

The State Board of Regents met on Wednesday, December 9, and Thursday, December 10, 1987, at the Iowa School for the Deaf. The following were in attendance:

	<u>December 9</u>	<u>December 10</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Duchon	Excused	Excused
Mr. Fitzgibbon	All sessions	All sessions
Mr. Greig	Excused	Excused
Dr. Harris	All sessions	All sessions
Mr. Tyler	All sessions	All sessions
Miss VanEkeren	Excused	Excused
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	Excused
Director Maxwell	All sessions	Excused
Director True	All sessions	All sessions
Director Volm	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Dickinson	All sessions	All sessions
Assistant Director Peters	All sessions	All sessions
Minutes Secretary Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Remington	All sessions	Excused at 10:32
Vice President Phillips	All sessions	Excused at 10:32
Associate Vice President Moll	All sessions	Excused at 10:32
Associate Vice President Small	All sessions	Excused at 10:32
Assistant to President Mears	All sessions	Excused at 10:32
Director Cooper	All sessions	Excused at 10:32
Director Stork	All sessions	Excused at 10:32
<u>Iowa State University</u>		
President Eaton	All sessions	Excused at 11:48
Vice President Madden	All sessions	Excused at 11:48
Director Lendt	All sessions	Excused at 11:48
<u>University of Northern Iowa</u>		
President Curris	All sessions	Excused at 9:50
Provost Martin	All sessions	Excused at 9:50
Vice President Conner	All sessions	Excused at 9:50
Vice President Follon	All sessions	Excused at 9:50
Exec. Ass't. to President Stinchfield	All sessions	Excused at 9:50
Director Chilcott	All sessions	Excused at 9:50
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	All sessions
Business Manager Kuehnhold	All sessions	All sessions
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 9:54
Business Manager Berry	All sessions	Excused at 9:54
Director Hauser	All sessions	Excused at 9:54

## GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, December 9, and Thursday, December 10, 1987.

During the afternoon of December 9, 1987, the Board members participated in the installation of Iowa School for the Deaf Superintendent William Johnson.

### **APPROVAL OF MINUTES OF BOARD MEETING, NOVEMBER 11-12, 1987.**

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

**ACTION:** President Pomerantz declared the Minutes approved as published by general consent.

**CONSENT ITEMS.** The items on the consent docket appear in the appropriate sections of these Minutes and were approved by general consent of the Board.

### **REPORT OF COMMITTEE ON EDUCATIONAL COORDINATION.**

President Pomerantz stated the Committee on Educational Coordination did not have a report this month.

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

The meeting was held on December 1, 1987. The following are highlights of that meeting.

Way Up V Conference. The Council heard a report on the success of the Way Up V conference held in Cedar Rapids in November. Because of the success of that meeting, the planning committee has begun preliminary plans for holding Way Up VI in the fall of 1988. The Coordinating Council unanimously voted to support the Way Up Conference in 1988 by providing a financial reserve to back the conference.

Presentation on Health Issues. The Coordinating Council heard several presentations regarding student health-related matters for colleges and universities.

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New Programs. The Coordinating Council accepted four proposed community college programs. On a fifth proposal, a request for approval of "An Extended Focus for College Parallel Education" at Northwest Iowa Technical College the Council adopted a motion requesting that the Iowa Department of Education defer consideration on the matter until February to provide an opportunity for a committee of the Coordinating Council to provide the Council with a recommendation regarding the proposed extended programming.

Coordinating Council Brochure. The Coordinating Council approved the development of a brochure describing the Coordinating Council that will be distributed to the Governor, Legislature and general public.

Regent VanGilst stated he was very pleased that all three Regent university presidents participated in the December Coordinating Council meeting. He added that he was also pleased at the way the Council is operating.

President Remington referred to the minutes of the Coordinating Council meeting, and noted that the council is discussing sensitive and important issues.

Regent Tyler referred to the request for approval of an extended focus for college parallel education program at Northwest Iowa Technical College, and said it was one thing to have 15 vocational/technical schools in the state and quite another to have 15 publicly-supported liberal arts institutions. He felt someone should take a stand and say "enough is enough". He said there are only so many funds to be divided among the institutions. He felt the Board of Regents should not support any further duplication.

Regent Williams said the concern of the Board of Regents has been to operate effectively, as evidenced by the setting of its priorities and initiation of the organizational audit. If that point needed to be stressed at the next Coordinating Council meeting, she said she would be happy to do so.

President Remington noted that all institutions associated with the Coordinating Council submit new programs to the Council for review. Since it is a voluntary organization the decision on approval or disapproval of new programs for the community colleges lies with the Department of Education. President Remington added that the Department of Education representative indicated that Northwest Iowa Technical College was one of two area colleges considering the establishment of a college parallel program.

Regent Williams stated that since the Coordinating Council is a voluntary group it is important that the advise and consent element is there. In that effort the Board of Regents could make its views known.

President Pomerantz stated it would be best to communicate through representatives of the Board. He suggested the Board draft a letter to its representatives to be communicated to the Coordinating Council.

Regent VanGilst stated that as a member of the Coordinating Council he would consider what had been said.

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

**PROGRESS REPORT ON STUDIES OF PRIORITY ISSUES.** The Board Office recommended the Board receive the report on the status of priority issues.

During the past month priority issues were considered by the Banking Committee with respect to insurance coverage for facilities. The selection of architects issue has been expanded to include the selection of engineers, as well.

The Board Office reported that the Committee on Educational Coordination has appointed a subcommittee to look into the question of cooperation in technology. This committee has met and developed a survey that is currently being circulated on the university campuses to identify areas of cooperation in technology. The committee on improved relations with agencies has met and approved tentative plans for the two special schools to move forward in improving their relations with other agencies. The committee on university relations has met and reached preliminary conclusions. The study issue relating to compensation and fringe benefits has been enlarged to include a comprehensive review of the operation of the institutional systems for professional and scientific employees.

President Pomerantz stated the priority issues needed to be reviewed to determine whether any issues should be added or removed. Mr. Richey noted that would be dealt with by the Board at their January meeting.

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

**ENROLLMENT REPORT - PART II.** The Board Office recommended the Board (1) receive the fall 1987 enrollment report, part II; (2) approve the enrollment projections for all five Regent institutions; and (3) approve recommendations for special studies, as noted below.

Critical Issues:

1. Foreign Graduate Students.

The enrollment report indicated there has been a substantial increase in the number of foreign students at Regent universities in recent years. The percentage of foreign graduate students has increased at the University of Iowa from 11.8 percent to 21.4 percent, at Iowa State University from 23.8 percent to 31.2 percent, and at the University of Northern Iowa from 14.5 percent to 23.3 percent from 1981 to 1987.

There are substantial educational benefits in having a blend of students at the Regent universities representing various ethnic and cultural backgrounds. Board Office staff felt this benefit begins to erode, however, when programs become overly enrolled by foreign students and when the foreign students represent only one or primarily one ethnic or cultural group. Some programs are now made up of high percentages of students from one cultural area. This situation may be educationally undesirable and somewhat difficult to justify. Furthermore, if our higher educational system is a major advantage in a competitive economy, it appears that we are making it available at nominal cost to our primary competitors.

Recommended Action:

The Board Office recommended that an interinstitutional committee be established to review patterns of foreign graduate student enrollment and to develop policies to ensure balanced foreign student enrollment.

2. Low Enrollment Programs

A number of low enrollment programs were identified at each institution. These programs consistently enroll less than 10 undergraduates and 5 graduate students annually. Such programs raise the issue of whether such enrollments constitute a critical mass necessary to provide a quality program. Issues related to the most effective use of state dollars are also raised with regard to these low enrollment programs.

Recommended Action:

The Board Office recommended that all programs enrolling less than 10 undergraduates and less than 5 graduate students be screened to ascertain if such programs are viable or needed. Those programs in which questions of viability are raised as a result of this initial screening should be subjected to an in-depth review that would consider, among various options, whether they should be continued.

3. Programs With Large Enrollment Declines

Nursing undergraduate enrollment declined 20.8 percent this fall over fall 1986. Graduate nursing enrollments declined 10.7 percent this fall. The Board Office noted these sizable decreases in enrollments added to past declining enrollments are a matter of concern that should be reviewed for impact on the financing, resources, and quality of the nursing program. If the needs of the state for personnel resources in those specialties are not being met adequately, proposals should be developed to increase enrollment in them.

Enrollments in Agricultural Engineering and Agriculture at Iowa State University have declined 17.9 percent and 10.9 percent, respectively. Enrollments in Natural Sciences at the University of Northern Iowa have declined by 9.4 percent.

Recommended Action:

The Board Office recommended that a report be prepared analyzing the current and projected impact of declining enrollments on the manpower needs of the state and on the resource needs and quality of the undergraduate and graduate nursing program at the University of Iowa, Agricultural Engineering and Agriculture at Iowa State University, and Natural Sciences at the University of Northern Iowa.

4. Selectivity of Students

It appeared that the overall quality of new students (as represented by standardized test scores and high school rank) is increasing at the Regent universities.

Recommended Action:

None. This topic is currently under study as a priority issue.

5. Minority Enrollments

The enrollment report indicated that undergraduate minority enrollment declines were experienced this fall at Iowa State University and the University of Northern Iowa.

Recommended Action:

The Board Office recommended that Iowa State University and the University of Northern Iowa review their programs to attract minority students immediately and take action to reverse this trend. Longer-term actions are currently underway at all three Regent universities.

Director Barak stated the enrollment report included a number of special reports on specific areas. This year's report identified several issues consistent with priority issues relating to enrollments.

Regent Fitzgibbon expressed concern that in reading the report it appeared that some of the areas of enrollment concern could have been anticipated and, therefore, addressed more quickly than was proposed.

Regent Harris expressed concern regarding foreign student enrollments, and said the matter ought to be handled with greater care because he would not want to send the wrong message.

In reference to the enrollment imbalance in graduate programs, President Remington said he hoped the Board was not turning away from the University of Iowa's strategic plan. One of the major planning initiatives involves international studies. He said the State of Iowa has opened offices in Japan and Hong Kong to encourage business and trade. He felt it was appropriate for the universities to work with the state in this endeavor. The international exchange also provides a diversity of enrollments and offers students the opportunity to interact side by side with students from other cultures. Every two years university officials spend hundreds of hours preparing the strategic plan. Since 1982 one of the key elements of that plan has been the internationalization of the University of Iowa, which President Remington said has increased three-fold in the last decade, and over three planning cycles. That effort has created the Center for Asian and Pacific Studies. He said it was discouraging if the Board was deemphasizing international education.

Regent Fitzgibbon said he was not questioning international education. His concern was the enrollment figures.

President Remington stated that nationally there has been a decline in applications in the areas of medicine, dentistry, and law. Students are opting not to go into professional graduate programs.

President Pomerantz stated the salaries for those professional positions had an impact on the decline in enrollments. Regent Fitzgibbon agreed and expressed particular concern for salaries of law graduates.

President Eaton spoke to the area of engineering graduate student enrollments. In terms of what has been happening in the last decade with persons seeking a Ph.D. in engineering, he said the proportion of faculty under the age of 36 who are not U.S. born has gone up steadily. One-half are now non-U.S. nationals. He said that when data is fit to this history it suggests that by 1995 between 75-90 percent of all engineering professors under the age of 36 will not be U.S. born. The entry-level salary for engineers is encouraging students to go to work rather than to graduate school. President Eaton said the same trend is occurring in many other

fields. Many foreign countries realize the importance of graduate education in these areas and are assisting their young people in continuing their education.

In terms of undergraduate students, President Eaton said the universities are not giving foreign students a free ride. He said that financially they bring three times as much to the Regent universities as resident students. In the city of Ames foreign students contribute \$25-30 million per year to the economy. President Eaton did not consider foreign student enrollments as a problem. He said that while they are encouraging a larger foreign student population, Iowa State University officials do not recruit internationally.

The largest number of foreign students on the Iowa State University campus are from Malaysia. President Eaton stated that last year those students mounted a fund raising campaign for an Iowa farm student to attend the university. He said that was one example of the good things foreign students are doing.

Regent Williams questioned the amount of tuition paid by a foreign graduate student which is not covered by stipend.

Vice President Madden responded that the university basically provides one-half of the fees. Students are required to pay through a scholarship allocation. Many of the students qualify as teaching assistants and research assistants. There is an indirect cost recovery since the research projects that are supporting foreign students' stipends and salaries also bring in other university money. He said at Iowa State University the university-supported range is from \$9-\$16,000/year depending on the discipline. Vice President Madden stated the maximum paid by the university on behalf of foreign students is one-half the tuition costs.

Regent Williams asked whether any University of Iowa students were attending universities in other countries and receiving the same types of benefits at those universities as foreign students were receiving at Iowa's Regent universities. She said that would indicate to her that this is truly an international exchange.

President Remington responded that there is some exchange taking place, such as the Junior Youth Abroad program. However, he said that higher education in this country is still our leading export commodity -- people want to buy that service in the U.S. He said that while it is true there are many foreign students in the nation's graduate schools, roughly half of those students stay here and fill faculty positions upon graduation.

President Remington said he met with a University of Iowa alumni in Tokyo two weeks ago. This person is the chief executive officer for Seiko watches. He and other alumni in Tokyo are extremely pleased about the University of Iowa.

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President Remington said those ties are important in Iowa's attempt to trade grain and other commodities.

Regent Williams stated she saw a great need for the people of the state of Iowa to understand the international missions of the universities. She urged university officials to get that story out because resentment is building due to a misunderstanding about the foreign students.

President Curris stated the Board of Regents was attempting to deal with a very complex issue. He said it is important that the Regent institutions maintain their commitment to international education. He said that what should be kept in mind is that most of the international students study abroad because they receive funding from their native countries. Those countries support study abroad while in this country the role of the government is much different. The great shift in financial aid toward loans rather than grants is the greatest factor in the decline in enrollments in particular fields. A number of students are finding as they finish their undergraduate training they have already incurred significant debts. He said that government financial aid policies will continue to be a contributing factor for students pursuing careers in fields which are traditionally low paying, such as nursing.

President Pomerantz suggested there may be a proactive approach to the issues raised.

President Eaton stated the universities can be more proactive but ultimately it comes down to dollars. He listed some of the foreign countries the university has international agreements with, and said it gave a sense that many parents would feel their children would not receive a quality education in those countries.

Regent Williams stated we need the best minds across the world but it should not be subsidized at least 50 percent by the state of Iowa.

President Remington stated the amount paid by the university is not even close to 50 percent. The University of Iowa hires its teaching assistants and research assistants at rates substantially less than the going rate. The University of Iowa has a pool of graduate students who teach and get their tuition paid, and the university in return is able to provide quality education. President Remington said the university will never have enough Iowa students to fill the assistantship positions.

Mr. Richey noted that the discussion concerned graduate students with a tuition cost of \$5,000. He said if they are granted resident status the tuition cost drops to \$1,600.

President Pomerantz asked what is meant by the term "full cost". Vice President Madden responded that a cost allocation formula is used to

determine full cost. President Eaton said the foreign students pay the same for room and board as any other student.

Regent Fitzgibbon stated that enrollment trends swing this way and that way. Not too long ago there was a shortage of engineers and attorneys. He cautioned that it has happened many times.

President Eaton stated those trends and swings were particularly true in the field of engineering. He said that if it could be demonstrated that foreign graduate students were preventing Iowa students from having access to graduate school the issue would be quite different.

MOTION:

Regent Tyler moved to (1) receive the Fall 1987 Enrollment Report, Part II; (2) approve the enrollment projections for all five Regent institutions; and (3) approve recommendations for special studies as presented. Regent Fitzgibbon seconded the motion.

Vice President Moll referred to the Board Office recommendation regarding establishing an interinstitutional committee to review patterns of foreign graduate student enrollment, and suggested the Interinstitutional Committee on Educational Coordination was the appropriate standing committee to perform that function. Vice President Moll referred to the Board Office recommendation regarding analysis of programs with large enrollment declines and stated that three to four years ago there was a 20 percent decline in enrollments nationally of nursing students which did not impact on Iowa until last year. He believed the biggest factor for the nursing enrollment decline was not salaries but new opportunities in other areas. As an example he said the College of Business Administration, which has received a large increase in enrollments in recent years, has found that more than the total enrollment increase is in women students. He said the College of Nursing has initiated a proactive outreach program encouraging high school students to pursue nursing and nursing education as a profession.

Vice President Moll referred to the Board Office statement that University of Iowa freshmen who ranked in the lower half of their high school graduating classes represented 9.3 percent of total new freshmen in Fall 1987. He said there seemed to be an implication that those students were not qualified although those students did meet the standard required for ACT scores. He suggested that in the future the admission criteria be considered in conjunction with development of the enrollment data.

President Eaton stated many undergraduates have a tendency to overenroll to ensure they will be able to get at least 15-16 hours. In regard to the Board Office recommendation concerning programs under large enrollment declines,

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President Eaton has recommended to the deans that they begin phasing some of those programs out.

Regent Williams referred to the report that undergraduate minority enrollments have declined, and stated that in meeting the challenge of attracting minority students she hoped the universities would make an active attempt to be visible in communities where large minority populations are present. She said every institution of higher education except the Regent institutions is actively recruiting in those areas.

Regent Harris said the universities must put forth the maximum effort to recruit resident minority students. He felt that until that was done the universities should not recruit from out of state. He hoped cooperation was taking place within the three universities regarding the new minority enrollment target, and said he was interested in seeing what they have done.

Regent Williams stated Iowa's K-12 education is probably the best in the nation. The minorities in the state for the most part are well served yet she saw a real need on the part of the universities to look at high minority population areas in the state and to pursue those school districts. She urged the universities to not bypass the very system Iowans are so proud of.

President Remington stated the University of Iowa is at approximately a 5 percent minority enrollment level while the overall state minority population is 4 percent. Regent Williams stated it would be interesting to see how many of those 5 percent are in-state students. President Remington agreed the university needed to start at home.

Regent Fitzgibbon asked what the universities have done to address increasing minority enrollments.

President Eaton said that during a group discussion about enrollment levels a black female student leader commented that she felt part of the reason for the failure of blacks to succeed was that preparation had not been adequate. She suggested a program of testing that might steer a student to a community college for their first year to get their "college legs" under them. He asked everyone to provide other suggestions that might help the universities have greater success recruiting and retaining minority students.

Regent Williams said the universities have to do better than that. She said the student was talking about a problem that starts much earlier. As Regents she felt they should get the point across to school districts with large concentrations of minorities that they must ensure that any student having a problem would have that problem addressed before entering junior high school.

Regent Harris encouraged Iowa State University and University of Northern Iowa officials to go to the University of Iowa to see their minority enrollment program. He said it addresses the issues being discussed.

President Remington said that if the Board is interested in a description of the program, Vice President Hubbard could be available to discuss it with them.

Regent Harris said that if there were time it should be presented to the Board. He said there are colleges in cities with large minority populations that have low minority enrollments. He said it is a matter of what an institution wishes to do, how vigorously an administrator wishes to increase minority enrollments and raise the quality of minority education in this country.

In regard to the recommendation concerning screening low enrollment programs, President Curris recommended that the review take place on campus and then be forwarded to the Committee on Educational Coordination.

President Pomerantz responded that the only caveat with that was the organizational audit, which he said would have a thrust in that direction.

President Curris stated that should be a responsibility of the campus. He was concerned about crossing the line and allowing people outside the institution, not part of the peer group, to review the inner workings of the universities.

President Pomerantz stated it had never been the policy of the Board to get into those areas. He said these are real opportunities which need to be evaluated in depth, which the institutions should do as quickly as possible.

Regent Williams asked whether the Board Office recommendation regarding the establishment of an interinstitutional committee to review patterns of foreign graduate student enrollments would be changed to delegate that responsibility to the Interinstitutional Committee on Educational Coordination.

President Pomerantz agreed that change would be made.

VOTE ON THE MOTION:                      The motion carried unanimously.

**ANNUAL REPORT ON FACULTY TENURE AT THE REGENT UNIVERSITIES, 1987-88.** The Board Office recommended the Board receive the reports on faculty tenure policies and practices.

Highlights of the tenure report follow.

\* The percent of total faculty tenured at the Regent universities remains below national averages.

- \* The University of Iowa reported increases in the percent of tenure-track faculty tenured as well as the percent and number of total faculty tenured. Decreases occurred in all other categories.
- \* Iowa State University showed an increase in all faculty tenured reporting categories except the number and percent of departments with 90 percent or more of total faculty tenured which showed a decrease.
- \* The University of Northern Iowa tenure data indicated a continuance of the trend begun last year of decreases in all faculty tenured reporting categories.
- \* National data on average percentage of women faculty who are tenured (46 percent) indicate that Regent universities continue to lag in this category by 5 to 28 percent. Females as a percent of the tenure-track faculty increased slightly (1 percent) at Iowa State University and remained the same at the University of Iowa and University of Northern Iowa.
- \* Minorities as a percent of tenure-track faculty decreased slightly at the University of Iowa and Iowa State University and increased at the University of Northern Iowa.

Vice President Moll said the Board Office statement that females as a percent of tenure-track faculty tenured remained the same at the University of Iowa was misleading. He said the data showed the university at 18 percent for percentage of female of total faculty with tenure. However, the percentage of female tenure-track faculty tenured showed the university at 62 percent. He said the total faculty with tenure comparison includes all non-tenure staff the university hires. One such classification would be staff nurses, which is one-half of the total nursing staff.

Regent Williams asked why the staff nurses are not on the tenure track. President Remington stated they are granted a courtesy tenure, which is the same granted to physicians.

Regent Williams said the key point was that there are more male faculty than female faculty at the University of Iowa.

President Remington admitted it is a bad situation for women, and said the university is not proud of the overall figures. He asked to go on record that he felt the Regent universities should never be compared with all universities nationally. He asked that their comparison groups be used for all analyses in the future. There are 3,300 educational institutions in the country but only 56 are in any way comparable to the University of Iowa. He said the Board agreed on a comparison group of 11 institutions for the University of Iowa. He suggested it would be interesting to do another comparison with their comparison group.

President Pomerantz said the Board Office would take a look at a comparison with the comparison group.

Regent Fitzgibbon said he was interested in a comparison against themselves that would show if the trends are heading in the right direction.

**ACTION:** President Pomerantz stated the Board received the reports on faculty tenure policies and practices by general consent.

**ANNUAL 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, 1988; and (3) request the institutions and Board Office to submit affirmative action progress reports to the Board for the June 1988 Board meeting.

The Board Office reported that resignations by women and minorities have adversely affected institutional affirmative action plans. It is discouraging for the institutions and the Board Office when the number of terminations are equal to or greater than the number of new hires under the affirmative action plans.

Highlights of the annual institutional affirmative action reports follow:

University of Iowa

The most notable achievements which the university accomplished was its ability to increase the number of women in Executive/Administrative/Managerial positions by four. The university was able to retain 10 minorities in similar positions. There was an increase of thirteen minorities in Professional and Scientific positions and three in Secretarial/Clerical positions.

Iowa State University

Iowa State University was able to increase the number of women in Executive/Administrative/Managerial positions by 5. Although the university experienced an overall loss of 20 faculty tenure track members, there was an increase of 4 women and 2 minorities in this category. Women increased by 26 in professional and scientific positions.

University of Northern Iowa

Among its notable achievements, the university was able to increase the number of women and minorities in faculty-tenure positions by 34 and 5

respectively. Moreover, there was an increase of 38 women and 2 minorities in faculty-nontenure track positions.

#### Iowa School for the Deaf

The institution experienced an overall reduction of 38 employees in its work force during the program year. Due to the small number of vacancies which occurred at the institution, affirmative action goals had not been established. Institutional officials stated that affirmative action measures will be taken when a vacancy occurs. The Iowa School for the Deaf employs 1 minority and 20 handicapped employees. The institution employs 116 (66.2 percent) women.

#### Iowa Braille and Sight Saving School

The work force at the Iowa Braille and Sight Saving School has remained stable during the past program year. The institution added 2 women in secretarial/clerical positions. The institution employs 11 handicapped persons. Of a work force of 117 employees, the institution employs 90 (76.9 percent) women. It does not presently employ any minorities. Institutional officials reported that the hiring of minorities continues to be a problem considering the geographical location of the school.

### CONTRACT COMPLIANCE

#### Vendors and Suppliers

The compliance office reviewed the affirmative action program of 220 companies since the last report to the Board, the results of which follow:

<u>Findings</u>	<u>No.</u>	<u>Percent</u>
Favorable	125	57 percent
Unfavorable	68	31 percent
Neutral	<u>27</u>	<u>12 percent</u>
Total	220	100 percent

The compliance office will continue to work with those companies whose compliance status is unfavorable in order that they can come into compliance with the Board's equal opportunity policy.

#### Building Trades Contractors

The number of minorities and women employed in the building trades has not increased overall. The decline of minorities and women craft workers in the construction industry occurred during the recession of the late 1970's and early 1980's. Many of the minorities and women who were actively employed in

the building trades in the 1970's are now owners of Targeted Small Businesses.

Objective

The objectives of the compliance office for the remainder of the program year are 1) to assist the 68 firms whose affirmative action status is unfavorable at this time in order that they can come into full compliance with the Board's equal opportunity policy, 2) to identify and begin the review of 225 new firms, and 3) to assist the Department of Economic Development, with the cooperation of Regent institutions, in identifying new Iowa Targeted Small Businesses.

Mr. Maxwell stated the affirmative action effort and its intent has been misunderstood. It was once perceived as a black and white issue, and not a gender issue. He said the Regent institutions have been very aware of affirmative action for a long time as evidenced by the institutional heads reaffirming affirmative action. In regard to areas where targeted goals were not achieved, Mr. Maxwell said he felt part of the problem was that the goals were overextended. He would rather see more achievable goals. He said the institutions must be more diligent and work faster, especially toward affirmative action for women. The bottom line is that the Regent institutions must recruit and retain more women and minorities.

In regard to targeted small businesses, Mr. Maxwell said there is a need for more minority businesses that supply goods and services.

Regent Harris said there needs to be a redefinition of what constitutes a minority business. For example, he said that if 95 percent of a business's stockholders are a minority, and only a few of the employees are a minority, but the person who runs the business is not a minority, that business is not considered a minority business.

Mr. Maxwell confirmed that a business has to be 51 percent owned, operated and run by a minority.

President Pomerantz stated Regent Harris brought up an important point which would be looked into.

**ACTION:**

President Pomerantz stated the Board, by general consent, (1) received the affirmative action and contract compliance reports; (2) authorized the executive secretary to submit the Board's annual affirmative action report to the Department of Management on or before January 31, 1988; and (3) requested the institutions and Board Office to submit affirmative action progress

reports to the Board for the June 1988 Board meeting.

**STUDENT AID REPORT.** The Board Office recommended the Board (1) receive the Annual Report on Student Aid, 1986-87; (2) request that the University of Iowa and Iowa State University review priorities in distribution of financial aid to graduate students to ascertain if allocations conform to major institutional goals; and (3) request that the universities begin to track student aid set-aside funds so the Board can be assured that funds set aside at the time that tuition rates are increased are actually used for the purpose that was intended.

Highlights of the report follow.

- \* Approximately \$187,930,000 in student financial aid was provided to 47,173 students at Regent universities in 1986-87.
- \* Institutional student aid programs provided \$84.5 million to students at Regent universities in FY 1987.
- \* Awards in state financial aid programs increased at all Regent universities and provided over \$2 million in 1986-87.
- \* Gains were recorded in the category of Federal Programs--Institutionally Controlled at the University of Iowa of 17.7 percent and .4 percent at Iowa State University. Awards in this category declined by 28.6 percent at the University of Northern Iowa.
- \* In the category of Non-Institutionally Controlled Federal Programs, only Iowa State University recorded an increase. It reported a 6.5 percent increase (\$2,507,465) principally in the Guaranteed Student Loans. Both the University of Northern Iowa and the University of Iowa recorded significant reductions. The declines were largely attributable to decreases in Guaranteed Student Loan awards.
- \* The significant decrease in the amount of money available to meet the need of students is a reflection of the changes in the Guaranteed Student Loan Program. Revisions mandated in October 1986 changed definitions of independent/dependent students and made awards contingent on needs-based criteria which considered assets as well as income in the computation.

Director Barak stated that John Moore, University of Iowa Director of Student Financial Aid, was retiring. Dr. Barak said Mr. Moore has been an invaluable asset to the Board in preparing student aid reports.

President Pomerantz asked whether the Regent universities were using all the student aid funds that were available. Mr. Moore responded that the University of Iowa was using all its student financial aid funds. He said

the financial aid report reflected the status at the other universities. He said budgeted funds are only a small part of total student aid available.

President Pomerantz asked whether the universities ever had occasion to turn down any needy, qualified student due to lack of funds. Mr. Moore responded that no student who meets the qualifications has been turned down, although the university may not have been able to give them as much as they would like and the student may have been referred to a loan program.

Vice President Madden stated the situation was basically the same at Iowa State University. He said the university also has a financial aid package for Iowa students. He added that the university has experienced a problem of overcommitment of funds. There are reporting problems in some of the data contained in the financial aid report.

Vice President Phillips said the University of Iowa experienced financial aid reporting problems similar to Iowa State University's. When the funds come into the university they are allocated to various departments and units. Once they are allocated they are tracked in a different way. She believed the university could track those funds in a manner that would meet the goals of the financial aid reports.

Regent VanGilst asked whether there are students who, because of the federal qualification guidelines, will not be able to get financial aid. He said it seems that if a person is poor enough they can go, but if they are in-between they can't qualify for financial aid and they can't afford the tuition.

Vice President Madden stated the basic qualifications are generated by the federal government which has set out very elaborate procedures for defining need. A large part of the federal financial aid philosophy is for loan programs which many students don't find an acceptable form of aid. He said the federal formula for determining a family's ability to pay also has an affect on qualifying for aid.

Vice President Madden said that in the case of Iowa State University's work study programs, they continue to experience difficulty finding students to work in a number of departments. Students who are not willing to do that may not be coming to school. A student who wants to attend the university, who meets the standards and who is a resident can go to the university, although they won't necessarily get the financial aid package they want. He said the high risk students are those who have to borrow a large amount of money which is a problem of society, in general, with its federal student aid philosophy.

Regent VanGilst asked whether Vice President Madden's comments also reflected the University of Iowa's work study program. Vice President Phillips responded that it did.

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Regent VanGilst asked whether there are students who could get some work but turn it down. Mr. Moore responded that there are.

Regent VanGilst asked whether the students don't take the jobs because they don't want to or because they can't get their lessons done. Mr. Moore responded it was probably for both reasons.

Regent VanGilst asked whether the students were being paid \$3.35/hr. Mr. Moore responded that the average hourly wage at the University of Iowa is \$4.20.

Regent VanGilst stated that a maximum of 20 hours per week at \$3.35/hour is not much money in a week. Mr. Moore said that depended upon the work ethic of the student.

Regent VanGilst asked whether there was a large group of students who were only being paid minimum wage. Mr. Moore responded that was correct.

Regent Williams stated she had met with a group of students. The students had developed a work study proposal through the Collegiate Associations Council at the University of Iowa. They are asking for increased state appropriations.

President Curris said they don't have the problem of not having enough students to fill positions at the University of Northern Iowa. He said that because of some of the federal financial aid restrictions on the Guaranteed Student Loan program students cannot work and qualify for the program. He said that although in any group there are some people who don't want to work, the financial aid problems on the campus should not be washed away with images of students who don't want to work.

President Pomerantz asked what the position of the Board should be regarding level of student aid funds. He acknowledged that the institutions could always use more money but said he wasn't hearing it is a difficult problem.

Vice President Follon stated that once financial aid is evaluated there is still a difference in counseling students on loans versus work. She suggested the universities could do more toward establishing a financial aid package of grants first, work second, and loans third.

President Pomerantz asked what effort had been made to get private funds for aid purposes.

President Curris said the University of Northern Iowa is doing that as part of their planning process but the scope of need can only be partly addressed. Last year university officials tried to raise the amount that is paid through the student work program. The university itself raised the hourly wage another 10 cents per hour above and beyond the set aside program. They try

to keep the earnings somewhat at the level of students' cost increases but he said every time they take two steps forward changes in federal regulations pull them back down. The federal government is now determining family ability to pay on family assets instead of family income. He said farming families are assets adequate but income poor. Therefore, what is done at the university level almost pales in comparison to what occurs in Washington, D.C.

**MOTION:**

Regent Williams moved to (1) receive the Annual Report on Student Aid, 1986-87; (2) request that the University of Iowa and Iowa State University review priorities in distribution of financial aid to graduate students to ascertain if allocations conform to major institutional goals; and (3) request that the universities begin to track student aid set-aside funds so the Board can be assured that funds set aside at the time that tuition rates are increased are actually used for the purpose that was intended. Regent Tyler seconded the motion, and it carried unanimously.

**LEGISLATIVE PROGRAM, 1988.** The Board Office recommended the Board receive the report on proposed legislative issues and approve the legislative program for the 1988 session.

The recommended legislative program for the Board included the following items:

- \* Lottery Funded Research and Development Program. The Board Office has been directed to work with the Department of Economic Development in advocating a minimum of \$10 million in lottery funds to be used for the research and development program. The Board further endorses the idea of discouraging earmarking of Lottery Research and Development funds for specific projects, other than that already pledged for the Agricultural Biotechnology Program at Iowa State University.
- \* Enabling Language to Create a Regional School for the Deaf in Council Bluffs. Chapter 270 of the Code pertains specifically to the Iowa School for the Deaf. As a result, a number of statutory changes to Chapter 270 would be required to establish a regional school. Because of the financing of a regional school, there would need to be other authorizations of the General Assembly and the Governor before the changes could take place.
- \* Timely Audits by the State Auditor's Office. The State Auditor's Office informed the Board Office that they are working this year to catch up on

prior year audits for the Regent institutions and are expected to be reimbursed through appropriations for necessary costs of this catch up. It was recommended that the Board support appropriations funding for the State Auditor's Office to do this work.

- \* Regent Retirement Benefits Program for Board Office Employees and Statutory Salary Cap. Regent employees at the three universities may participate in a defined contribution pension program in addition to the Iowa Public Employment Retirement System. Although the Board Office employees are employed by the Regents, pension programs available to the universities are not available to the Board Office.

It has become acutely clear in the recent past that the Board Office is severely limited in its ability to recruit from other states, to recruit persons with university experience, and to retain senior staff. A critical position in the Board's budget request for the Board Office for the coming year is the restoration of an Associate Director of Academic Affairs position. It may be very difficult to find an appropriate person with adequate academic experience unless changes are made in the retirement program offered to Board Office employees.

The Board voted in October that it was "dissatisfied with the present cap on the salary of the executive secretary." Since the executive secretary's salary is set by statute, the legislative program discussion would be an appropriate place to discuss any action the Board would like to take in this regard.

- \* Limitations on Full-Time Equivalent Employees. Appropriations made for fiscal year 1988 included limitations on full-time equivalent employees to be supported with appropriations. The limitations incorporated into the appropriation were the projected employment levels contained in the Regents budget request to the Governor and General Assembly. This form of restriction inhibits the flexibility of the Regents and its institutions to operate and could result in harm if it becomes a common practice of the General Assembly.
- \* Providing Full Cost Recovery for High School Students Attending Regent Universities. Last year House File 499 provided for school districts to pay tuition and other expenses for students enrolled in Iowa post-secondary institutions. A cap on the amount to be reimbursed to institutions by school districts was set at \$200 for each course. This amount is inadequate in many instances. It was recommended that the statute be changed to allow the Board of Regents to charge the full amount of actual and customary costs of tuition, text books, materials and related fees.
- \* Occupational Therapy Programs. A resolution was approved by the General Assembly last year urging the Board of Regents to establish Occupational

Therapy programs. Bills also were introduced to provide funds to students attending Occupational Therapy programs at institutions outside of Iowa. The University of Iowa is studying this issue and is expected to submit a report to the Board in January.

- \* Prepaid Tuition Plans. A number of states are developing prepaid tuition plans. These plans vary considerably but the most well known plan was that adopted by Michigan. The Michigan plan provided for individuals to make payments to a plan now that would offer guaranteed tuition in the future at Michigan public institutions of higher education. The named beneficiary (student) must be enrolled at an institution of higher education in Michigan to benefit in the tuition guarantee. It was recommended that this issue continue to be monitored.
- \* Authority to Issue Zero-Coupon Bonds. The Board does not now have legal authority to issue zero-coupon bonds; however, a change in the statutes would enable that to occur. The Board Office recommended that the Code be changed to allow for the issuance of zero-coupon bonds and that zero-coupon bonds be incorporated into the Regents bond program over the next two years. The Banking Committee, at its December 10, 1987, meeting, passed a motion that the proposal for an amendment allowing the issuance of zero-coupon bonds be presented to the legislature and the Governor with an understood \$19 million cap.
- \* Authority to Provide Appropriate Property Risk Protection. Chapter 18 of the Code of Iowa gives primary responsibility for property risk management to the Department of General Services, including the property of the Board of Regents. Recent actions by the Department of General Services indicate that it may be appropriate to recommend a change in the statute to allow the Board of Regents a free hand in risk management activities involving Regents' property. It is essential that professional consideration be given to property risk management at the Regent institutions since the value of its facilities and contents is over \$2.7 billion. The Banking Committee, at its December 10, 1987, meeting, passed a motion to endorse the Board Office recommendation for a change in the statute.
- \* Reauthorization of Regent positions from last legislative session except for House File 529 regarding competition with private enterprise. The recommended position for this bill was changed from "opposed" to "monitor", subject to appropriate changes being made so that the Board of Regents is the sole decision-making authority with regard to issues involving potential competition with private business by Regent institutions.

Regent Tyler stated he could not let the opportunity pass to again bring up the matter of removing the statutory salary cap for the Regents' executive

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secretary. He said that in light of the Governor's difficulty in hiring a Director of Education the Board of Regents should make their desire clear. President Pomerantz agreed and said the Board should lobby its position. He noted that he had sent correspondence to the Governor and legislature concerning this issue, which Board members received copies of.

**ACTION:** Regent Williams moved to receive the report on proposed legislative issues and approve the legislative program for the 1988 session. Regent Tyler seconded the motion, and it carried unanimously.

President Pomerantz commented on the section of the legislative program that deals with the University of Iowa's request for planning funds for the Engineering Building and Business School. He said there is confusion regarding that funding issue, which he hoped would get clarified.

President Remington stated that as university officials analyzed the need for the Engineering and Business Buildings, both projects were determined to be of critical importance. They were unable, on any analysis, to put one project ahead of another.

President Pomerantz stated that the agreed-upon ranking of those projects was not reflected accurately in the docket book.

Mr. Richey said the rankings reflected in the minutes were the same as the docket book.

President Pomerantz said the Board's understanding of the ranking was compatible with the institution's, which was that priority number five should be for both projects, Business/Engineering Buildings.

Vice President Madden said he thought Iowa State University had a project in between those two. President Pomerantz responded that the university did not.

President Curris expressed concern that the impending correction to the minutes would push the University of Northern Iowa library remodeling project further down the list of priorities.

The Board members concurred with the request of President Pomerantz to link the University of Iowa's business and engineering buildings into one project on the priority listing of capital projects for the request for FY 1989.

**REGENT TEN-YEAR BUILDING PLAN.** The Board Office recommended the Board (1) receive the Ten-Year Building Program for fiscal year 1989 through fiscal

year 1998 totaling \$390 million and (2) approve the submittal of the Ten-Year Building Program for the 1988 General Assembly.

Director True stated the ten-year building plan is developed annually for approval by the General Assembly as a part of any authorization of additional academic building revenue bonds. He informed the Board members there was one addition to the recommendation contained in the Board Office memorandum. The addition was for \$3.5 million, of which approximately \$1 million would be for planning, for the Medical Laboratories remodeling project during the fiscal year 1992 through 1998 period. The University of Iowa ten-year plan would be amended accordingly.

The revised proposed Ten-Year Capital Plan for the three universities would be \$393,063,000, with individual amounts as follows:

University of Iowa	\$167,005,000
Iowa State University	\$165,515,000
University of Northern Iowa	\$ 60,543,000*

\* Subject to Board review of University of Northern Iowa utility category.

Regent Fitzgibbon asked why the University of Northern Iowa listed no utility projects while the other two universities had requested very large amounts for utility projects.

Vice President Conner said it was his understanding they were not to include utility projects in the ten-year building plan. He said the University of Northern Iowa does have a large list of utility projects. He added that many of the main repair and replacement utility projects are capital projects.

Regent Fitzgibbon asked if the university anticipated any new construction during that time. Vice President Conner responded that new construction was planned. Regent Fitzgibbon said those projects should be included in the ten-year plan.

President Pomerantz said there was a question that came up in the budget hearings with the Governor regarding funding for the Laser Laboratory.

President Remington stated there was a misunderstanding regarding that funding. He said university officials have often talked about the two kinds of equipment needed. University officials felt the university should solicit funds for the specialized equipment, and have said that all along. President Remington was concerned that after making that statement, it was expanded to include a class of equipment which includes desks, chairs and lab equipment. In university testimony earlier this year President Remington thought the equipment funding issue was made clear. He said the latter kind of equipment, the one for which they do need financial support, amounts to \$3.765 million, which is 15 percent of the building cost. He said that

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without additional funding for those equipment needs the university will come up almost \$4 million short for the project.

President Pomerantz said this issue needed to be clarified especially since the Governor's Office and the legislature thought they made it clear last year.

Mr. Richey stated the same issue applied to the Molecular Biology Building. He said the Governor has asserted that the funding provided was to be used for equipment and building. When the project was recommended last year it was to be a totally-equipped facility.

Director Stork agreed there was some confusion concerning equipment funding and said that misunderstanding should be cleared up as soon as possible. He said Vice President Phillips had documents indicating the university did not include equipment needs in the project budget.

President Eaton asked to go on record as a second interested party.

Mr. Richey said the Board Office understanding of the equipment funding was the same as the Governor's.

President Pomerantz said the Board had a confused issue it needed to deal with. He suggested the matter could not be addressed during this meeting and that the appropriate parties should get together to discuss it.

Mr. Richey expressed concern that because of time limitations the Board needed to adopt a ten-year building plan at this meeting, even if it needed amendment at a later time.

MOTION:

Regent Tyler moved to (1) receive the Ten-Year Building Program for fiscal year 1989 through fiscal year 1998 totaling \$390 million and (2) approve the submittal of the Ten-Year Building Program for the 1988 General Assembly. Regent Williams seconded the motion, and it carried unanimously.

President Remington asked how they should go about amending their request. Mr. Richey responded that the Board Office would set up a meeting.

**LOTTERY RESEARCH AND DEVELOPMENT FUND REQUESTS.** The Board Office recommended the Board receive the report on projects being considered for the fiscal year 1988 Lottery Research and Development Competitive Award Program.

The universities submitted several proposals for Lottery Research and Development Grant funds totaling \$3.3 million.

The Department of Economic Development reported it is unlikely that any Lottery Competitive Research and Development Grant funds will be available in fiscal year 1988. The Department of Economic Development is proposing rules to allow project proposals to be submitted at the end of the fiscal year when the availability of funds is more certain.

Director True stated that as the Department of Economic Development develops its review process and determines a submittal date, the Board Office would return to the Board with specific recommendations.

Regent Tyler reminded everyone of the meeting Regents had with Department of Economic Development representatives during which the Regents discovered that the appropriate Economic Development representatives were not getting the Board's information on its priorities.

Mr. Richey stated the Board Office is consulting with Department of Economic Development representatives. The Board Office schedule coincides with their schedule.

Vice President Moll referred to the Board Office memorandum concerning the University of Iowa's proposal to establish a regional tissue culture and hybridoma facility. The Board Office stated the project "involves the university directly in selling tissue culture materials and monoclonal antibodies to non-university users." Vice President Moll clarified that the full proposal does not quite say that. He said that if, in fact, there turns out to be a considerable market perhaps it would spin off into a project of the type the Board Office mentioned.

**ACTION:** President Pomerantz stated the Board received the report on projects being considered for the fiscal year 1988 Lottery Research and Development Competitive Award Program by general consent.

**REPORT ON DISCUSSION WITH NEBRASKA ON A REGIONAL DEAF SCHOOL.** The Board Office recommended the Board receive the status report on the Iowa/Nebraska School for the Deaf merger discussions.

In November the Board approved a report and recommendations regarding the criteria proposed by the Nebraska Commission on Special Education for a possible merger of the Nebraska and Iowa Schools for the Deaf. Since the November meeting, the recommendations approved by the Board of Regents were discussed with representatives from Nebraska and there has been general agreement on all of the criteria. Several of the criteria need further development; however, this additional work has been put on hold pending the December meeting of the Nebraska Commission on Special Education. It is anticipated that at this meeting the Nebraska Commission will make its final recommendation to the legislature regarding its interest in pursuing a merger

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with the Iowa School for the Deaf. If the commission recommends merger, then both states will need to jointly develop a comprehensive plan to accomplish the merger. The plan would include all of the necessary financial and student projections and the detailed scheduling of the merger. In addition, legislation would need to be drafted in both states to facilitate aspects of the merger.

In the event that the merger is recommended by the Nebraska Commission, the plan outlined above will be presented to the Board at its January meeting.

Director Barak noted that he had read a recent newspaper article which indicated that the Nebraska school superintendent is recommending an alternative proposal to establish a combined Nebraska deaf/blind/special education school instead.

**ACTION:** President Pomerantz stated the Board received the status report on the Iowa/Nebraska School for the Deaf merger discussions by general consent.

**REGENT MERIT RULE REVISIONS.** The Board Office recommended the Board approve revisions in the Rules of the Regents Merit System as proposed.

Director Volm stated the Board Office proposed revisions in three areas in the Regent Merit System rules. Merit rules currently require hiring from among those with the highest six scores on an appropriate test. The first change would permit, in addition, consideration of the qualified female or minority applicant with the highest test score if there were none in the top six, for openings in traditionally segregated classes. Director Volm said this change would enhance the institutions' affirmative action programs by adding qualified female or minority applicants to registers for classes with an under representation of females or minorities.

Director Volm said the second proposed change was in the rule on pay for returning veterans and would provide that returning military veterans be placed on the pay step they would have received if they had been continuously employed. He said the third change would establish a promotional eligibility list consisting of the names of all qualified employees who indicate interest in promotion. Under the current rules a merit employee interested in promotion to a vacancy in another department is required to compete with outside applicants to be eligible for consideration.

Regent Fitzgibbon asked whether step increases for veterans were based on time. Director Volm responded that under the collective bargaining agreement step increases are automatic based on time.

In regard to the first proposed change that deals with expanding the list of eligible applicants, President Curris asked if there was a presumption that

if a female or minority is on the list of those eligible they should be given the position. Director Volm responded that there was no such presumption.

President Curris asked whether there was any responsibility to justify non-selection of a minority or female. Director Volm responded that under the affirmative action policies of the institutions the reason why a particular candidate was not selected should be made clear and approved by an affirmative action officer. That does not change with the adoption of the proposed rule revision.

President Curris asked whether the fact that a person did not score high on the exam was sufficient justification for non-selection. Director Volm responded that non-selection should be related to the person's ability, knowledge and experience to do the job.

President Curris expressed concern that the proposed revision would create a bureaucratic nightmare for institutional personnel.

Director Volm stated the justification process for non-selection is part of the institutional affirmative action program, and not part of the merit rules. He cautioned that institutional officials should exercise judgment in cases where an applicant is only 1-2 points below the next higher applicant versus where they may be 30-40 points below.

President Pomerantz stated it was apparent that some direct dialogue needed to take place to clarify some of the issues raised.

Associate Vice President Small stated the University of Iowa has supported this revision from the outset because the merit rules require tests which create artificial barriers to women and minorities.

Director Wright stated the Board Office considered the questions now brought by the University of Northern Iowa, and discussed those with legal counsel. Legal counsel granted approval of the proposed merit rules revisions. The institutions were involved in every step of development of the proposed rules.

**MOTION:** Regent Fitzgibbon moved to approve revisions in the Rules of the Regents Merit System as proposed. Regent Tyler seconded the motion, and it carried unanimously.

**EXECUTIVE SESSION.** President Pomerantz requested the Board enter into closed session pursuant to the Code of Iowa section 21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent.

**MOTION:** Regent Williams moved that the Board enter into executive session. Regent Harris

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seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.  
NAY: None.  
ABSENT: Duchen, Greig, VanEkeren.

The Board having voted at least two-thirds majority resolved to meet in executive session beginning at 5:50 p.m. on December 9, 1987, and arose therefrom at 6:20 p.m. on that same date.

The following business was transacted on December 10, 1987.

**REPORT OF REGENTS BANKING COMMITTEE.** The Board Office recommended the Board receive the report of the Regents Banking Committee.

Regent Fitzgibbon, Chair of the Banking Committee, reported that the committee discussed a great deal in that morning's meeting, including: 1) selection of an arbitrage rebate service, 2) allocation to the institutions for the investment and liquidity service contract cost of Peat Marwick Main and Company, 3) reports on investments and cash management, 4) the February sale of bonds for the University of Iowa, 5) the method of fixing interest rates on variable rate boiler bonds, 6) secretary-treasurer appointment for the Iowa Braille and Sight Saving School, and 7) legislation that would authorize the Board to issue zero-coupon bonds and legislation that would enable the Regents to seek risk management options.

Regent Fitzgibbon stated the Banking Committee selected the firm of Arbitrage Rebate Company, Milwaukee, for arbitrage rebate services. In regard to the institutional allocation for investment liquidity service contract cost, he said the committee found the allocation proposed by the Board Office to be acceptable.

Director True stated the committee members agreed it would be appropriate to do a refunding to fix interest rates on variable rate boiler bonds. A resolution will be brought to the Board in January, 1988 with the sale to take place in February.

In regard to priority issues Director True stated the committee members discussed bonding responsibility and policies involved with the issuance of zero-coupon bonds. The committee recommends use of zero coupon bonds with a cap of \$19 million. The committee will do further study on the use of those bonds.

Director True said the committee discussed insurance coverage for facilities and recognized a need for much work in that area. The Regents have \$2.7 billion worth of facilities which are not insured. This issue will be

addressed in the next few committee meetings after the Board Office has performed further research on the subject.

Director True stated the reorganization of the special schools' business functions is continuing and is scheduled for completion by July 1988.

MOTION: Regent Fitzgibbon moved to receive the report of the Banking Committee. Regent Harris seconded the motion.

Regent Williams asked whether the only action of the committee the Board was approving by adoption of the motion was the selection of an arbitrage rebate service. President Pomerantz responded that was correct.

VOTE ON THE MOTION: The motion carried unanimously.

**REVISION OF RULE ON EARLY RETIREMENT INCENTIVES PROGRAM.** The Board Office recommended the Board approve (1) a change in the maximum age from "less than 63" to "less than 64" for participation in the Early Retirement Incentives Program for faculty, professional-scientific employees, institutional officials and Board Office staff who are participating in the Phased Retirement program and who want to transfer to the Early Incentives Retirement Program; and (2) removal of the limitation on transfer from the Phased Retirement Program to the Early Retirement Incentives Program.

The Board was asked to revise the requirements for transfer from the Phased Retirement Program to the Early Retirement Incentives Program. An employee in the Phased Retirement Program would be eligible to transfer to the Early Retirement Incentives Program if less than 64 years of age instead of less than 63 years of age, as presently provided. Transfer between the programs would be allowed at any time, with institutional approval.

MOTION: Regent Harris moved to approve (1) a change in the maximum age from "less than 63" to "less than 64" for participation in the Early Retirement Incentives Program for faculty, professional-scientific employees, institutional officials and Board Office staff who are participating in the Phased Retirement program and who want to transfer to the Early Incentives Retirement Program; and (2) removal of the limitation on transfer from the Phased Retirement Program to the Early Retirement Incentives Program. Regent Williams seconded the motion, and it carried unanimously.

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**STUDENT RESIDENT CLASSIFICATION APPEALS. (A) Jeffrey J. Johnson.** The Board Office recommended the Board deny the appeal of Jeffrey J. Johnson.

The Board Office reported that Jeffrey J. Johnson, a Dentistry student at the University of Iowa, appealed the university decision regarding his residency status for tuition purposes. Mr. Johnson has been enrolled in the College of Dentistry as a full-time student since he came to Iowa in Fall 1986. His residency appeal was referred to the Registrar's Committee on Coordination and the committee voted unanimously to uphold the nonresident classification as established by the University of Iowa. The committee determined that Mr. Johnson is in Iowa primarily for educational purposes and therefore should continue to be classified as a nonresident.

**MOTION:** Regent Tyler moved to deny the appeal of Jeffrey J. Johnson. Regent Williams seconded the motion.

President Pomerantz cautioned that the Board should be consistent in the way it administers residency rules. He asked whether intent to remain in Iowa after graduation had any bearing on satisfaction of residency requirements. Mr. Richey responded that intent to stay in Iowa after graduation is not a factor, and that it is the apparent intent in coming to Iowa that is considered. If the student lives in Iowa one year before going to school that student could be considered a resident. He added that under certain circumstances where a student moves to the state with a parent that one-year residency requirement is waived.

Regent Tyler asked for a summary of the appeal process. Mr. Richey responded that the appeal is first heard by the university. An appeal of a university decision goes to the Board. When the Board receives the appeal it is referred to the Registrar's Committee on Coordination.

Regent Tyler said he thought there were probably persons who did not realize how much work had been done on the residency requirements.

Mr. Richey offered to provide Board members with a report on the residency rules and how they are interpreted.

President Pomerantz reminded the members that this was a final appeal. He felt they should be sure that when they affirm the decision they are comfortable with the decision.

Regent Fitzgibbon said he wanted to read the residency requirements to be sure he understands how a person qualifies as a resident.

Regent Williams stated it was important for Regents to have that information when they are contacted by citizens.

Mr. Richey stated the Board Office would forward the residency rules to the Regents.

VOTE ON THE MOTION:                      The motion carried unanimously.

(B) Robert J. Kern. The Board Office recommended the Board deny the appeal of Robert J. Kern concerning his residency status for tuition purposes at the University of Iowa.

Robert J. Kern, a University of Iowa student, appealed the university's decision regarding his residency status for tuition purposes. Mr. Kern came to Iowa in July 1986 and since the fall of 1986 has been enrolled as a full-time student in the College of Dentistry. As such, he is not eligible for residency status according to Board of Regents rules. The decision of the university was reviewed by the Registrar's Committee on Coordination and the committee unanimously voted to uphold the nonresident classification as established by the University of Iowa. The committee determined that Mr. Kern is in Iowa primarily for educational purposes and therefore should continue to be classified as a nonresident.

MOTION:                                      Regent Williams moved to deny the appeal of Robert J. Kern concerning his residency status for tuition purposes at the University of Iowa. Regent Tyler seconded the motion, and it carried unanimously.

(C) Patrick A. Sannes. The Board Office recommended the Board deny the appeal of Patrick A. Sannes.

Patrick A. Sannes appealed his residency decision for tuition purposes at the University of Iowa. This appeal was referred to the Registrar's Committee on Coordination. The committee voted to uphold the nonresident classification at the University of Iowa. It was the committee's decision that a review of Mr. Sannes' appeal showed that he was in Iowa primarily for educational purposes and therefore does not qualify for residency status.

MOTION:                                      Regent Fitzgibbon moved to deny the appeal of Patrick A. Sannes. Regent Williams seconded the motion, and it carried unanimously.

**BOARD OFFICE PERSONNEL REGISTER.** The Board Office recommended the Board approve the Board Office Personnel Register for December 1987.

The Board Office Personnel Register contained the following actions:

Resignation: Lori Whitney, Secretary II, effective December 3, 1987.

Appointment: Pamela Normandin, Secretary II, Grade 508, Step 3,  
\$16,140.80 per annum plus usual fringe benefits, effective December 3,  
1987.

ACTION: President Pomerantz stated the Board approved the Board Office Personnel Register for December 1987 as a consent item.

**NEXT MEETINGS SCHEDULE.**

January 20, 1988	Iowa State University	Ames
February 17-18	Hotel Ft. Des Moines	Des Moines
March 23-34	River Center	Davenport
April 19	University of Iowa	Iowa City
April 20	Iowa Braille and Sight Saving School	Vinton
May 25-26	(If appropriate arrangements can be made.)	Sioux City
June 22-23	Iowa State University	Ames
July 15	(To be designated)	Okoboji

President Pomerantz noted that the Board meetings would be moving to other areas around the state in the upcoming months.

Regent Tyler said he wished to hold a meeting in Atlantic.

Regent Fitzgibbon asked whether the Regents hold a summer meeting at Lake Okoboji every year, and suggested that might be a good time to hold a meeting in Atlantic, instead.

Regent VanGilst said he had often thought that the Board and its executive secretary should have a retreat to discuss responsibilities and policies. He would like to see a 1-2 day retreat set up and said he felt it would be very profitable for the Board to discuss policy issues in a retreat where they would not have to deal with other issues.

President Pomerantz said it was an excellent suggestion and added that because of the open meetings law it would also be open to the public. He said the docket could be unstructured and the Board would not have items to take action on. He referred Regent VanGilst's suggestion to Mr. Richey.

Regent Fitzgibbon said that moving around the state provided tremendous exposure for the Board. He suggested that if adequate provisions could not be made for meeting in Sioux City in May, the Board should consider the wishes of Regent Tyler.

Regent Tyler said he wanted the Board to understand there was an invitation to come to Atlantic.

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Regent Fitzgibbon suggested the Regents could meet in Sioux City and Davenport this year, and Oskaloosa and Atlantic next year.

President Pomerantz asked Mr. Richey to note the comments that were made.

ACTION: President Pomerantz stated the meetings schedule was received as a consent item.

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 9 and Thursday, December 10, 1987.

**REGISTER OF PERSONNEL TRANSACTIONS.** The Board Office recommended the Board approve the Personnel Register for the month of October 1987.

The Register included employees who met requirements for and who were approved by the institution for early retirement as follows:

Marian Cihan  
Joe Mahoney

Delores Knight  
Willard Powell

**ACTION:**

President Pomerantz stated the Board approved the Personnel Register for the month of October 1987 as a consent item.

**APPOINTMENTS.** The Board Office recommended the Board approve the appointment of administrators, as follows:

1. FREDRICK WOODARD, Interim Director of the International Writing Program, effective August 1, 1988, salary as budgeted; and
2. J. DUDLEY ANDREW, Director of the Institute for Cinema and Culture, effective the start of the second semester of the 1987-88 academic year and ending June 30, 1992, at a salary of \$60,000 (his currently-budgeted academic year salary).

Vice President Moll presented the following supplemental appointments:

3. Jed S. Hand as Acting Head of the Department of Preventive and Community Dentistry, College of Dentistry, at a fiscal year salary of \$56,000, effective January 1, 1988;
4. Mark Warner as Acting Director of Student Financial Aid at a fiscal year salary of \$45,000 effective January 2, 1988; and
5. Derek H. Willard as Associate Vice President for Educational Development and Research at a fiscal year salary of \$60,000, effective immediately.

**MOTION:** Regent Fitzgibbon moved approval of the appointments and supplemental appointments, as presented. Regent Harris seconded the motion, and it carried unanimously.

**PROGRAMS IN PROSTHODONTICS.** The Board Office recommended the Board approve (1) the combination of the M.S. Degree Programs in Removable Prosthodontics and in Fixed Prosthodontics into a single M.S. Program with a major in Prosthodontics, and (2) the merger of the Department of Fixed Prosthodontics and the Department of Removable Prosthodontics into a single Department of Prosthodontics effective January 1, 1988.

The university was notified by the Commission on Dental Accreditation of the American Dental Association that it would discontinue the accreditation of Prosthodontics programs separately designated as "Fixed" and "Removable." Instead, it would move toward the accreditation of advanced educational programs in the field that include both specialty areas. As a result of this accreditation action, the University of Iowa requested that the "Fixed" and "Removable" Prosthodontics Programs be combined into a single Department of Prosthodontics and the two M.S. Degree Programs in "Fixed" and "Removable" be combined into a single degree program with a major in Prosthodontics.

Vice President Moll noted that the combination of those programs would reduce administrative overhead expenses.

**MOTION:** Regent Harris moved to approve (1) the combination of the M.S. Degree Programs in Removable Prosthodontics and in Fixed Prosthodontics into a single M.S. Program with a major in Prosthodontics, and (2) the merger of the Department of Fixed Prosthodontics and the Department of Removable Prosthodontics into a single Department of Prosthodontics effective January 1, 1988. Regent Williams seconded the motion, and it carried unanimously.

Vice President Moll stated the university requested approval to appoint Forrest R. Scandrett as Head of the Department of Prosthodontics, College of Dentistry, at a fiscal year salary of \$94,000, effective January 1, 1988.

Regent VanGilst asked how the salary was determined. Vice President Moll responded that was Mr. Scandrett's current salary.

**MOTION:** Regent Williams moved to approve the appointment of Forrest R. Scandrett as Head of the Department of Prosthodontics, College of Dentistry, at a fiscal year salary of

\$94,000, effective January 1, 1988. Regent Harris seconded the motion, and it carried unanimously.

**INSTITUTE FOR CINEMA AND CULTURE.** The Board Office recommended the Board receive the report on the establishment of an Institute for Cinema and Culture within the College of Liberal Arts at the University of Iowa.

The Board of Regents policy on the establishment of centers and institutes requires that all new centers and institutes receiving funding of less than \$25,000 a year be reported to the Board for the Board's information. This proposal from the University of Iowa was presented for the Board's information, only.

The Institute for Cinema and Culture was proposed to coordinate and enhance teaching, research, scholarship and artistic endeavors in film studies. The proposed institute will be administered by a director appointed for a five-year term by the Vice President for Academic Affairs on the recommendation of the Dean of the College of Liberal Arts. The director will consult with a board of advisors drawn from faculty of several departments and appointed by the Dean on the directors recommendation.

The director of the institute will be responsible to the Dean for administration of a budget of \$20,000 provided as seed funding from the university. The institute expects to attract outside funding from government agencies and private foundations and donors.

Vice President Moll stated that President Remington reported to the Board at its July meeting that this institute was to be funded through university reallocation.

**ACTION:**

President Pomerantz stated the Board received the report on the establishment of an Institute for Cinema and Culture within the College of Liberal Arts at the University of Iowa by general consent.

**ANNUAL REPORT ON INTERNATIONAL PROGRAMS, AGREEMENTS AND MEMORANDA OF UNDERSTANDING.** The Board Office recommended the Board (1) receive the annual report on International Programs from the University of Iowa and (2) require that reports in future years contain sufficient details on these arrangements to provide for appropriate Board oversight.

The 1987 report from the University of Iowa consisted of a total of 50 agreements. Last year there were 41 agreements reported to the Board. Twenty-four of the agreements are related to research, 30 include faculty exchanges, and 23 include student exchanges. In each instance reported, the university's financial obligations are minimal and consist primarily of

paying either the costs of travel for a University of Iowa representative traveling to a foreign country or partial payment of expenses of a person traveling to the United States to attend the University of Iowa. In a few instances, these expenses are paid by grants or existing scholarships. In the balance of the agreements, the exact terms and financial obligations are to be negotiated.

Vice President Moll noted that although many of the agreements are in effect, exchanges may not have taken place. Also, the university's involvement may change from year to year. He said university officials would be happy to work with the Board Office to provide additional detail concerning the agreements.

President Remington stated he had recently returned from a trip to Korea and Japan for economic development activities purposes. While there he visited educational institutions and cemented additional general international agreements -- one in Korea and one in Japan. In the international agreement effort, he said the university first works at the level of president to president and they sign a general agreement to exchange information. It then progresses to an exchange of faculty and students. He clarified that the first agreements, the working agreements, are agreements to keep talking and fall short of a declaration of intent. The hope is that all of those will progress to specific exchanges. President Remington said the agreement with Korea will start with the exchange of a professor of biomedical engineering for one year. University officials do not sign even the generic agreements without feeling there would be a profitable exchange. He said not all the agreements progress to the exchange level but the university policy is to start at a general level then see where it goes from there. He added that while in Korea he gave a speech which was also good exchange.

President Pomerantz asked if the university had developed a way to track the cost of international programs at the university level. President Remington responded that the university can develop a tracking system; however, they do monitor the costs of the agreements. He said they are developing ways to enhance the contracts so the university only has the original costs. He said the Iceland agreement is the most active international agreement at this time and one that is reasonably inexpensive. The university has paid for a couple of international conferences. He added that university officials are searching for a new director of international programs.

MOTION:

Regent Williams moved to (1) receive the annual report on International Programs from the University of Iowa and (2) require that reports in future years contain sufficient details on these arrangements to provide for appropriate Board oversight. Regent Harris seconded the motion.

Regent Williams asked for the university's reaction to the Board Office recommendation that reports in future years contain sufficient details on arrangements to provide for appropriate Board oversight. Vice President Mori responded that the university can provide additional details. He said that in some cases it is difficult to determine exact costs.

VOTE ON THE MOTION: The motion carried unanimously.

**PROFESSIONAL AND SCIENTIFIC CLASSIFICATION CHANGES.** The Board Office recommended the Board approve the following changes in the university's professional and scientific classification system:

<u>New Class Title</u>	<u>Grade</u>	
Senior Industrial Hygienist	13 (\$32,975 - \$53,735)	
<u>Changed Class Title</u>	<u>From Grade</u>	<u>To Grade</u>
Special Assistant - Vice-President for Education Development and Research	11	12 (\$30,450 - \$49,640)
Director of Medical Records	11	12 (\$30,450 - \$49,640)
Human Resource Coordinator I	05	06 (\$19,290 - \$30,865)
Human Resource Coordinator II	06	07 (\$20,680 - \$33,110)

The university reported that the new class, Senior Industrial Hygienist, is needed to supervise and provide consultative services and outreach programs for the new Regional Comprehensive Occupational Disease Prevention and Health Promotion Program in the College of Medicine.

An increase of one pay grade was recommended for four classes in order to recognize increases in duties and responsibilities. Proposed pay grade assignments are based on application of the university's evaluation system.

MOTION: Regent Williams moved to approve the changes in the university's professional and scientific classification system, as presented. Regent Fitzgibbon seconded the motion, and it carried unanimously.

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

#### PROJECT DESCRIPTIONS AND BUDGETS

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

Laser Laboratory Building \$25,100,000  
Source of Funds: 62nd General Assembly Academic  
Revenue Bonds

The university requested approval of the project description and preliminary budget. Consultants employed by the university and previously approved by the Board presented a description of the schematic designs that have been prepared for the project. The architectural and engineering consultants are Herbert Lewis Kruse Blunck of Des Moines, Frank O. Gehry and Associates, Venice, California, and Kimmel Jensen Wegerer Wray, Engineering Consultants, Rock Island, Illinois. The preliminary project budget is shown below:

Design, Inspection and Administration	\$ 2,610,000
Construction and Site Development	18,400,000
Art Allowance	125,500
Contingency	1,608,500
Furnishings and Equipment	NIC
Utility Connection Allowance	1,327,000
Chilled Water Allowance	<u>1,029,000</u>
 Total	 \$25,100,000

No funds are provided in the proposed budget for moveable equipment. During the last legislative session when bonding for this project was discussed, it was understood that equipment would be furnished either through this project budget, internal reallocation, or through external funding.

The proposed site of the Laser Laboratory facility is just north of the Memorial Union and west of the Chemistry-Botany Building. The site is adjacent to the Iowa River. The design calls for 81,805 net assignable square feet from the total of 141,139 gross square feet.

The university's description of the project is that it will consist of five identifiable structural elements. The largest and central element will be a three-story high segment that contains the laser research laboratories. This element would also have a penthouse. Adjacent to the laboratory element on the Madison Street side of the site will be a one-story facility containing the support laboratories and major mechanical spaces for the building. On the river side of the laboratory the structural element will be two four-story office modules connected by a small atrium. A small conference/seminar node and an entrance node will be located near the south end of the main structure.

The university reported that during the design development stage, planning decisions will be made regarding exterior surface building materials and details of the office and conference/seminar and entrance nodes. Because exterior building surface materials decisions are so critical to the

aesthetics of a prominent building such as this, the Board Office recommended that the university bring to the Board for its review the selected materials before commitments are made.

President Pomerantz recognized Vice President Phillips.

Vice President Phillips introduced Richard E. Gibson, Director of Planning and Administrative Services at the University of Iowa.

Mr. Gibson reviewed the objectives of the Laser Facility as presented to the Board of Regents at the time the project architect was recommended, and said he hoped to show the Board that they had accomplished those objectives.

Mr. Gibson stated that every University of Iowa professor involved with the Laser Facility had participated in the schematic design process. They were pleased with the project and liked its organization, flexibility, and the building's relationship to the Iowa River. The schematic design was also reviewed by the Campus Planning Committee.

Mr. Gibson introduced Frank O. Gehry.

Mr. Gehry stated the University of Iowa Laser Facility had been an exciting award for his career, and he was pleased to have been selected for the project.

Mr. Gehry gave a slide presentation of the proposed Laser Facility, and then unveiled the model of the proposed Laser Facility and provided samples of the materials he proposed using.

Regent Fitzgibbon expressed concern regarding the cost of converting from gross square feet to net square feet. He noted that if the proposed 57 percent usable square footage could be converted to 61 or 62 percent it would mean a substantial cost savings. He asked Mr. Gehry for the maximum usage he had been able to convert from gross to net.

Mr. Gehry responded that he was alarmed to discover the conversion was at a 57 percent level. The criteria provided by the university required a 60 percent conversion. He said he had back-up that supported the 57 percent figure. Mr. Gehry noted that facilities of the type of the Laser Facility require additional space for the pipes and other mechanical areas.

Regent Fitzgibbon stated he would like to see the figures for converting to net usable space in this size of building. Another area he was concerned about was the effect the architecture on top of the building had on the amount of usable space. He also questioned the 57 percent net usable space in the Laser Facility compared to the 56 percent net usable space proposed for the Molecular Biology Building, which included an atrium in its design.

He asked that Iowa State University officials address that in January, and suggested that more work may be necessary to raise that from 56 percent.

Mr. Gehry stated that in the conversion from gross to net square feet of usable space he did not include the pipe canyon, corridor, or the public spaces in the net square footage, and noted that the ground floor is essentially corridor.

Mr. Gehry noted that in any building a certain amount of money is spent on the sculpture of the building. He chose to put the sculpture on the top of the buildings in this project to give the affect of a village.

President Pomerantz stated the Regents need to know specifically how this kind of building can be built at relatively the same cost as a traditional rectangular building. He asked Mr. Gehry to determine the cost of a traditional-type building compared to the cost of the proposed building.

President Pomerantz asked whether any funds were included in the budget for furnishings and equipment. Vice President Phillips responded that it was the university's understanding that they would come back in the second year of the biennium to request funds for office furniture.

President Pomerantz stated there appeared to be conflicting views on the matter of funding for furnishings and equipment.

President Remington stated that university officials intended to discuss that matter when the docket item concerning Ten-Year Building Plan was addressed.

Regent Fitzgibbon asked for the amount of dollars per square foot. Mr. Gibson responded the amount was \$130/gross square foot.

Regent Fitzgibbon asked what procedure would be utilized to ensure the project comes in at that figure and nothing greater than that figure. Mr. Gibson responded that the firm of Ringland, Johnson, and Crowley is doing the costing through a review of the plans and specifications. The firm will continue to match the costing with the plans and specifications as the design stage progresses. He said decisions will be made according to information they are provided in order to keep the project within budget. The design activity will be continuously cost conscious.

President Pomerantz suggested the Board make a similar request as was done with the presentation concerning the Molecular Biology Building, and said the Board would again review the project at its January meeting. In the interim university officials were to develop the cost potential to better enable the Regents to understand the project.

Regent Williams stated it appeared that the Regents were satisfied with the building's design, with the caveat of how much the actual costs amount to.

President Pomerantz stated it would be presumptuous of him to challenge Mr. Gehry's design; however, it was his job to challenge the cost.

Regent Fitzgibbon reiterated that he wanted to know the methods and mechanics for arriving at the costs of this project, as well as how cost controls would be built into the project.

#### PROJECT DESCRIPTIONS AND BUDGETS

University Hospitals and Clinics--Radiation  
Therapy Renovation \$532,779  
Source of Funds: University Hospital Building  
Usage Funds

This project is a renovation of the first floor, west side of the General Hospital building. It will provide a new computerized tomography (CAT) scanner room with essential radiation protection, X-ray development facilities, resident physicians work rooms, patient holding areas and related facilities. This renovation will provide more efficient patient and staff traffic flow for the increased volume of ambulatory patients receiving these services.

Water Line Replacement to West Campus--Phase II \$406,000  
Source of Funds: Legislative Appropriation, Academic  
Revenue Bonds or Treasurer's  
Temporary Investment

Phase II of the water line replacement on the west campus is for the purpose of extending water lines constructed under Phase I to other parts of the west campus, including the University of Iowa Hospitals and Clinics. The university reported its existing water distribution system is incapable of supplying the needs of planned expansion, specifically in the University and Hospitals and Clinics area.

The university indicated sources of funding to be legislative appropriation, bonding or treasurer's temporary investments. However, the Board's fiscal year 1989 capital request does not include this project. It was assumed that if the project goes forward the university will be supporting it through treasurer's temporary investment or some other revenue source.

Bowen Science Building--Heat Recovery Project \$325,000  
Source of Funds: Department of Natural Resources  
Exxon Oil Overcharge Funds

Funds for this project were appropriated by the General Assembly in 1986. The process of getting the project approved from the Federal Department of Energy and the State Department of Natural Resources has taken longer than

expected. The contracts for financing this are now in place and the university requested permission to proceed. This building is a very large brick structure located just east of the University Hospitals and Clinics.

The university expects this project will produce \$150,000 in annual energy savings.

Water Distribution Improvements--Phase I \$291,000  
Source of Funds: Legislative Appropriation, Academic  
Revenue Bonds or Treasurer's  
Temporary Investment

This project is to install a higher capacity, twelve-inch water line. That line will extend from the corner of Iowa and Madison Streets near the Memorial Union east to near the old music building. The source of funds for this project is the same as the west campus water distribution project. This project is not in the Regents fiscal year 1989 capital request. As a result, it was expected that if the project is to go forward, treasurer's temporary investments or some other source of income will be the source of funds.

\* \* \* \* \*

The university presented four new projects with budgets of less than \$250,000 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.

New projects with budgets of under \$250,000 included the Recreation Building replacement lighting system. This was discussed at prior Board meetings in conjunction with the major repairs taking place at the Recreation Building. The university proposed to budget \$99,000 in Men's Intercollegiate Athletic Department revenues to replace the lighting system.

Another project in this category was the erection of a \$74,000 pre-fabricated building behind the south wing of the Engineering Building for use by design laboratory personnel.

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#### CONSULTANT AGREEMENTS

The university requested approval of consultant selections and authorization to negotiate agreements on two projects:

North Campus Parking and Chilled Water Facility \$278,900  
Herbert Lewis Kruse Blunk Architects, Des Moines, Iowa

In November the Board authorized the university to negotiate an agreement for professional design services with the Herbert architectural firm. Those negotiations were completed and the university requested approval to proceed. The overall project is an \$8.5 million combination parking ramp and central chilled water facility. The chilled water facility will serve the entire northeast quadrant of the campus, including the new Laser Laboratory Facility. The parking facilities are needed to replace parking utilized in the construction of the Laser Laboratory Facility and to accommodate additional parking needs.

The Herbert architectural firm will coordinate all design activities. Included within the contract amount, \$278,900 or 3.3 percent of the total budget, is specialized parking structure design services by Walker Parking Consultants, Minneapolis, Minnesota, and structural engineering services provided by Structural Consultants, P.C., Des Moines. Reimbursable expenses are allowed up to a maximum of \$20,000. The proposed contract calls for any additional services required by the university to be provided at direct personal expense times 2.75.

Chilled Water Plant Parking Structure \$130,000  
The Durrant Group, Inc., Dubuque, Iowa

The university requested approval of a contract with the Durrant Group, Inc., for contract administration and inspection services. The professional services are to be 2.6 times the direct personal expense, with a fixed maximum of \$130,000. In addition, reimbursable expenses are provided not to exceed \$40,000. The total fee, including reimbursables, is approximately two percent of the project budget.

#### CONSTRUCTION CONTRACTS

The following construction contract was awarded by the Executive Secretary on behalf of the Board:

University Hospitals and Clinics--High Field MRI  
System Installation \$807,162  
Award to: McComas-Lacina Construction Company,  
Iowa City, Iowa  
(4 bids received)

\* \* \* \*

Director True stated that the groundwater bill mandates the establishment of a Center for the Study of the Health Effects of Environmental Contamination at the University of Iowa. The Board Office recently received notice that a report on the progress of that project needs to be submitted to the General Assembly by January 15, 1988. He said the Board Office will obtain copies of

the report for Board members. The Board Office will submit the report to the General Assembly unless concerns are expressed by Board members.

Director True announced that the following bids were received for the Chemistry/Botany Building Remodeling--Phase II, and asked for Board approval of the contract awards:

- General Construction in the amount of \$1,528,326 to McComas-Lacina Construction Co., Inc., Iowa City
- Mechanical (HVAC) in the amount of \$1,443,000 to Universal Climate Control, Inc., Iowa City
- Mechanical (Plumbing) in the amount of \$1,552,000 to Modern Piping, Inc., Cedar Rapids
- Electrical in the amount of \$396,217 to Gerard Electric, Inc., Iowa City
- Controls in the amount of \$390,000 to Honeywell, Inc., Minneapolis, Minn.

Director True noted that all bids were received through the competitive bidding process and that there were no irregularities.

**MOTION:**

Regent Tyler moved approval of the University of Iowa capital register, including supplemental items, with the exception of the Laser Laboratory project which is pending presentation of further information. Regent Williams seconded the motion, and it carried unanimously.

**PROPERTY ACQUISITION.** (A) 234 North Madison Street, Iowa City, Iowa, and (B) 615 South Capitol Street, Iowa City, Iowa. The Board Office recommended the Board (1) Approve the purchase of property at 234 N. Madison Street, Iowa City, Iowa, for the University of Iowa at a purchase price of \$53,000, subject to Executive Council approval and (2) Approve the purchase of property at 615 S. Capitol Street, Iowa City, Iowa, for the University of Iowa at a purchase price of \$130,000, subject to Executive Council approval.

The property at 615 S. Capitol Street is a 90' x 150' lot with an older two-story duplex and two metal buildings. The property is near the university physical plant service building and is located within the approved University of Iowa land acquisition plan. It is the university's intent to remove the duplex and utilize the two metal buildings for maintenance and service functions.

The university had two appraisals on this property. The appraisal values were for \$130,000 and \$131,500. The purchase price for the property is \$130,000. Funds for this purchase are available from Treasurer's Temporary Investments.

Vice President Phillips requested that the North Madison Street property be deleted from consideration. University officials believed the contract would be complete by this meeting, but it was not. Therefore, she said it would be premature to consider the property at this time.

Regent Fitzgibbon expressed concern that by delaying the Board's authorization to purchase the North Madison Street property, the university might lose the opportunity to purchase the property.

Mr. Richey stated the Board's property purchase procedure is such that the university should not lose the opportunity to purchase the property.

**MOTION:**

Regent VanGilst moved to approve the purchase of property at 615 S. Capitol Street, Iowa City, Iowa, for the University of Iowa at a purchase price of \$130,000, subject to Executive Council approval. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.

NAY: None.

ABSENT: Duchen, Greig, VanEkeren.

**PROPERTY LEASES.** (A) Technology Innovation Center - CADSI, (B) Thomas Alberhasky - University Laundry Service, and (C) Elsie Barker - University Hospital Equipment Storage. The Board Office recommended the Board approve leases as follows: (a) with CADSI (Computer Aided Design Software, Inc.) (Landlord, Renewal) for their use of approximately 3,872 square feet of office space (Rooms A101, A103, A104, A105, A108(A & B), A109, A125, W105 A & B, M2, M2A, W13, and W11) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of one year commencing January 1, 1988, at a rate for the period of \$36,488.04; (b) with THOMAS ALBERHASKY (Tenant, New) for the university's use of approximately 3,800 square feet of heated storage space in the building located at 860 South Capitol Street, Iowa City, for a period of two years commencing January 1, 1988, and ending December 31, 1989, with an option to renew for one additional year, at a rate of \$12,000 per year; and (c) with ELSIE BARKER (Tenant, Renewal) 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, 1988, and ending December 31, 1988, with an option to renegotiate one additional year, at a rate of \$8,580 per year.

The lease with COMPUTER AIDED DESIGN SOFTWARE, INC. (CADSI) is for their continued use of approximately 3,872 square feet of space in the university's Technology Innovation Center. The lease with THOMAS ALBERHASKY is for the university's use of approximately 3,800 square feet of heated storage space

in Iowa City for use by the university's laundry service. The lease with ELSIE BARKER is for the university's use of approximately 5,320 square feet of warehouse space in Iowa City for use by the Housekeeping Department of the university's Hospitals and Clinics for the storage of grounds keeping equipment (summer and winter) and for the department's general storage. Vacant school houses were considered, pursuant to Executive Order No. 44, as an alternative to the Alberhasky and Barker leases. None were available which met the university's programmatic needs.

The university reported the terms and conditions of the leases were reasonable for the space leased.

MOTION:

Regent Williams moved to approve leases as follows: (a) with CADSI (Computer Aided Design Software, Inc.) (Landlord, Renewal) for their use of approximately 3,872 square feet of office space (Rooms A101, A103, A104, A105, A108(A & B), A109, A125, W105 A & B, M2, M2A, W13, and W11) in the Technology Innovation Center (TIC) at the Oakdale Campus for a period of one year commencing January 1, 1988, at a rate for the period of \$36,488.04; (b) with THOMAS ALBERHASKY (Tenant, New) for the university's use of approximately 3,800 square feet of heated storage space in the building located at 860 South Capitol Street, Iowa City, for a period of two years commencing January 1, 1988, and ending December 31, 1989, with an option to renew for one additional year, at a rate of \$12,000 per year; and (c) with ELSIE BARKER (Tenant, Renewal) 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, 1988, and ending December 31, 1988, with an option to renegotiate one additional year, at a rate of \$8,580 per year. Regent Harris seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.  
NAY: None.  
ABSENT: Duchen, Greig, VanEkeren.

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

Director True presented one additional item pertaining to the University of Iowa. He requested Board approval for the issuance of duplicate bonds to replace lost Dormitory Revenue Bonds numbered 2096, 2097, 2179 and 2180 which were in the custody of Citibank, N.A.

MOTION:

Regent VanGilst moved to approve the issuance of duplicate bonds to replace lost Dormitory Revenue Bonds numbered 2096, 2097, 2179 and 2180. Regent Harris seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.  
NAY: None.  
ABSENT: Duchon, Greig, VanEkeren.

## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, December 9 and Thursday, December 10, 1987.

**RATIFICATION OF ACTIONS IN REGISTER OF PERSONNEL CHANGES FOR NOVEMBER 1987 INCLUDING EARLY RETIREMENT REQUESTS.** The Board Office recommended the Board approve the register for the month of November 1987.

The Personnel Register included employees who met requirements for and who were approved by the institution for early retirement as follows:

Harry Amenson, Ames Laboratory  
Harlan K. Baker, Business and Engineering Extension  
George H. Ebert, Continuing Education  
Roger Harry Homer, Mathematics Department  
Hazel L. Orton, Student Health Center  
Carmi Neal Spicer, Extension  
Robert I. Wessel, Department of Political Science.

**ACTION:** President Pomerantz stated the Board approved the Register of Personnel Changes for November 1987, including early retirement requests, as a consent item.

**APPROVAL TO DISCONTINUE A DEPARTMENT.** The Board Office recommended the Board refer the request to discontinue a department to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University recommended that the Department of Family and Consumer Sciences Studies in the College of Family and Consumer Sciences be discontinued effective January 1, 1988, based on a review of the organization structure within the college.

Board Office staff noted that the report does not give the specific reasons the program is being terminated nor does it address the issue of how students currently in the department will be handled. The Board Office recommended this be referred to the Interinstitutional Committee and the Board Office for review and recommendation. This will provide the Board Office with time to obtain additional information on this organizational change including any budgetary or programmatic changes as a result of the discontinuance of this department.

President Eaton stated the university was not proposing closing down an entire program. He said the department under consideration is not a true department but rather a collection of people who have advised throughout the campus. The new dean felt that students would be better served if the advising was taken out of the central location and located at various areas around the campus. President Eaton said this department was unlike any other department in the college. He assured the Regents there would be no loss by discontinuing this department and it would, in fact, be an improvement.

**MOTION:** Regent Williams moved to refer the request to discontinue a department to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Regent VanGilst seconded the motion, and it carried unanimously.

**ACCEPTANCE OF INTERNATIONAL AGREEMENTS REPORT.** The Board Office recommended the Board (1) receive the annual report on international agreements from Iowa State University and (2) require that reports in future years contain sufficient details on these agreements to provide for appropriate Board oversight.

Iowa State University's international agreements reported were of three general types: (1) exchange programs for faculty and students, (2) study abroad opportunities for students, and (3) research and development-type projects. This year Iowa State University reported a total of 29 agreements -- three more agreements than were reported to the Board last year and 8 more than the previous year. Ten of the agreements this year are university-wide agreements, while 21 are college-level agreements. The colleges represented in these agreements include Veterinary Medicine, Engineering, Science and Humanities, Agriculture, Education, and Family and Consumer Sciences.

The Board Office noted that the reports contained very little detail on the nature of the agreements, the numbers of students/faculty exchanged, the actual cost to the university, and the general impact of the agreements.

President Eaton stated the international agreements represented opportunities for students to study abroad and for teacher exchange. He reported that Vice President George Christensen went to Korea in September with Senator Grassley in a trade mission effort. They met with Korean graduates of Iowa State University and found that a variety of Asians have risen to positions of prominence. While there Senator Grassley saw an opportunity for increased trade relations.

President Eaton said university officials would be happy to provide much more detail about any or all agreements.

Regent VanGilst asked if Iowa State University's Korean international agreements were with universities in the city of Seoul. President Eaton responded that one was.

Regent VanGilst asked whether the agreement was with the same university that University of Iowa officials are working with. President Eaton responded that he did not believe so.

Regent VanGilst suggested the Regent universities cooperate in the international agreements effort to ensure there is no duplication of efforts. He said Seoul is growing and he expects it will be as prominent as Tokyo in a couple of years. Cooperation between the universities could greatly benefit the state of Iowa in years to come.

President Eaton agreed and said it was an excellent suggestion. He said university officials need to find out who each other is talking to.

**MOTION:**

Regent VanGilst moved to (1) receive the annual report on international agreements from Iowa State University and (2) require that reports in future years contain sufficient details on these agreements to provide for appropriate Board oversight. Regent Williams seconded the motion, and it carried unanimously.

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

Molecular Biology Building

This is a \$30,500,000 project financed through the issuance of Academic Building Revenue Bonds. The project involves construction of 208,000 gross square feet of which 105,000 square feet is net assignable space. The preliminary budget presented by the university is shown below. Design services are 9.3 percent of the construction budget and movable equipment is included at 2.5 percent of the project budget. During the approval process of Academic Building Revenue Bonds in the last legislative session, commitments were made that additional appropriation requests would not be made for movable equipment on this facility. Any additional movable equipment will need to be financed through internal reallocation or external university support.

Construction Contract	\$23,290,600
Design Services	2,178,000
Inspection	200,000
Plant Services	150,000
Miscellaneous	75,000
Landscaping	70,000
Surveys and Testing	80,000
Utility Extensions	1,270,000
Fixed Equipment	100,000
Movable Equipment	762,500
Art Work	152,500
Building Automation	285,000
Relocations	200,000
Telecommunications	166,400
Reserved for Future Contracts and Contract Changes	<u>1,520,000</u>
<b>TOTAL</b>	<b>\$30,500,000</b>

The university requested expansion of two consultant agreements to continue work on the Molecular Biology Building project. The university requested that the architectural and engineering services contract with Hansen Lind Meyer and Stanley Consultants be expanded to include services beyond the schematic design phase through completion of construction. The university negotiated a fixed price of \$1,528,000, which includes any reimbursable expenses. Actual costs up to the stated maximum will be based upon a multiple of 2.5 times the actual personnel expenses for the professionals employed.

The Board previously authorized an agreement with Story Construction Company for construction management services through the schematic design phase of the work for a fee of \$30,000. The university requested that a contract with Story Construction Company be executed for construction management services through completion of construction. Total costs of the contract negotiated by the university would be a maximum of \$1,021,000. Professional services charges would be based on a fixed fee of \$645,000 negotiated by the university. On-site construction supervision and related management is to be based upon actual, direct expense with a maximum of \$376,000.

President Pomerantz recognized Vice President Madden for the architectural presentation on the Molecular Biology Facility at Iowa State University.

Vice President Madden introduced the architectural team and university staff involved in working on the project.

Mr. Tom Pearson, lead project architect from the Hansen Lind Meyer firm, gave a slide presentation.

President Pomerantz asked what process the architects generally use in determining the skin of a structure. Mr. Pearson responded that in the case of this building they looked at what the campus currently has been using from a design standpoint. Also, some parameters were set up by the university in terms of limestone and precast. Cost effectiveness and constructability of the skin, aesthetics, and how it ties in with the project were also considered.

President Pomerantz asked if it would be difficult to present alternatives to the brick skin. Mr. Pearson responded that they had arrived at the brick skin as a logical expression at this point.

President Pomerantz admitted it is an institutional building but said it doesn't have to look like it. Mr. Pearson said the atrium, style of windows, and detailing of the building were all a result of their objective to deinstitutionalize the building.

Regent Fitzgibbon noted that approximately one-eighth of the building is the atrium. He said he would like to see a breakout of the costs of including an atrium in the building because he felt the same environment could be achieved in another, less expensive way. Mr. Pearson responded that they looked at several schemes at the beginning of the project. There are some cost trade offs which were considered, and he felt there were other efficiencies that would balance it out. Cost estimates show they can construct the building and keep the atrium intact.

Regent Fitzgibbon said he has looked at other buildings with atriums and felt they are not efficient and do not promote the environment which Mr. Pearson talked about. Mr. Pearson said the architects and university officials discussed at length the promotion of an interactive environment. The atrium in this building was developed in concert with university officials to reinforce the interactions of the scientists.

Regent Williams asked if there were any way to predict amount of energy loss or gain. Mr. Pearson said they had performed an energy study. He felt that from an energy standpoint the atrium would be a plus.

Regent Williams questioned the maintenance of the skylighting and its picking up of moisture. She liked the atrium concept and natural lighting, but wanted to make sure it would be very easily maintained and the university would not end up with water or energy problems.

President Pomerantz identified two significant issues which had been raised: 1) efficiency of the atrium and 2) alternative skins. He said he was not convinced that brick is always the most cost-effective skin and wanted to know the cost of alternatives. He asked that the architects calculate the efficiency of the building, including construction costs and maintenance impact.

Regent Fitzgibbon asked how the building's square footage was arrived at, and whether there was room for expansion. Vice President Madden responded that university worked with the architect to develop program statements which took into account laboratory space needs and needs beyond those of the current staffing levels.

Dr. White stated the Department of Biochemistry performed studies of space requirements earlier in the 1980s and came up with a plan to house 50 principal investigators and necessary lab space. Sixty-two (62) research labs would support those principal investigators. They did their programming on that basis.

Regent Fitzgibbon asked whether all aspects had been considered in the sizing of the building, such as future cutbacks in programming as well as future growth.

President Eaton stated that when the building was originally designed, the optimal program needs came to \$7 million more than the building was now proposed at. During last year's legislative session concern was expressed about the level of bonding authority. The university found that by moving the site it could save \$2 million. The rest of the costs they were willing to give up even though they considered the losses significant. The current plan is smaller than university officials wanted but one which they considered a satisfactory compromise between program need and political reality.

President Pomerantz stated the Board's choices were to either not approve the preliminary schematic design or to approve it subject to certain conditions.

Vice President Madden asked to comment on the process on campus at the time selection of an architect was made. He noted that Regent Murphy was on the selection committee. A campus group made up of persons from the departments that will be housed in the facility held countless meetings, for which minutes were kept, to work on planning this building. He said the proposal does include assumptions about future expansion and growth, and continuing commitments from state and outside sources. The facility will attract highly-qualified scientists and faculty members. He said there have been some compromises -- it was originally planned as a larger facility but had been scaled back. The campus planning group spent much time looking at alternatives. What was presented at this meeting was the culmination of those discussions. He said there had been some discussion regarding alternative skins and building designs. This building was a cumulative judgment at the institutional level and contained acceptable tradeoffs. It was the consensus that this was their best collective judgment of a project that will meet university and state needs in moving forward with molecular biology. He felt the questions that had been asked could be answered at the January meeting. He said if the Board wanted to know the specific

alternatives that were considered, the minutes of those meetings could be provided. He asked how much of that kind of detail the Board would like.

President Pomerantz stated the Board did not question that there had been a great deal of time spent considering the very issues the Board raised. He said the Board members appreciated that effort. However, he felt the Board should not be expected to make a decision of this magnitude after a ten-minute presentation and without an opportunity to study the supporting documents.

President Eaton proposed to defer action until the January Board meeting.

President Pomerantz suggested that those Regents wishing more information meet with university officials prior to the January meeting so the program itself could be better understood. In the university's information gathering process concerning efficiency, President Pomerantz noted they were to include the cost effectiveness of the entire building and not just the atrium efficiency.

Regent Fitzgibbon said he would like to see a more detailed breakdown of the preliminary budget that would assure him all costs were identified. Associate Vice President Whitman said the university had a detailed report from the cost consultant but he had not known how much information the Board wanted.

President Eaton reminded the Regents that they would be meeting on the Ames campus in January. Rather than the usual tour of a facility, he suggested they instead hold discussion relating to this facility.

President Pomerantz stated there were business issues involved as well as architectural issues. If the Board is to be an integral part of the process he said they must be provided with more information before they can be expected to make a decision.

President Pomerantz stated that action on the Molecular Biology Building schematic design was deferred until the January Board of Regents meeting. In the interim, communications would take place that would provide the Regents with the information they requested.

President Eaton said the university would provide any information that Mr. Richey communicates is needed.

The above discussion took place on Wednesday, December 9, 1987. The next day the following discussion took place.

Vice President Madden said the university has been trying to adhere to the project schedule. They had anticipated bidding some of the work in the spring. Since it would be six weeks until the next Board of Regents meeting

he asked that the Board authorize the agreement with the architect to continue a portion of the design work. The university would have the option of terminating the contract in January.

President Pomerantz was concerned that it may not have been made clear the day before that the efficiency question did not relate only to the atrium. He said the underlying question was one of building efficiency.

Vice President Madden said that reports are available which show the building will be energy efficient and will meet design standards.

Regent Fitzgibbon reminded university officials that the Board was also interested in conversion of gross to net usable space.

Vice President Madden said there may be some differences about how space is calculated in the net to gross conversion. University officials will discuss that matter with Board Office staff during the next month.

Vice President Madden said that in order to not impede progress on the project the architects needed authorization to proceed beyond the schematic design stage.

Regent Fitzgibbon agreed that the process should not be slowed down. He said the points made should be addressed during the same period of time.

President Pomerantz said the Board should either defer action or authorize a certain amount of work to be performed in the interim in order to send a message to the architects.

Vice President Madden suggested a Memorandum of Understanding could be developed that authorizes the architects to proceed up to a certain dollar amount.

Regent Fitzgibbon stressed that the university was to address the issue of trying to get more net usable space out of the total building.

President Pomerantz suggested the university could extend the current agreement by authorizing the architect to extend the planning process by 30 days.

Regent Fitzgibbon asked whether there would be a lid on the amount of dollars available during that time. Vice President Madden said he would like to discuss that with university personnel.

President Eaton cautioned that it was 41 days until the next Board meeting.

Mr. Richey stated the Board Office would work with the university to ensure that any design work done between this and the next Board meeting is not wasted.

Coover Auditorium Renovation--Phase II

The university requested ratification of a contract award made by the executive secretary of \$109,950 to Harold Pike Construction Company. The university also requested approval of a budget reduction for the project. The total budget would be \$324,300. The budget reduction was permitted due to the favorable construction bid.

Acceptance of Completed Construction Projects

The university reported acceptance of grading work on the Recreation/Athletic Facility. The university also requested acceptance of several construction projects which are part of a renovation of Friley Hall. The university reported that inspection of the Friley Hall renovation was performed by Iowa State University staff in conjunction with Brooks Borg and Skiles Architects and the construction manager for the project, Story Construction Company.

MOTION:

Regent Fitzgibbon moved to approve the Iowa State University capital register and to proceed with the Molecular Biology Building on the basis discussed. Regent Tyler seconded the motion, and it carried unanimously.

**ISIS LEASE - ATHLETIC TRAINING SPECIALISTS.** The Board Office recommended the Board approve a lease with ATHLETIC TRAINING SPECIALISTS for their use of approximately 2,456 square feet of space in the rooms commonly known as 301A, 302, 303, and 304 of the university's Iowa State Innovation System Center for six months commencing November 1, 1987, at a rent of \$5,526 for the six months.

The Board was asked to approve a lease with a tenant in the university's Innovation Center under the previously-approved terms and conditions for tenants at the Center.

Vice President Madden stated this was a standard lease. He added that the firm is developing a knee brace.

MOTION:

Regent Williams moved to approve a lease with ATHLETIC TRAINING SPECIALISTS for their use of approximately 2,456 square feet of space in the rooms commonly known as 301A, 302, 303, and 304 of the university's Iowa State Innovation System Center for six

months commencing November 1, 1987, at a rent of \$5,526 for the six months. Regent Fitzgibbon seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.  
NAY: None.  
ABSENT: Duchon, Greig, VanEkeren.

**ISU CENTER - PRIVATIZATION.** The Board Office recommended the Board (1) receive the report from the university on its proposal for employing outside operating management of the Iowa State University Center, (2) authorize the university to proceed in negotiations with Ogden Allied Leisure Services as service provider, and (3) direct the university to bring to the Board of Regents for review and action the proposed contract with Ogden Allied Leisure Services following completion of negotiations (the university should consult with the Board Office during the negotiation process).

The Board Office also recommended that the university review Ogden Allied Leisure Services and its operating history to insure that the firm's integrity is above reproach prior to submitting proposed agreements to the Board.

The university requested approval to negotiate a contract with Ogden Allied Leisure Services, New York, to operate the Iowa State Center. The Iowa State Center consists of Hilton Coliseum, Scheman Continuing Education Building, Fisher Auditorium and C. Y. Stephens Auditorium. Ogden Allied was selected by a university committee through a competitive process.

The university annually provides \$1.3 million in direct operating subsidies to the Iowa State Center and an additional \$184,000 in support services. Ogden Allied believes it can save the university \$2.2 million over five years.

Iowa State Center employees have raised some concerns regarding transition. Ogden Allied will provide comparable salaries and benefits.

The Board Office noted that agreements to shift operating management of the Iowa State Center should be brought to the Board for its consideration.

Vice President Madden stated the university proposed to move forward in developing the Iowa State Center into a private operation. Last summer Vice President Madden made some recommendations to President Eaton after first consulting with Iowa State Center staff. He said that during the fall a broadly-based university and community committee reviewed four proposals received by the university in response to a request for proposals. Following an elaborate review and interviewing process, the firm of Ogden Allied Leisure Services was determined by the committee to be the best qualified.

The committee recommended the university proceed to develop an appropriate operating contract with Ogden Allied, probably for a five-year period, for the operation of the Iowa State Center. Contract negotiations will take place during the month of December. University officials hope the contract could go into effect shortly after the first of the year when major bookings of events for the coming year occur.

Vice President Madden said the privatization of Iowa State Center is a fairly novel arrangement. He reported that the outside entertainment world has changed significantly. Iowa is a secondary market, and it has become increasingly difficult to attract the kind of entertainment the university seeks. The university will develop a contract that will address the university's loss of control while still benefiting from Ogden Allied's management technique.

Vice President Madden reported that Ogden Allied has had good experience in the concessions area and will provide \$132,000 toward improving Iowa State Center's food and beverage operations. He acknowledged that concessions will not solve all the Center's financial problems, and said the firm will also effectively market a wide variety of programs.

Regent Fitzgibbon suggested that during contract negotiations university officials concentrate on a performance-based contract that will bind Ogden Allied to its projection of saving the university \$2.2 million over five years.

Vice President Madden said there will be a fixed management fee. Any earnings to the firm beyond that will be on a percentage of profit basis as negotiated in the contract.

Regent Fitzgibbon advised university officials to carefully study the firm's history before finalizing the contract.

President Pomerantz asked what safeguards had been anticipated in the event the venture is not successful -- assuming a worst case scenario. Vice President Madden said there are limits to the university's financial liability.

President Pomerantz inquired as to the contract termination notice requirements. Vice President Madden responded that the contract would be a five-year agreement with a 90-day termination clause. The university will also have the right to change or remove management personnel.

President Pomerantz cautioned that the university should ensure the worst case scenario is addressed, noting that they actually will have a 90-day contract. He did not want the university locked into a situation that is not working for it.

Regent Tyler noted that Volume Services, Inc., had a contract for similar services with the Kansas City Chiefs and Kansas City Royals. He said he was very interested in being kept informed of the university's progress in developing Iowa State Center into a private operation, and he was especially interested in the controls that would be addressed in the contract.

Vice President Madden stated he would be very glad to share everything concerning the privatization with the Board.

**MOTION:**

Regent Williams moved to (1) receive the report from the university on its proposal for employing outside operating management of the Iowa State University Center, (2) authorize the university to proceed in negotiations with Ogden Allied Leisure Services as service provider, and (3) direct the university to bring to the Board of Regents for review and action the proposed contract with Ogden Allied Leisure Services following completion of negotiations (the university should consult with the Board Office during the negotiation process). Regent Fitzgibbon seconded the motion, and it carried unanimously.

Regent Tyler asked whether the privatization would again be presented to the Board before the contract is signed. Vice President Madden responded that was correct, and the university hoped to return to the Board to discuss the matter in January.

**VETERINARY MEDICINE PROFESSIONAL CLASS SIZE.** The Board Office recommended the Board of Regents approve a decrease in Veterinary Medicine professional class size to sixty students.

In November the Board received a request from Iowa State University to reduce the size of its professional student class from 120 to 76 students. In arriving at this number, the college analyzed the 1986-87 "Comparative Data Report of the Association of American Veterinary Medical Colleges" for the colleges and school of Veterinary Medicine from the University of California-Davis, Cornell University, North Carolina State University, Purdue University and Texas A & M University. These institutions were thought to be very similar to Iowa State University.

The university reported that the data indicated class sizes ranging from 60 to 128 students and showing that Iowa State University had the "poorest" faculty/student ratio of these institutions. The reduction of students to a class size of 76 would bring Iowa State University to one of the best faculty/student ratios (1:2.8). The Board Office noted that Iowa State

University is only the "poorest" in these rather elite comparison institutions. Secondly, no specific number of faculty or student/faculty ratio has ever been a requirement for American Veterinary Medical Association (AVMA) accreditation.

Iowa State University reported that it has the least number of training positions of the six colleges and schools. With the reduction of the class size to 76 students, the college's number of training positions would compare more favorably. The college noted that if it is allowed to retain present funding for faculty positions, it should be able to achieve the goal of creating more training positions by dividing professor-level positions that become vacant into several junior or training positions. It is anticipated that after a few years, a better balance between senior faculty positions, junior faculty positions, and training positions would result. The Board Office noted that this proposed plan to create training positions seemed to make sense since the university has 46 percent of its academic faculty at the senior level and the average senior level faculty (professors) of the comparison institutions is 39 percent.

The university indicated it is unable to fulfill graduate student demand at the present time. The reduction of class size to 76 will free some faculty time and some additional funds for graduate student education. This redirection of resources will enable the college to consider an increased emphasis in graduate education, which is in line with the recommendations being made nationally to schools of Veterinary Medicine to meet new demands within the field. The Board Office noted that while this is a laudable activity to undertake under the best of circumstances, the Board Office questioned whether this is a desirable way to expend the limited resources at the present time given the budgetary circumstances of the university and the College of Veterinary Medicine.

The university noted that one of the most serious problems in the college is the lack of an adequate number of support staff. This staff deficiency was pointed out in the most recent accreditation of the Iowa State University College of Veterinary Medicine. The university noted that even with the proposed reduction of students to 76, it will still be necessary to increase the FTEs of support staff by a minimum of 25. The college proposed to accomplish this goal by using four different methods: (1) a request was submitted to obtain state funding for 4.25 FTEs of support staff positions; (2) the college will divide some open professor positions into several support staff positions; (3) the college requested additional support staff positions from improving educational quality budget requests for the teaching hospital; and (4) additional support staff positions will be funded from non-state funds whenever possible.

The university pointed out that while funds available to Iowa State University are very deficient for a professional entering class size of the current level, these funds should be more realistic for a class size of 76

professional students. The university went on to indicate the "additional funds will be needed for operating expenses, equipment and travel, even at this reduced rate." The Board Office noted that a reduced number of students at perhaps 60 might negate the need for additional operating funds.

The university reported that examination of the comparative institutions shows that the Teaching Hospital's budget is very deficient for a professional class size of 120, and is low for a class of 76 students or even 60 students. The Board Office noted that the college administration has submitted a number of "special needs" requests to increase the state's support for the Teaching Hospital. None of these, including the request in 1986-87 for \$259,775, have been funded.

The Board Office proposed that the professional class size be reduced to 60 students. This number was originally studied by the university as the appropriate number to reduce the Veterinary Medicine program. However, the university stated the college reevaluated this class size proposal based on "new data and information including new guidelines and improved budget outlook," and changed its recommendation to the professional class size of 76.

A major reason for the Board Office recommendation was the financial implications of the two different class sizes. Several changes are occurring at the Iowa State University Veterinary Medicine College which have substantial overall financial implications, including the decline in contract students attending from Nebraska and North Dakota, the overall reduction in enrollments from the historical level of 120 per class, and the associated tuition revenue and related expense reductions. Other changes include increased problems of the financial self-sufficiency of the Teaching Hospital. Faculty composition also causes financial difficulty. The loss of contract income from North Dakota and Nebraska students is of no consequence whether the class size is 76 or 60. In either situation there will be a \$668,000 drop in income between fiscal year 1988 and fiscal year 1991. The university indicated it is possible there will be no contract students in the future as more Veterinary Medicine Colleges have provided for nonresident enrollments.

The tuition revenue differences between the class size of 76 and 60 are analyzed in the table below. This table presents information provided by the university which projects students and tuition revenue by residency. The tuition revenue differences between the two alternative class sizes is \$336,000. Therefore, a class size of 60 would produce \$336,000 less revenue per year to the university.

Tuition Revenue Projections

<u>Fiscal Year 1989</u>	<u>Class Size of 76</u>	<u>Class Size of 60</u>
Resident	229 @ \$3,870 = \$1,157,130	287 @ \$3,870 = \$1,110,690
Nonresident	38 @ 10,168 = 386,384	34 @ 10,168 = 345,712
Nebraska	22 @ 3,870 = 85,140	22 @ 3,870 = 85,140
North Dakota	32 @ 3,870 = <u>123,840</u>	32 @ 3,870 = <u>123,840</u>
Totals	\$1,752,494 =====	\$1,665,382 =====
 <u>Fiscal Year 1992</u>		
Resident	236 @ \$3,870 = \$ 913,320	186 @ \$3,870 = \$ 719,820
Nonresident	36 @ 10,168 = 366,048	22 @ 10,168 = 223,696
North Dakota	32 @ 3,870 = <u>123,840</u>	32 @ 3,870 = <u>123,840</u>
Totals	\$1,403,208 =====	\$1,067,356 =====

The university reported a need to provide an additional \$300,000 to subsidize the Veterinary Medicine Teaching Hospital. The charges received for services at the hospital are insufficient to cover the expenses involved in providing animal diagnoses and treatment and the associated teaching experience for students. The university indicated that the \$300,000 additional subsidy would be needed if the class size is at 76. The Board Office reported that if the class size is at 60 there would be diminished need for Teaching Hospital training for students and thereby, up to a \$300,000 reduction in the need for General University support. Thus, the reduction in the hospital needs alone offset the loss in tuition income.

Faculty levels needed to properly operate a Veterinary Medicine College with 60 students in each class is 83 FTE. That contrasts with 92.25 FTE the university reported is necessary for a class size of 76. Based on cost information provided by the university this difference in faculty size would produce a savings of approximately \$600,000 if the class size were reduced from 76 to 60.

One of the major interests of the university is for the College of Veterinary Medicine to increase its staff to faculty ratio. The university projects that as full professors retire or terminate in the next few years, adequate savings will be generated from rehiring faculty at assistant professor rank

to support an increase in the number of staff positions in the Veterinary Medicine College. The university's information indicated that for every senior faculty member that retires or terminates and is replaced by one of lower rank, \$26,700 can be saved. The university reported that through normal attrition a substantial savings will occur over the next five years. That savings can be utilized to employ additional staff at the Veterinary Medicine College. The Board Office noted that the difference in class size between 76 and 60 should have no bearing on the ability of the university to reallocate in this way, and a smaller class size could possibly better support the reallocation process.

The Board Office reported that there have been no recent studies of veterinary person-power needs for the state of Iowa. Several national veterinary studies have been undertaken and provide a general sense regarding the availability of veterinarians. In 1970 the National Academy of Sciences projected a shortfall of some 4,000 DVMs by 1980. As one result, veterinary college enrollment nationally increased about 60 percent by 1980. In turn, a report sponsored by the American Veterinary Medical Association projected a surplus of perhaps 4,000 DVMs by 1985 and more than 8,000 by 1990. In 1982, however, another National Academy of Sciences report indicated supply and demand were in balance, and a potential surplus of private practitioners could be avoided by appropriate specialty training. The inclusion of specialty training and graduate programs into projections for veterinarians greatly complicated the task of projecting future needs. Subsequent reports have noted that even with surpluses, there are regional inequities in supply/demand.

The most recent report available to the Board Office concluded that there would be a "continuing surplus of private practitioners on a national level to the year 2000" that would have various effects in different geographic sections of the country. This report went on to say that "as much as a 20 percent decrease in the number of U.S. Veterinary medicine graduates, beginning in 1990, would reduce the surplus only slightly."

President Eaton said there has been a history of financial problems for the College of Veterinary Medicine. He noted that Iowa State University's Veterinary Medicine College is the oldest continually-operating veterinary college in the U.S. and one that has had an extremely fine reputation.

President Eaton stated that a month ago while he was in Houston he had an opportunity to speak with the chief veterinarian for the Houston Zoo. He had heard about the downsizing of Iowa State University's Veterinary Medicine College. He hires students from a variety of vet colleges, including a large number from Iowa State University, to serve as interns. He said that the students from Iowa State University are the very best. President Eaton expressed concern that the college's financial problems could ruin the quality of the program. University officials were told last year by the

state of Nebraska that it was withdrawing its students. There is suspicion that North Dakota may also terminate its contract.

President Eaton presented comparison data for the 28 veterinary teaching hospitals in the U.S. In 1985 Iowa State University ranked 25th in the dollars spent per student category. In 1983 the university was 5th from the bottom. In 1973-74 Iowa State University ranked in 8th place. Financial problems first began for the college in 1979-80. In reviewing the history of their operating expenses, President Eaton noted that costs peaked in 1979-80. One financial mistake was made in 1975 concerning the 1976 school year when the college increased the number of students from 98 to 120. There was no subsequent corresponding increase in funding. He said that as a consequence they are trying to get that enrollment figure back down.

Regent Fitzgibbon asked why the university did not try to fund the current program instead of reducing the number of students. President Eaton responded that the funding history of the college in the decade of the 1980s shows that the university asked to have amounts added to its operating budget for the College of Veterinary Medicine, but those requests have been denied.

President Eaton introduced Phillip Pearson, Dean of the College of Veterinary Medicine.

Dean Pearson stated he has been working for two years to make the College of Veterinary Medicine an even stronger program. The program has been recognized nationally as outstanding and his wish was to maintain it as one of the top five in the country. He said the program has given the citizens of Iowa a lot for their money.

Dean Pearson stated he had been working on a revised request for the College of Veterinary Medicine since receiving the Board Office recommendation concerning their original request. The revised request reduced the number of faculty members from 92+ to 87 which he said was still a realistic student/faculty ratio. He presented information that showed the financial effect of a class size of 76 versus a class size of 60. He offered a "Plan A" and "Plan B" comparison of the costs of those class sizes which indicated there was an additional \$336,000 available to the college in increased tuition revenues with the larger class size. The total cost difference between the class sizes was \$104,625 in Plan A and none in Plan B. Plan B proposed to reduce the Teaching Hospital needs from \$300,000 to \$195,375 which would have an effect on continuing and graduate education. He said that the college would spend less for supplies and would utilize about one-half of the laboratories for a class of 60 students. College officials felt that a class size of 76 would yield a stronger quality and far more flexible program, as well as bring more dollars into the state.

Dean Pearson assured the Regents that if the college is able to maintain an average support level they will dedicate themselves to maintaining Iowa State

University's College of Veterinary Medicine as one of the best in the country.

Regent VanGilst was very pleased with the university's revised proposal and said he found what they are doing amazing. He also wanted to maintain Iowa State University's College of Veterinary Medicine as one of the strongest veterinary programs in the nation.

Regent Harris asked about the funds the college once received for Native American students. Dean Pearson said they still have a contract which provides for a Native American student interested in attending the College of Veterinary Medicine. He said they have only had two students enrolled through that program.

Regent Harris said that in the 1970s the Regents were informed that the cost of educating a veterinary student was approximately \$14,000, which was based on the amount of dollars the federal government made available for Native Americans. Dean Pearson said that figure is closer to \$20,000 now.

Regent Fitzgibbon asked where the \$100,000 cut between the college's original request and the revised proposal would come from. Dean Pearson responded that the reduction was made in Teaching Hospital needs.

Regent Fitzgibbon asked what affect the reduction would have on the program. Dean Pearson responded that it was going to take longer to reduce the deficit that had accumulated. There has been a deficit in the teaching budget that the college has not been able to balance out. They have overexpended in their attempt to maintain the quality of education at the highest level.

Regent Tyler asked to what extent the college had overextended itself. Dean Pearson responded the amount was \$300,000.

Vice President Madden stated that because of the cash flow problem the college has to either decrease the level of service or identify other funding sources. They have raised their fees for services but it is no longer a viable alternative because they cannot charge beyond a certain range.

President Eaton stated that at a meeting before a joint appropriations committee last year, one of the legislators complained about the rates at the veterinary hospital. President Eaton had responded that the legislature had driven the university to do that.

President Eaton stated he supported the recommendation in its revised form.

Vice President Madden said total college operating expenses are a little less than \$14 million. They have a budget request pending before the Governor for improving educational quality funds which is less than one-tenth of one percent of total operating expenses. If that funding is approved he felt the

college would be close to being able to make its program work. He said the status quo not an option -- the tradeoff is quality versus cost. Vice President Madden stated that over a four-year period the class sizes would be reduced to 76.

Regent Fitzgibbon asked about the veterinarians who come for retraining. Dean Pearson responded that some veterinarians come back for the diagnostic lab and some for the teaching hospital. The college serves approximately 12-15 returning veterinarians per year.

Dean Pearson introduced Gary Christianson, President of the Iowa Veterinary Association.

Dr. Christianson stated he endorsed the proposal for a class size of 76 and encouraged the Board's adoption of it. He said practicing veterinarians use the services of the university very much. The veterinary hospital at Iowa State University is the only referral hospital in the state. Many veterinarians in the state feel it is unfair that after the new school was built and the class size was increased, the state funding was not maintained. He said the FTE presented at this meeting will provide a more favorable environment for students and for the quality of health care.

Regent VanGilst asked if the college had opened up enrollment to non-resident students. Dean Pearson responded that they had. He said they are taking students from any state, and are getting quite a few from Puerto Rico.

President Eaton stated that if the class size were reduced 60 it would mean shedding some specialties even though the college is not deeply rooted in specialties. He said that what the college proposed at this meeting makes a class size of 76 a more viable option compared to its original request.

**MOTION:**

Regent Fitzgibbon moved to accept the level of 76 students in the College of Veterinary Medicine with revisions in Plan A or B depending on the funding available. Regent Williams seconded the motion, and it carried unanimously.

**CITY OF ANKENY-SEWER EASEMENT-ANKENY FARM-87-3.** The Board Office recommended the Board approve the easement between the State Board of Regents and the City of Ankeny for the purpose of constructing and maintaining an underground sewer main on the property of Iowa State University.

Iowa State University requested approval of an easement with the City of Ankeny that will enable the city to install a sewer main across the Ankeny Farm. The new sewer main will serve the Ankeny Industrial Park currently under development. The easement is remote from any buildings on the Ankeny Farm. The university reported it has no plans for development in this area.

The new sewer main will be capable of serving any future facilities constructed on the university property. The construction and maintenance of the sewer main will be accomplished at no cost to the university, the Board or the state of Iowa. The university indicated that the sewer main will not interfere with current or planned uses for the property.

President Pomerantz asked whether the university would be allowed to build over the sewer main. Vice President Madden responded that they would be able to, and added that they can also have it moved, if necessary.

MOTION:

Regent Williams moved to approve the easement between the State Board of Regents and the City of Ankeny for the purpose of constructing and maintaining an underground sewer main on the property of Iowa State University. Regent Fitzgibbon seconded the motion, and upon the roll being called, the following voted:

AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.

NAY: None.

ABSENT: Duchon, Greig, VanEkeren.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Thursday, December 10, 1987.

**REGISTER OF PERSONNEL TRANSACTIONS.** The Board Office recommended the Board approve the register for the month of November 1987.

**ACTION:** President Pomerantz stated the Board approved the Register of Personnel Changes for the month of November 1987 as a consent item.

**OTHER PERSONNEL TRANSACTIONS.** The Board Office recommended the Board accept the retirement of JOHN C. DOWNEY as Dean of the Graduate College and acknowledge the commencement of a search process for his successor.

President Curris presented the following supplemental personnel transaction:

Approval of appointment of Dr. Patricia Geadelmann as Director of State Relations and Professor of Physical Education at an annual salary of \$60,000, effective January 1, 1988.

**MOTION:** Regent Harris moved to accept the retirement of JOHN C. DOWNEY as Dean of the Graduate College and to acknowledge the commencement of a search process for his successor, and to approve the appointment of Dr. Patricia Geadelmann. Regent Williams seconded the motion, and it carried unanimously.

**PROPOSED CURRICULUM CHANGES.** The Board Office recommended the Board refer the proposed curriculum changes to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Northern Iowa submitted its proposal for curriculum changes including new courses, courses dropped, and six new majors (four of the six are a result of changes in teacher certification and are not new programs). Only the proposal for a major in Graphics Communication represented a new program area. Seventeen new minors were also proposed (fourteen were as a result of teacher certification changes). A teaching major in Economics was proposed to be dropped as were the middle school/junior high school education major, the Speech-Language Pathology Major, the Education of the Handicapped--Secondary Level minor and the Marketing minor.

**MOTION:** Regent Williams moved to refer the proposed curriculum changes to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation. Regent Harris seconded the motion, and it carried unanimously.

**INFORMATION REPORT ON INTERIM ENROLLMENT POLICY IN THE DEPARTMENT OF COMMUNICATIONS AND THEATRE ARTS.** The Board Office recommended the Board receive the information report on interim enrollment policy in the Department of Communication and Theater Arts.

The University of Northern Iowa provided the Board with an information report concerning an interim policy on enrollment management that has been developed by the Department of Communications and Theater Arts. This department has experienced extraordinary growth in recent years, especially in its Public Relations major and its Broadcast major. Due to the strains on the staff resources of the department, an interim enrollment management policy has been established that includes: (1) the establishment of a "pre-admission" category of students; (2) the requirement of a 2.5 cumulative grade point average; and (3) at least 24 hours of general education, plus the same grade point average requirement as designated for the major. In effect, the university will be regulating admission to the program by means of changing the grade point requirements for enrollment.

The university reported that it does not intend to suspend admission to the program. The proposed policy is just an interim policy to accommodate the large number of students wishing to major in this field.

**ACTION:** President Pomerantz stated the Board received the information report on interim enrollment policy in the Department of Communications and Theater Arts by general consent.

**SUPPLEMENTARY REPORT ON USE OF REALLOCATED FUNDS AND DISTRIBUTION OF NEW FACULTY POSITIONS AMONG DEPARTMENTS.** The Board Office recommended the Board receive the report on the use of new and reallocated funds and on the distribution of new faculty positions among academic departments.

In July 1987 the Board requested the university submit a report identifying the uses of fiscal year 1988 appropriations for Improving Educational Quality. In addition, the university was requested to report the distribution of new faculty positions among departments.

The general fund appropriation to the University of Northern Iowa included \$250,000 recommended by the Governor for instructional support. The

legislature provided an additional \$958,000 in the general fund appropriation.

The university provided the Board Office with the requested report; however, additional discussion needs to take place for it to be adequately interpreted.

The following information was provided by the university which outlines the expenditure of \$911,000 of new appropriations for Improving Educational Quality:

\$245,000	Faculty salary adjustment
182,000	Professional and scientific salary adjustment
150,000	General Education Program with three positions in English, one position in Philosophy and Religion, one position in History, and one position in Mathematics
150,000	School of Business - appointments in Accounting, Management and Marketing
100,000	One position in Political Science and one position in the School of Health, Physical Education and Recreation
54,000	Graduate student assistance
<u>30,000</u>	Work study
TOTAL	\$911,000

Vice President Martin stated the university's exhibit detailed the procedures for reallocation and provided substantive detail on last year's reallocation. He said reallocation has been a substantial university budgetary technique.

**ACTION:** President Pomerantz stated the Board received the report on the use of new and reallocated funds and on the distribution of new faculty positions among academic departments by general consent.

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

The University of Northern Iowa capital register contained a project description and budget of \$180,000 to reconstruct Campus and Redeker Streets, which are located near the main entrance to the campus. The project provides for the reconstruction of Campus Street north of University Avenue and Redeker Drive between Campus and Ohio Streets.

This project is a portion of the approved Parks and Institutional Road Program and has been approved by the Board and the Department of Transportation. Separate appropriations made to the Department of Transportation for Institutional Road projects are the source of funds for the project. The project budget includes \$15,000 for consultant and design services.

The university requested approval of an agreement between the Department of Transportation and the Board of Regents regarding this road reconstruction project. The agreement provides for reimbursement by the Department of Transportation for costs incurred in the completion of the project. The university requested that the agreement contain a provision for University of Northern Iowa physical plant and engineering services costs to be reimbursable by the Department of Transportation. The university has in its budget for this project, \$2,500 in physical plant and engineering services costs to be reimbursed. The costs include contract administration, project coordination, and minor construction work such as removing, relocating or adjusting utilities.

**MOTION:**

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

**PROPOSED PROPERTY PURCHASE.** The Board Office recommended the Board approve the purchase of property at 1216 W. 22nd Street, Cedar Falls, Iowa, for the University of Northern Iowa at a purchase price of \$19,500, subject to Executive Council approval.

The property proposed for purchase is a 66' x 133' lot with a two-story building in poor condition. It is located north of Bartlett Hall in the northeast quadrant of the university campus. The university reported that parking is extremely scarce on the northeast quadrant of the University of Northern Iowa campus. The building will be demolished and the property converted into a parking lot.

The university received two appraisals on this property. The appraisal values were for \$35,000 and \$20,000. The purchase price for the property is \$19,500. Funds for this purchase are available from Treasurer's Temporary Investments.

MOTION:

Regent VanGilst moved to approve the purchase of property at 1216 W. 22nd Street, Cedar Falls, Iowa, for the University of Northern Iowa at a purchase price of \$19,500, subject to Executive Council approval. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Fitzgibbon, Harris, Pomerantz, Tyler, VanGilst, Williams.

NAY: None.

ABSENT: Duchon, Greig, VanEkeren.

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

Director True stated there was one additional item to be presented to the Board. Last year the General Assembly passed into law the groundwater bill which mandates that a Small Business Assistance Center for the Safe and Economic Management of Solid Waste and Hazardous Substances be established at the University of Northern Iowa. The Board Office was recently notified that the Board of Regents needs to report on the progress of that center. He said that the Board Office would obtain copies of the report for every Board member and, with the Board's permission, unless there are concerns, the Board Office will submit the report to the General Assembly.

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, December 10, 1987.

President Pomerantz welcomed Superintendent Johnson as the newest superintendent in the nation.

**RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF NOVEMBER 1987.** The Board Office recommended the Board approve the register for the month of November 1987.

**ACTION:** President Pomerantz stated the Board approved the Register of Personnel Changes for the month of November 1987 as a consent item.

**REGISTER OF CAPITAL IMPROVEMENT TRANSACTIONS - NONE.** The Board Office reported the capital register contained no transactions for the month.

Superintendent Johnson presented the following as informational items.

Several months ago Superintendent Johnson proposed a reorganization within the Iowa School for the Deaf. He has received some excellent resumes in response to position openings.

The Iowa School for the Deaf is offering its staff development activities. Superintendent Johnson expects that skills will measurably improve as a result of that.

The residential program is the highest priority of Superintendent Johnson. He has received a proposal from an architect addressing the physical condition of residential facilities. The proposal is for redecorating one floor of the boys' dorm. Superintendent Johnson has worked with Iowa State University personnel in looking at the school's overall budget. It now appears likely that he will not fill a couple of staff positions, for an estimated savings of \$50,000. The architect's estimate is less than \$50,000 for the redecorating. Superintendent Johnson showed the Board several illustrations of the physical arrangement of the dorm rooms, of the furniture that had been selected and of the color schemes, including carpeting, for the redecorating project. Superintendent Johnson will work with Board Office staff to determine the next steps. He added that they are addressing a number of issues in the residential programs.

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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 the Iowa Braille and Sight Saving School was transacted on Thursday, December 10, 1987.

**RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR NOVEMBER 1, 1987, TO NOVEMBER 28, 1987.** The Board Office recommended the Board approve the register for the period November 1, 1987, to November 28, 1987.

**ACTION:** President Pomerantz stated the Board approved the Register of Personnel Changes for the period November 1, 1987, to November 28, 1987, as a consent item.

**APPOINTMENT OF SECRETARY-TREASURER.** The Board Office recommended the Board approve the appointment of SCOTT R. HAUSER as Secretary-Treasurer for Iowa Braille and Sight Savings School, effective January 1, 1988.

This past fall the Board approved an administrative restructuring of the school which created a new position of Director of Administrative Services. This new position encompasses the majority of responsibilities in the positions of Director of Business and Finance and Director of Planning and Personnel. These latter positions will be phased out during this fiscal year.

Marsh Berry, the incumbent Director of Business and Finance, will retire December 31, 1987. As he serves as the school's Secretary-Treasurer, a statutory function, a replacement is required. The school requested that Mr. Hauser, who was hired in November, be designated Secretary-Treasurer. The Board's Banking Committee considered this proposal and recommended its approval.

**MOTION:** Regent Williams moved to approve the appointment of SCOTT R. HAUSER as Secretary-Treasurer for Iowa Braille and Sight Savings School, effective January 1, 1988. Regent Tyler seconded the motion, and it carried unanimously.

**ASSISTANT WRESTLING COACH SUPPLEMENT.** The Board Office recommended the Board ratify the establishment of the supplemental duty of assistant wrestling coach with remuneration at \$465 for the activity.

The school has had a few students participating in the Vinton Community Schools wrestling program. Iowa Braille and Sight Saving School felt it

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needed to have someone present to assist the Vinton coach when students participate in the Vinton program, and that it needed to have its own wrestling program for competition with other special schools.

The school has a faculty member who is certified as an assistant wrestling coach who will accept this supplemental duty.

The school had need to begin this program before the Board's December meeting. Superintendent Thurman submitted this request to the Board's executive secretary prior to beginning the activity and it was approved subject to the Board's ratification.

**MOTION:** Regent Williams moved to ratify the establishment of the supplemental duty of assistant wrestling coach with remuneration at \$465 for the activity. Regent Tyler seconded the motion, and it carried unanimously.

**OCCUPATIONAL THERAPY SERVICES CONTRACT.** The Board Office recommended the Board (1) ratify the termination of the contract for occupational therapy services with Black Hawk Community Services Corporation effective December 16, 1987; and (2) approve a contract with KAREN RANDALL, Registered Occupational Therapist, for the period December 10, 1987, to May 30, 1988, and annually thereafter, at a cost of \$25.00 per hour for an unspecified number of hours not exceeding four hours per week.

Superintendent Thurman stated the therapist who provided the service is not presently available because of health problems. The contract has a 30-day cancellation clause which he exercised on November 17, effective December 16, 1987. A new therapist is available who meets the requirements of the state and the school. Superintendent Thurman proposed to contract with her for services for the remainder of the school year commencing December 10, 1987. Because the new therapist lives in Vinton the cost to the school will actually be less based on a shorter travel time than was required for the therapist from Black Hawk Community Services.

**MOTION:** Regent Fitzgibbon moved to (1) ratify the termination of the contract for occupational therapy services with Black Hawk Community Services Corporation effective December 16, 1987; and (2) approve a contract with KAREN RANDALL, Registered Occupational Therapist, for the period December 10, 1987, to May 30, 1988, and annually thereafter, at a cost of \$25.00 per hour for an unspecified number of hours not exceeding four hours per week.

Regent Williams seconded the motion, and it carried unanimously.

**RESOLUTION FOR MANUAL OR FACSIMILE SIGNATURE.** The Board Office recommended the Board adopt the school's resolution for acceptance of manual or facsimile signature of a new treasurer.

All checks, drafts or other orders to pay school funds require the signatures of both the school superintendent and school treasurer. Upon the appointment of Scott Hauser as Secretary-Treasurer, a modified resolution permitting use of manual or facsimile signatures was required.

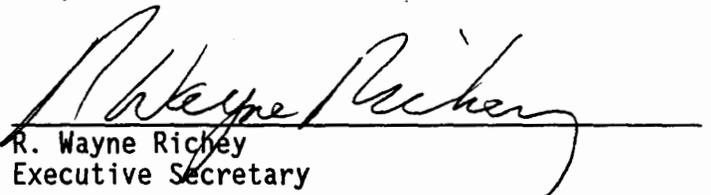
**ACTION:** President Pomerantz stated the Board adopted the school's resolution for acceptance of manual or facsimile signature of a new treasurer by general consent.

**REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS - NONE.** The Board Office reported the capital register contained no transactions for the month.

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.

Regent Fitzgibbon said he spoke with Regent Greig during the previous week. Regent Greig asked to be remembered to the Board, and said he was anxious to get back. At the present time Regent Greig is still in the hospital. In two to three weeks he expects to be moved to an outpatient area. Two to three weeks after that he should be able to go home.

**ADJOURNMENT.** The meeting of the State Board of Regents adjourned at 11:54 a.m., on Thursday, December 10, 1987.

  
R. Wayne Richey  
Executive Secretary