \$38,000.

Vice President Conner presented the following supplemental transaction:

Approval of the following Professional-Scientific impending vacancy under the provisions of Section 4.05, Board of Regents Procedural Guide.

James A. Stampf resigned as Budget Administrator effective January 3, 1989. A successor will be chosen to serve on annual appointment status with greater responsibilities in the areas of financial planning and the development, implementation and monitoring of financial alternatives and directions.

MOTION: Regent Williams moved to approve the appointment of MARILYN MERCANDO, as presented, and to accept the notice of vacancy. Regent Fitzgibbon seconded the motion, and it carried unanimously.

Regent Fitzgibbon questioned the change in responsibilities. Vice President Conner responded that university officials would return to the Board with that.

ANNUAL REPORT ON INTERNATIONAL PROGRAMS. The Board Office recommended the Board receive the annual report on International Programs.

The annual report on International Programs from the University of Northern Iowa contains seven agreements. All of the agreements concern exchange of students and faculty. Estimated cost of this agreement is \$38,000, mostly for associated travel expenses for students and faculty.

ACTION: President Pomerantz stated the Board received the annual report on International Programs by general consent.

CHANGE OF DEPARTMENT NAME. The Board Office recommended the Board refer this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Northern Iowa recommended that the Department of Information Management be changed to Department of Finance. There appears to be an indication that this change has a broader significance than just the name change. This issue will be reviewed by the committee and the Board Office.

Vice President Martin stated that university officials mentioned this request last July. He said this will yield a more orthodox configuration. He said "information management" was probably a misnomer.

Regent Fitzgibbon stated that the word "finance" encompasses a lot more than it did five years ago. He asked that university officials consider the definition of that word.

Vice President Martin stated that the university will offer the basic program. They don't wish to give the impression that they would cover such areas as international finance.

ACTION: President Pomerantz stated the Board referred this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the University of Northern Iowa capital register.

ARCHITECT/ENGINEER AGREEMENTS

Approval Requested:

Institutional Roads--Library Road Reconstruction and
Nebraska Street Extension

\$11,337

Kirkham, Michael & Associates, Cedar Falls, Iowa

Approval was given by the Board at its November 1988 meeting to proceed with the Institutional Roads--Library Road Reconstruction and Nebraska Street Extension project.

Proposals for engineering services were solicited and received from four consultants. Professional services will include design, geotechnical testing, construction contract administration, material testing, and construction inspection in accordance with the Iowa Department of Transportation requirements.

Approval was requested to select the firm of Kirkham, Michael and Associates of Cedar Falls, Iowa, to provide engineering services for the project in the amount of \$11,337.

Amendments Reported:

Classroom-Office Building \$17,792
Hansen Lind Meyer, Inc., Iowa City, Iowa

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Latham Hall Renovation--Asbestos Abatement \$26,992
Viking Insulation, Inc., Waterloo, Iowa

MOTION: Regent VanGilst moved to approve the capital register. Regent Williams seconded the motion, and it carried unanimously.

TUITION RATES AND MISCELLANEOUS FEES, 1989-90. The Board Office recommended the Board (1) approve the University of Northern Iowa's part-time tuition and fee schedule effective June 1, 1989, and (2) approve those miscellaneous fees listed below, upon which action was deferred pending final Regent approval of 1989-90 tuition rates in November 1988.

The university's part-time tuition schedule is consistent with Board policy on part-time tuition rates and approved full-time tuition rates. Extension, correspondence, laboratory and workshop miscellaneous fees previously deferred pending approval of full-time tuition rates were proposed for approval. Rates of increase are consistent with increases in full-time tuition.

Estimated revenue from miscellaneous fees for fiscal year 1989 amounts to \$1,386,000, with \$370,000 in support of General Fund operations.

MOTION: Regent Duchon moved to (1) approve the University of Northern Iowa's part-time tuition and fee schedule effective June 1, 1989, and (2) approve those miscellaneous fees upon which action was deferred pending final Regent approval of 1989-90 tuition rates in November 1988. Regent Fitzgibbon

seconded the motion, and it carried
unanimously.

Regent Greig asked if the Regents are going to look at total fees? President Pomerantz said there will be a comprehensive review of all the fees at all the institutions. Mr. Richey said that will occur in late-spring.

Regent Williams asked if the universities charge for admission to women's sports? Vice President Madden said women's basketball is the only one at Iowa State University at this time.

President Pomerantz stated they also charge for men's basketball and football.

Vice President Phillips said they also charge for men's wrestling at the University of Iowa.

Vice President Conner stated that the University of Northern Iowa charges admission to women's basketball and volley ball as well as men's basketball, football and wrestling. Students can purchase those individually or as a package.

President Pomerantz estimated that covered about 20 to 25 events per year.

Regent Williams said she liked the fact that University of Northern Iowa officials are charging for women's volley ball. She said that in this country that has become one of the major sports. She also said she felt students value sports more if there is a charge for attendance. She said it was rather insulting to women's athletics if there is not a charge for admission.

Vice President Phillips stated that University of Iowa officials have pretty much gone to charging in the women's sports area. They have a gold card system that covers admission for all women's sports except a few specified games.

Regent Williams said she felt there should at least be a nominal charge.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the University of Northern Iowa. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Thursday, December 15, 1988.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF NOVEMBER 1988. The Board Office recommended that the Board approve the personnel register for the month of November 1988.

ACTION: President Pomerantz stated the personnel register was approved as a consent item.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR THE PERIOD NOVEMBER 1-30, 1988. The Board Office recommended the Board approve this month's capital register.

CONSTRUCTION CONTRACTS

Awarded:

Director of Facilities Residence--Replacement of Asphalt Shingle Roof
Award to: Feilmeier Construction \$1,212

The school reported the award of a contract to Feilmeier Construction in the amount of \$1,212 to replace the roof on the Director of Facilities Residence. This project was approved by the Board at its October 1988 meeting.

MOTION: Regent VanEkeren moved to approve the school's capital register. Regent Williams seconded the motion, and it carried unanimously.

APPROVAL OF CONTRACT WITH IOWA ASSOCIATION OF THE DEAF FOR USE OF OFFICE SPACE IN GIANGRECO HALL. The Board Office recommended that the Board approve a lease with Iowa Association for the Deaf for their use of three rooms on the first floor of Giangreco Hall in exchange for services rendered to the school and its students, for a period of one year, with the right to terminate on sixty days' notice retained by the school.

The school sought to enter into a lease with the Iowa Association of the Deaf for their use of three rooms at the school in exchange for services. The arrangement would give a permanent home to the Association and would provide a good link between the students and the adult service organization.

IOWA SCHOOL FOR THE DEAF
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Superintendent Johnson said they would run and operate the museum and this would assist in alumni relations. The association has long wanted office space to call their home office. He felt this was a great opportunity to work with the deaf. There would be no exchange of money.

MOTION:

Regent Fitzgibbon moved to approve a lease with Iowa Association for the Deaf, as presented. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

President Pomerantz then asked Board members and institutional executives if there were additional items for discussion pertaining to the Iowa School for the Deaf. There were none.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Thursday, December 15, 1988.

President Pomerantz expressed the Board's appreciation to school officials for the Christmas gifts they received. Regent VanEkeren asked that the students be informed of the Board's appreciation for the Christmas cards.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR OCTOBER 30 TO NOVEMBER 26, 1988. The Board Office recommended the Board approve the Register.

ACTION: President Pomerantz stated the Board approved the Register for October 30 to November 26, 1988, as a consent item.

POLICY REGARDING USE OF IBSS SWIMMING POOL. The Board Office recommended that the Board approve a Policy statement and Procedures for use of the school's swimming pool, as presented.

The school's pool is used by several community-based organizations for both instructional and recreational purposes. The superintendent determined that the school's interest in the safety and security of those using the pool could best be served by establishing a written policy and procedures on the use of the pool.

The Iowa Chapter of the American Red Cross has reviewed the policy and procedures and indicates that they meet their requirements for pool safety and supervision.

ACTION: President Pomerantz stated that the Board approved a Policy statement and Procedures for use of the school's swimming pool as a consent item.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the school's capital register.

The capital register for the Iowa Braille and Sight Saving School contained one reported action.

FINAL REPORTS

Service Building Roof Replacement

\$30,484

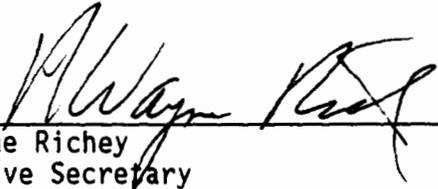
The institution submitted a final report on the Service Building Roof Replacement project. The school indicated that the project is completed and the final expenditure is \$30,484, which is \$1,516 under budget.

MOTION:

Regent VanGilst moved to approve the school's capital register. Regent Harris seconded the motion, and it carried unanimously.

President Pomerantz then asked Board members and institutional executives if there were additional matters for discussion pertaining to the Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 9:39 a.m., on Thursday, December 15, 1988.



R. Wayne Richey
Executive Secretary