

The State Board of Regents met on Wednesday, February 15 and Thursday, February 16, 1989, at the Marriott Hotel in Des Moines. The following were in attendance:

	<u>February 15</u>	<u>February 16</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Duchon	All sessions	All sessions
Mr. Fitzgibbon	All sessions	All sessions
Mr. Greig	All sessions	All sessions
Dr. Harris	All sessions	All sessions
Mr. Tyler	All sessions	All sessions
Miss VanEkeren	All sessions	All sessions
Mr. VanGilst	All sessions	All sessions
Mrs. Williams	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Secretary Richey	All sessions	All sessions
Director Barak	All sessions	All sessions
Director Eisenhauer	All sessions	All sessions
Director Volm	All sessions	Excused
Director Wright	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 Rawlings	All sessions	Excused at 11:19 a.m.
Vice President Phillips	All sessions	Excused at 11:19 a.m.
Vice President Vernon	All sessions	Excused at 11:19 a.m.
Treasurer True	All sessions	Excused at 11:19 a.m.
Associate Vice President Small	All sessions	Excused at 11:19 a.m.
Assistant to President Mears	All sessions	Excused at 11:19 a.m.
Director Colloton	All sessions	Excused at 11:19 a.m.
Director Cooper	All sessions	Excused at 11:19 a.m.
Director Grady	All sessions	Excused at 11:19 a.m.
<u>Iowa State University</u>		
President Eaton	All sessions	All sessions
Exec. Vice President McCandless	All sessions	All sessions
Provost Glick	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Treasurer Thompson	All sessions	All sessions
Director Lendt	All sessions	All sessions
Assistant Vice President Pickett	All sessions	All sessions
<u>University of Northern Iowa</u>		
President Curris	All sessions	Excused at 11:20 a.m.
Vice President Martin	All sessions	Excused at 11:20 a.m.
Vice President Conner	All sessions	Excused at 11:20 a.m.
Vice President Follon	All sessions	Excused at 11:20 a.m.
Exec. Ass't. to Pres. Stinchfield	All sessions	Excused at 11:20 a.m.
Director Chilcott	All sessions	Excused at 11:20 a.m.
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 11:05 a.m.
Business Manager Ahrens	All sessions	Excused at 11:05 a.m.
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 8:47 a.m.
Director Hauser	All sessions	Excused at 8:47 a.m.

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The following business pertaining to general or miscellaneous business was transacted on Wednesday, February 15 and Thursday, February 16, 1989.

APPROVAL OF MINUTES OF BOARD MEETING, JANUARY 11, 1989.

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

ACTION: President Pomerantz stated the Minutes of the January 11, 1989, meeting were approved by general consent.

REPORT ON ORGANIZATIONAL AUDITS. The Board Office recommended the Board receive the Peat Marwick Main report on the two special schools and defer action on the recommendations to the March Board meeting.

The reports for Iowa Braille and Sight Saving School and Iowa School for the Deaf are divided into considerations related to organizational structure, staffing, operations, plant maintenance and space utilization, educational program, and residential services. Both schools were reported to be organized properly under their new superintendents. Staffing in most areas appears to be adequate at both schools.

Operations at both schools appear to be adequate although the consultants recommended consideration of changes in the expenditures and personnel appointment limitations (this has already been addressed by the Board of Regents).

While the special school facilities appear to be underutilized, the campuses are generally well kept. A capital plan was proposed (this was already taken care of in the last ten-year capital plan for both special schools). The boiler systems were recommended for study.

One-on-one instruction is appropriate for some children, out-reach services are encouraged and separate accounting for outreach cost is suggested. Some additional staff may be needed as students with greater impairments are added.

Governance of the two schools is suggested as an area that might be restudied sometime in the future.

Dr. Pappas stated that she had three agenda items for this meeting: 1) the organizational audits of the special schools, 2) an update on where the project is overall, and 3) an update on the audit area of unnecessary duplicative academic programs.

Dr. Pappas stated that many factors are impacting on special education including changes in federal and state laws and regulations. There is an emphasis on the "least restrictive environment" and that each local school district be responsible for the provision of special education. There is advocacy of deinstitutionalization and increased competition for funds for special education. Another very significant factor is the debate on what constitutes a residential program for special education. If the two special schools clung to their missions they would become obsolete.

Dr. Pappas stated that both superintendents are looking at using their facilities to serve a broader perspective. One option is maintain the schools on their current basis with a modicum of growth and redirection. Another option is to broaden the mission to serve more multi-handicapped individuals. They could also increase their roles as statewide resources. Dr. Pappas said two additional strategic options for Iowa School for the Deaf are the merger with the Nebraska School for the Deaf and to increase the role of Iowa School for the Deaf in providing services to Iowa's hearing-impaired adults. A question raised was "What constitutes the level of handicap required to gain admission to the special schools?". She felt that was positive in terms of defining and clarifying the roles of the schools and negative in that they are becoming more restrictive. All three issues are ones of institutional self-improvement.

Dr. Pappas stated that from her firm's professional experience they felt the Board had chosen wisely in the selection of the superintendents. Superintendents Thurman and Johnson had already begun to institute changes before the consultants arrived on the scene. She said they cannot claim much of the credit. Those changes also impacted significantly the consultant's ability to come up with any dollar savings or any significant reallocation at the school level.

Dr. Pappas reviewed the Iowa Braille and Sight Saving School organizational audit report with the Board members. Dr. Jonathan McIntire was the consultant hired by Peat Marwick Main to assist in this endeavor. She urged the Board to reaffirm the fact that Iowa Braille and Sight Saving School plays a very significant role in terms of the future of multi-handicapped and visually-impaired Iowans. The consultants suggested that school officials work more closely with Area Education Agencies, parents and teachers for consultation, training, diagnostic evaluations, short-term intensive training in braille, orientation and mobility, low vision and the like, and the provision of specialized books, equipment and other materials needed by students in school.

The consultants reported that the current relationship the school has in sharing with the Iowa Department of Education the position of State Vision Consultant appears to work well. The consultants feel very strongly that the school should continue to be available to serve visually-handicapped students who live in extremely rural areas of the state. The consultants also felt that the school should assist in the development of pre-service teacher training opportunities with out-of-state institutions, if necessary, to increase the availability of certified and well-trained personnel for Area Education Agency positions.

In regard to recommendations for change that will serve to increase Iowa Braille and Sight Saving School's viability and efficiency as a future resource for the state, Dr. Pappas outlined the following recommendations:

- a. Further expansion in service to visually-impaired multiply-handicapped children and other multiply-handicapped students who do not have visual impairments but who do need this kind of specialized program.
- b. Its development as an approved, accredited program for the training of teachers in the education of blind and visually-impaired students if the state universities do not want to get involved and the current contractual model with an out-of-state institution does not work out as comprehensive and logistically feasible as needed.
- c. Further development of pre-vocational and vocational training programs for blind adolescents and young adults.
- d. The development of a more intensive and specialized training mechanism for multiply-handicapped visually-impaired adolescents and young adults. Certain services for adult multiply-handicapped blind persons are critically important yet currently very lacking.

Dr. Pappas reiterated that many of the organizational changes have been in place and a lot of streamlining has already been achieved. The consultants were very comfortable with those efforts. As relates to the advisory committee, she said they should broaden the base of skills on the committee to include business and other professions. In regard to whether there are staffing reductions which can be made at Iowa Braille and Sight Saving School, Dr. Pappas said the consultants did not see where there are any additional reductions that they can recommend. She said that paring down and paring down becomes contradictory.

Dr. Pappas addressed other operational issues. The consultants recommended that expenditures greater than \$5,000 instead of \$1,000 require prior approval. There is a need for more clear guidelines to address the issue of endowment funds. In general, the policies and procedures manuals need updated on a timely basis. There is a problem with asbestos on campus and the need to

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have it removed from school buildings. The consultants addressed capital planning for the school and long-term possible deferred maintenance. There is an underutilization of buildings and a real need for more professional development for the staff.

Regent Duchen referred to the problem of expectant mothers on drugs, and asked if there will be more young infants that will need help in the next 5 to 10 years.

Dr. Pappas responded that the consultants experienced great difficulty in trying to find data about the potential needs of both the special schools. They were unable to find any data sources they were comfortable with.

Superintendent Thurman stated that the data sources are very limited. He said the issues are not just the incidence of birth defects but the direction of special education. They are beginning to see a change now for more emphasis on most appropriate and least restrictive environment. He noted that he sent a copy of an article to Senator Tom Harkin. Senator Harkin responded that he would use the information in deliberations in Washington, D.C. this year. He added that the types of services the special schools provide cannot be duplicated in public schools.

President Pomerantz referred to Dr. Pappas' earlier statement regarding the quality of the superintendents and said the Board members concur in that portion of their findings. He said the Board appreciates their service, their commitment and their dedication.

Superintendent Thurman said Iowa Braille and Sight Saving School officials were very pleased with the organizational audit process. There are many things they can turn around and present in the form of a strategic plan. By March he expected to have pinpointed action on each suggestion. He felt that the organizational audit effort was well worthwhile.

Regent Williams stated that one of the areas Dr. Pappas did not comment on was the issue of where Iowa Braille and Sight Saving School belongs in governance with the Board of Regents.

Dr. Pappas responded that the reason she had not been specific was because if, in fact, the mission of Iowa Braille and Sight Saving School is broadened to serve more as a resources center, to serve a more diverse population, and to serve children through adults, it would be a much different institution than it is now. Therefore, she said it depends on the direction the Board takes with the institution.

Superintendent Thurman stated that Iowa Braille and Sight Saving School officials are very pleased to be under the governance of the Board of Regents. He said they receive high quality guidance. The Board of Regents make

numerous efforts on behalf of all the citizens of the state from the universities, the University of Iowa Hospitals and Clinics, and Iowa State University extension efforts. He said that just because they are in a special type of special education doesn't mean they cannot fit in with the concept of statewide responsibility.

Dr. Pappas referred to the Iowa School for the Deaf organizational audit report. In that particular review the consultants were assisted by Dr. Gary Austin. She discussed the report with the Regents. She noted that the consultants emphatically support that Iowa School for the Deaf continue as a resource to the state. The consultants looked at a number of options for the school. What they felt was appropriate for the future is in the area of serving multi-handicapped deaf and that it needs to continue its service as a resource to the Area Education Agencies and parents. It should continue as a school available to underserved hearing-handicapped students who live in extremely rural areas of the state or in sections of the state where certified teachers have not been located. The school needs to increase its role in providing services to deaf and hearing-impaired adults and to increase its statewide support services.

In regard to recommendations for change that will serve to increase Iowa School for the Deaf's viability and efficiency and a future resource for the state, Dr. Pappas said the consultants recommend a) further expansion in service to hearing-impaired multiply-handicapped children who need this kind of specialized program, b) further development Iowa School for the Deaf as a statewide education and diagnostic center, and c) further development of pre-vocational and vocational training programs for deaf adolescents and young adults.

Dr. Pappas stated that in regard to whether Iowa School for the Deaf should merge with the Nebraska School for the Deaf or the schools of other neighboring states the consultants said they should. She also underscored that high-level Iowa School for the Deaf officials should approach this issue in a positive manner which is sensitive to the concerns of the faculty, students and alumni of the Nebraska and neighboring states' schools. She said Superintendent Johnson is redefining the reporting structure for purchases over \$300,000. She noted that much money had already been saved in terms of internal reallocation.

Dr. Pappas said the consultants also recommended that issues regarding the composition and function of the Iowa School for the Deaf advisory committee need to be examined.

In regard to operational issues Dr. Pappas identified the following areas of concern:

- a) Difficulty in processing expenditures greater than \$1,000 as well as personnel actions.
- b) Problems with full funding for increased health care costs and contracted employee costs.
- c) Need to update and clarify policies and procedures manuals.
- d) Possible savings from changes in the heating system which may be possible.
- e) Building underutilization.
- f) Need for continued staff training.

Regent Harris asked about the educational process for the hearing-impaired students who are now mainstreamed; specifically, how well educated those youngsters are. Superintendent Johnson responded that in 1986-1988 the national government had a commission review what has happened during the last 20 years and what they should be doing. It was discovered that the gap between hearing-impaired and hearing youngsters has widened. The situation is not better than it was 15 to 20 years ago.

Dr. Pappas recapped the reports the Board had received and the schedule for the remainder of the reports. She said the Board had received reports on presidential evaluations, strategic planning concept statement, budget process, Board and Board Office, University of Iowa policies and procedures and the two special schools. Five draft reports that have been reviewed and are undergoing final review are University of Iowa organizational study, Iowa State University organizational study, performance evaluations for the University of Iowa, faculty workload which is in two parts: generic and University of Northern Iowa faculty workload. Those reports will be issued in final form next week. Six audit reports in draft form which are currently being circulated are 1) Board of Regents financial management 2) budget that links Board of Regents to institutions 3) Iowa State University policies and procedures 4) indirect cost recovery for University of Iowa 5) University of Northern Iowa policies and procedures and 6) University of Northern Iowa organizational study. Reports to be distributed in draft form by March 1 are Iowa State University faculty workload, University of Iowa faculty workload, academic program review which consists of four reports: Board level and specific campus by campus, and finally the funding levels study. Reports to be distributed mid-March include length of time to complete an undergraduate degree, research productivity, facilities and strategic planning.

Dr. Pappas addressed where the consultants are with regard to potentially duplicative programs. She underscored that everyone is doing an extraordinary amount of work. Many important issues are being addressed and they are taking each one seriously. She said that on February 7 Peat Marwick Main distributed

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a letter regarding potentially duplicative academic programs to each of the campuses with copies to Mr. Richey and President Pomerantz. They outlined 16 program areas they thought required further examination. That consisted of 3 tiers 1) Business, Education, Engineering, Home Economics, Journalism, 2) graduate and specialized liberal arts including Humanities, Biology and Physical Science, and 3) other professional programs. She noted that this is the only report issued by the firm that addresses areas that require further review.

Dr. Pappas said the consultants will involve a team of two to three nationally-recognized individuals with academic administration experience meaning college dean. The institutions, the Board of Regents staff, and Peat Marwick worked collaboratively to identify potential consultants. The consultants made calls to each of the individuals and ascertained their availability. They received very positive responses to the calls and their interest in participating. The first programs to be reviewed are Business and Home Economics, which will begin in early-March. The consultants for Engineering, Education and Journalism are not available until late-March to early-April. The specific protocol for the external consultants was sent in draft form to the campus and Board Office on February 10 with comments due back today. Specific instructions will be given to the consultants that because of the limited amount of time, the external consultants' charge will not be to reach conclusions but to assist Peat Marwick officials in determining whether the programs should be included for more extensive review. They will be developing a recommended list of those targeted programs that should be considered by the Board of Regents for program change.

Dr. Pappas stated that once they have provided what they believe is a list of duplicative programs it is then up to the Regents and the institutions to go into further review. She added that by consensus some programs might just fall out.

Regent Tyler stated that during the last few days there has been a substantial amount of publicity concerning remarks President Pomerantz was quoted as having made in the Sunday and Monday Des Moines Register. He said he had read carefully both those articles and was in full agreement with remarks attributed to President Pomerantz.

Regent Duchon said he felt that as Board members they have to make clear that they are just beginning. He said he was pleased with the opportunity to be part of the judgment.

Regent Fitzgibbon stated that it is so important in this whole issue that they not forget that the state has three fine Regent universities and two special schools. When some things happen it creates questions in people's minds that they may be something less. He said that when it comes time for Board action this Board as a whole will take action and there will be participation of the

universities, the faculty and the students. They need the cooperation of a lot of people to get this job done. Through the presidents, the faculty and the student body will be recognized. He emphasized that the Board makes the final decision. The input of everyone is important to help them make their decisions.

Regent Greig stated that on the record he wanted to say he supports President Pomerantz and what he said. He said President Pomerantz was talking in general about the direction they are going and that the Regents understand that is his opinion. The Regents will work very closely with the presidents and the students. Those changes will be done in a proper manner and will take time. He added that these institutions are really first-class operations so they are starting from a high plane.

Regent Fitzgibbon said they have come a long way and accomplished a great deal. He did not want to have something like the recent publicity set them back.

Regent Williams stated that most of this problem came from a misinterpretation. She did not think there are any foregone conclusions about what is going to happen which is what she saw the faculty responding to. Certain things are going to be done and changes are going to occur. However, she didn't think there is agreement on what those changes will be. She said they should focus on making the institutions the best they can be which she felt was the thrust of the comments in the newspaper.

Regent Harris stated that as President of the Board President Pomerantz had his support. He felt that President Pomerantz does not expect him to be in complete agreement with him but that none of them expect each other to be in complete agreement.

Regent Fitzgibbon stated that they need to be informed of these things when they happen. He said some people just received the letter they were talking about which was not fair to the Board of Regents. He felt they should review in the office the handling of documents in order to do a better job of circulating materials to the Board.

President Pomerantz stated that the majority of the content of the newspaper articles were very accurately quoted. Unfortunately, an editing error caused the meaning of the Monday article to be skewed. He said the Regents and the institutions have come a long way and it is not possible to go back. He noted that having nine of them serve as Regents would be a waste if they all agreed. They have differences of opinion but are able to reconcile those differences. The process in the end serves the Regent institutions. They encourage differences of opinion and he subscribes to that. He said the Regents took time to go to every campus and discuss the organizational audit in detail. They gave assurances that the constituent components would have input. In the end the Board will make the decision after considering the faculty,

administration, auditors, students, etc. Peat Marwick Main is expected to make adequate recommendations. After considering all that input the Board will come down with its decisions. It has never been anything else but the Board's authority. He felt confident that when they present their recommendations to the people of the state they will be united in the decisions that are reached. He said their universities should be among the best in the nation. In the long run it determines the ability of the state to be competitive over a long period of time. The quality is already very good but it can be much better. Everyone needs to work together. He offered his strongest commitment to provide the leadership necessary to make appropriate change.

President Pomerantz asked Dr. Pappas to clarify that the consultants will be coming back to the Board with firm recommendations. Dr. Pappas responded that Peat Marwick Main will recommend to the Board what programs appear to be duplicative.

President Pomerantz asked if the Board will have specific recommendations as to unnecessary duplication. Dr. Pappas responded that they would but that those are their recommendations.

President Pomerantz stated that the Regents did not hire Peat Marwick for the faculty's recommendation. The Board wants their recommendations. He said this study was to have been done December 31, 1988. He suggested that absent the unfinished duplicative study the rest will be finished and put into a final report. He expects them to stay with that schedule.

Dr. Pappas said they are in the process of taking the seven reports and generating a master report of basically where significant changes are needed and the recommendations. That will be ready April 15, based on the timeliness of the external consultants.

Regent Fitzgibbon asked how they plan on distributing this information on a timely basis to get it in the hands of the Board members. He said it sometimes takes 7 to 8 days to get the reports from the Board Office. Mr. Richey stated that the reports have been mailed out to the Board members on the very same day they have been received in the Board Office.

President Pomerantz stated that the process is that Peat Marwick Main consults with the Board Office on a proposed draft. They review and refine that and it goes back to Peat Marwick Main. At that point the draft report is issued that goes to Board.

Vice President Vernon stated that the notion of the letter of February 7 was the exclusion of a concept of institutional participation. The letter prepared by Peat Marwick Main provided that Peat Marwick Main would develop a recommended list of targeted programs. He said that from February 2 to February 7 that language was changed in that there was no reference to the

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role of the institution once the Peat Marwick Main report is received. He said virtually every Board member agreed to the institutional role before the final decision is made. He emphasized that there should be strong institutional input at that point so their views are known before the Board makes a decision. He said they would need some time, 2 to 3 months, to get this through the university processes.

President Pomerantz said he interceded because he did not want the illusion that this is a self study. They are independent auditors hired to evaluate and give their opinion. He said that while he is aware and sensitive to the need for university input, they want to make sure Peat Marwick Main maintains their strict independence in the recommendations they make. The whole Board goes on record that there will be time for institutional input. Peat Marwick Main conceded they are not experts in the academic area. That will come from the outside consultants they employ.

Vice President Vernon said that if the Board wants expert views they would want to listen to the institutions. The institutions need to play a major role in giving the Board their views. They must have a real opportunity and not just a two- to three-week response period.

President Pomerantz said he did not want to be in the position of defining how much time the institutions will have. The Board extends the invitation for institutional input so it can evaluate all the facts. It is not appropriate for the institutions to tie down the Board to a precise calendar. He said they would have to trust the Board in that regard.

Vice President Vernon said they needed 90 days in which to provide the institutional input. President Pomerantz said they would be allowed sufficient time.

Regent Harris stated that, in terms of Vice President Vernon's remarks, all of the Regents understood that there would be input from the various constituents. For the sake of clarity he said he was willing to make a motion that they do this.

MOTION:

Regent Harris moved that following the receipt of Peat Marwick Main's report and recommendations on unnecessary program duplication the Board will seek the views of university faculty, administrators and students before taking final action with respect to implementation of those recommendations and, further, that a period of not less than 90 days after receipt of the Peat Marwick Main recommendations will be allowed for appropriate consultation. Regent Duchon seconded the motion.

Regent Fitzgibbon asked that they leave the time element flexible.

President Pomerantz stated that the Board will use discretion and is flexible in the time frame relating to the Peat Marwick Main study. He said the Board will consult the universities and all other constituencies.

President Eaton said he supported what Vice President Vernon said. In the early-Spring of 1987 President Eaton seated a long-range strategic planning committee and established a time table. He has talked with Mr. Richey about when Iowa State University officials can reasonably get the recommendations to the Board of Regents for action. It's a matter of timing. University officials are printing next fall's university calendar. There won't be anything different until after that. Even any changes university officials propose won't go into effect until the fall of 1991. He said they don't need to rush the process.

Regent VanEkeren said she felt they have different ideas of what they think is timely. She said the Regents need to make some kind of commitment understanding they will be flexible, whether it's 90 days or 2 weeks. They need to come up with something a little stronger to say the institutions will have time to look at this and make their comments. Regent Harris said that was the sense of the motion.

Provost Glick stated that this is a very important time in the history of these institutions. He felt they should take the time now to give ownership to the faculty. That is the most likely way to achieve the goal and to ensure that everyone buys into it. He said he doesn't agree with every decision but he understands every decision. This is to be a process that is accepted by the university community.

President Rawlings introduced Professor Steve Collins for a presentation on the issue. Professor Collins stated that he wished to read a letter addressed to President Pomerantz from Peter Shane, President of the University of Iowa Faculty Senate. Professor Shane said he wished to convey a sense of the considerable restiveness prompted among his colleagues by recent newspaper accounts of remarks attributed to President Pomerantz concerning program duplication at the Regent institutions. He suspected the story was seriously misleading but felt he should reaffirm the depth of faculty concern relating to planning the university's future. The sense of the newspaper article was that without consultation already promised with university faculty, staff and students, the President of the Board of Regents had already committed himself to a controversial set of proposals for realigning University of Iowa programs.

The letter stated that faculty are not resistant to change and that they are strongly committed to innovation. Before graduate programs are eliminated, they would want to assess the impact of such a move on undergraduate

education. Both the quality and the importance of possibly duplicative programs to other programs, both graduate and undergraduate, would need to be evaluated. Professor Shane said the effort and commitment that faculty bring to this process will be seriously undermined if the perception develops that the planning process is simply a cover for predetermined decisions.

Professor Collins stated that he was speaking in his capacity as chair of the University of Iowa Institutional Audit Advisory Committee. The committee was established to serve in an advisory capacity for the audit of the Regents institutions that is being conducted by Peat Marwick Main. The Institutional Audit Advisory Committee consists of faculty, staff and university administrators. The committee's goal is to assist Peat Marwick in completing the audit in a timely and effective manner.

Professor Collins urged the Board to take two specific actions:

- 1) The first is an affirmation that Peat Marwick is being charged to develop and recommend a list of programs areas that might represent unnecessary duplication, and that thus should be subjected to more extensive and focussed review, and that Peat Marwick is not being charged to identify programs that, in fact, represent unnecessary duplication.
- 2) The second is a commitment to permit the University of Iowa to address the issues raised by the audit in a deliberate and thoughtful fashion, and thus create an opportunity for broad-based consultation on the most effective deployment of university resources for quality education. Under no circumstances could a period of less than three months following receipt of Peat Marwick's recommendations be considered as conducive to a deliberate and thoughtful review.

President Pomerantz stated that the motion on the floor speaks to the Board's intent and position.

Regent VanGilst suggest the wording be changed to "the appearance of unnecessary duplication" or "what might represent unnecessary duplication".

President Pomerantz said he had a problem with that. He said he had no problem with the time frame of 90 days and the concept of input of faculty. It would be ninety days from the receipt of the report to final action.

Regent Harris said they all wanted specific recommendations. The Board sends a message to the faculty that they appreciate the concerns and they will not make any major changes without proper input from the faculty, administration, students and constituencies. He added that he did not feel that 90 days was unreasonable.

Regent Duchen stated that the reason he seconded the motion was because he wants to participate in sending a message to the state of Iowa that this is an

open Board and that they want to gather all the facts humanly possible before coming to a conclusion.

President Curris stated that it was his understanding from the discussion that before the Board takes any action on the recommendations they are going to take into account and weigh the opinions of the constituencies. They will be given a reasonable amount of time to provide such input. He said he appreciated the sentiments in that direction.

Regent Harris said the Board hopes that the administrators relay the message that the faculty and the students should always understand that on any major issue that involves them the Board would not take action without input from them. Regent Tyler said he has never heard in any way, shape or form that people would not have input. Regent VanGilst stated he felt that this motion will tell everyone that the Regents will not take action until they receive input from the people.

Regent Fitzgibbon asked about the second part of the professor's request. President Pomerantz said he was not unmindful of the suggestion but they were not going to do it.

Regent Tyler called for the question.

VOTE ON THE MOTION: The motion carried unanimously.

Professor Collins stated that on behalf of the faculty the first message will be very gratefully received; however, he urged that a second message be communicated. He pointed out that the process that Dr. Pappas referred to has been underway for quite a period of time. Lengthy discussion has been held about the process itself. The study has yet to commence. On January 30 a letter was sent defining a process. The bottom line was that Peat Marwick Main would recommend a list of program areas that might be duplicative. He felt that has been subsequently changed. He said Peat Marwick Main is proposing to bring back experts in March. That type of time table precludes any serious in-depth study. At best they could develop an initial concept of areas that would require further in-depth study. He again asked that the Board affirm that Peat Marwick Main will address areas that might represent unnecessary duplication and that Peat Marwick Main is not being charged to identify unnecessarily duplicative programs.

Vice President Vernon stated that he assumed that when the consultants come in in early-March and spend a week and then write a report to Peat Marwick Main it will be distributed to the institutions. He didn't see how an early-March report can do that. The whole process has got to take time.

President Pomerantz said they don't have forever.

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Vice President Vernon stressed that he was not trying to stall. He said they can't decide whether Engineering or Education are duplicative without some real background and that a report from three consultants and Peat Marwick Main alone cannot do that.

Regent Fitzgibbon said he was concerned about the timetable. He felt it would be a real mistake to do anything that will jeopardize the quality of this study.

Regent Tyler said they were not differentiating from what they have asked Peat Marwick Main for and what subsequently follows.

President Pomerantz stated that what the faculty seemed to be saying is that the Regents are not equipped to deal with the recommendations or to say they need more consultants or whatever their options are. He was insulted by the lack of confidence. He said they could handle this monumental task and that the faculty will be amazed at how much quality the Regents can bring to the task.

Regent Harris stated that the time period addressed in the motion was based on Vice President Vernon's request. He thought the substance of that motion dealt with the question and uncertainty.

President Eaton commented on the perception he felt they were giving about the quality of the universities. He said the whole issue of quality of higher education and the future of higher education is not solely a function of potential duplicative programs. That was one small aspect of the Iowa State University internal study. Duplication is not the beginning or the end of improving the quality of education in Iowa.

Dr. Pappas said the message was clear to the consultants. They are continuing to work in the time constraints. They will know better next week the availability of the consultants. She assured the Board that they will not in any way violate the integrity of their firm. She underscored that they needed everybody's support as they go forward.

ACTION: President Pomerantz stated the Board received the Peat Marwick Main report on the two special schools and deferred action on the recommendations to the March Board meeting by general consent.

President Eaton referred to his earlier remarks concerning the issue of timing for the number of Peat Marwick Main studies that are being done. Only one study concerns potentially duplicative programs. He said Iowa State University officials will be bringing proposed changes in structure in response to a half-dozen recommendations in a matter of only a couple of weeks. Therefore, he said some things do move faster than others.

Regent Greig asked when the Peat Marwick Main reports go to the press. Mr. Richey responded that the press receives the information when it is on the docket. He noted that the final reports are sent to the Legislative Fiscal Bureau and the Governor's Office at the same time they are sent to the Regents. Because those offices are in the state complex they receive the reports before Board members.

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session to conduct a collective bargaining strategy session pursuant to Code of Iowa Section 20.17(3).

MOTION:

Regent VanGilst moved to enter into closed session. Regent Greig seconded the motion, and upon the roll being called, the following voted:

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

NAY: None.

ABSENT: None.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 5:30 p.m. on February 15, 1989, and arose therefrom at 5:41 p.m. on that same date.

The following business was conducted on February 16, 1989.

PRIORITY ISSUES. The Board Office recommended the Board receive the status report on the Priority Issues.

The priority issue group on Privatization of Business met prior to the February 9 Board meeting for the purpose of reviewing proposed rules for the Regent institutions. The priority issue committee on Cooperation and Teamwork met on February 16. This group will be reviewing a draft policy statement developed for the purpose of encouraging interinstitutional cooperative efforts.

Mr. Richey stated that tomorrow they will be reviewing the status of all the priority issues. Some of the issues will be targeted for the next docket since they need acted on before the end of April.

ACTION:

President Pomerantz stated the Board received the status report on the Priority Issues by general consent.

REPORT OF INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Post Audit Reports - Iowa State University. The Board Office recommended the Board receive the post-audit reports from Iowa State University on programs in

Consumer Food Science, Occupational Safety, and Social Work; (2) approve the programs in Consumer Food Science and Social Work for continuance; and (3) review the Occupational Safety program in two years.

Three post-audit reports were presented on Iowa State University programs originally approved by the Board in 1983. The Social Work and Consumer Food Science programs appeared to have met the original goals of the programs when they were approved. The Occupational Safety program has enrolled fewer students than projected, and has had a reduction in faculty since the program was originally approved.

The Interinstitutional Committee and the Board Office recommended that the Consumer Food Science and Social Work programs be approved for continuance and that the Occupational Safety program be reviewed again in two years.

Vice President Martin stated that the Consumer Food Science program is an offshoot of a food science major. This variation has been rather attractive to students and has demonstrated vitality in terms of enrollment. He said there are some concerns on campus regarding curriculum and staffing of the interdisciplinary Occupational Safety Program. He said the Social Work program has flourished. Enrollment has grown to over 100 undergraduates. He said it is a very efficient program.

MOTION:

Regent Harris moved to receive the post-audit reports from Iowa State University on programs in Consumer Food Science, Occupational Safety, and Social Work; (2) approve the programs in Consumer Food Science and Social Work for continuance; and (3) review the Occupational Safety program in two years. Regent Duchen seconded the motion, and it carried unanimously.

(b) Iowa State University Catalog Changes. The Board Office recommended the Board approve the proposed revisions for Iowa State University's 1989-1991 General Catalog.

The proposed Iowa State University catalog revisions include 190 courses added and 188 courses dropped, one new major, several curriculum and major name changes, and one curricula dropped. Of the 190 new courses, slightly over one-fourth are actually course numbers added for record-keeping convenience and do not represent added instructional commitment.

The program changes reflect normal activities toward keeping the curricula current.

MOTION:

Regent Williams moved to approve the proposed revisions for Iowa State University's 1989-

1991 General Catalog. Regent VanEkeren seconded the motion, and it carried unanimously.

Regent VanGilst asked about the effect of the university's internal audit on the university catalog. President Pomerantz suggested it should be "business as usual" until there are definite recommendations.

Regent VanGilst said that students attend the university on the basis of program information contained in the catalog. President Pomerantz said students are promised consistency in their programs for four years.

Regent Williams said they can't just stop everything that is going on.

(c) Iowa State University M.S., Ph.D. in Ecology and Evolutionary Biology. The Board Office recommended the Board approve of an interdepartmental graduate major in Ecology and Evolutionary Biology (M.S. and Ph.D.) in the College of Agriculture and the College of Sciences at Iowa State University.

Iowa State University officials requested approval of an interdepartmental major in Ecology and Evolutionary Biology (M.S. and Ph.D.). The degree is a basic science degree to be offered through six cooperating departments. Both the Board Office and the Interinstitutional Committee recommended approval.

MOTION: Regent Williams moved to approve of an interdepartmental graduate major in Ecology and Evolutionary Biology (M.S. and Ph.D.) in the College of Agriculture and the College of Sciences at Iowa State University. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(d) University of Iowa - Program Termination - Otolaryngology - Head and Neck Surgery. The Board Office recommended the Board approve the request for termination of the Master of Science Degree Program in Otolaryngology-Head and Neck Surgery at the University of Iowa.

University officials requested discontinuance of this program. No students are currently enrolled in the program. Both the Board Office and the Interinstitutional Committee recommended termination of the program.

MOTION: Regent Greig moved to approve the request for termination of the Master of Science Degree Program in Otolaryngology-Head and Neck Surgery at the University of Iowa. Regent VanEkeren seconded the motion, and it carried unanimously.

REPORT ON LEGISLATIVE ACTIVITIES. The Board Office recommended the Board receive the report on legislative activities and approve the recommended positions on bills being followed.

Governor's Fiscal Year 1990 Budget Recommendations

The Governor's budget recommendations were released on January 13, 1989. The recommended fiscal year 1989 operating budget appropriations for the Board of Regents are 3.2 percent above fiscal year 1989. The principal elements of the recommendations for the Board of Regents are listed below:

- * Salary annualization. No funds for faculty and professional and scientific annualization equivalent.
- * Price Inflation. 3.5 percent funded; Board request was 5 percent with 14 percent for library books.
- * State Audit Costs. Covers only general fund share.
- * Utilities. Funded debt service increase and does not include the portion of Iowa State University debt service for which reallocations from boiler maintenance funds had to be made this year; 3.5 percent inflation at University of Northern Iowa, Iowa School for the Deaf, and Iowa Braille and Sight Saving School.
- * Opening New Buildings. Only for buildings built with general funds to be opened in 1990. (Request was for buildings opened in fiscal year 1989 but not funded.)
FY 1990: \$12,000 FY 1991: \$307,000
- * Undergraduate education. FY 1990: \$1.7 million (one-half of Board request); FY 1991: \$3.4 million
- * Iowa State University Ag. Research. Funded full \$2 million Board request for both years.
- * Iowa State University Extension Rural Concern Tele-Help. Funded full \$90,000 for both years.
- * University of Northern Iowa Center for Early Development Education. \$260,000 compared to \$400,000 Board request for both years.
- * Tuition replacement appropriation and anticipated carryover funds will fund the Board's total request. Fiscal year 1990 appropriation \$18.9 million; fiscal year 1991 appropriation \$21.8 million.
- * Funding was provided for the number of positions requested in the Board Office budget for both fiscal years.

* Other Items Not Recommended in Governor's Budget:

Minority recruitment (\$1.25 million)
Library automation (\$1.05 million)
Library acquisition (\$800,000)
Computerization (\$2.5 million)
University of Iowa College of Medicine Enhancement (\$1 million)
Iowa State University Research & Interdisciplinary Programs (\$2 million)
Administrative Systems (\$1.2 million)
Iowa School for the Deaf requests (\$70,000)
Iowa Braille and Sight Saving School requests (\$35,000)
Equipment (\$1.5 million)

* Capitals. A total list of \$40 million recommended contingent upon revenues exceeding estimates. Of the \$40 million, \$25.1 million is for Regents projects. These include major maintenance/fire safety, University of Northern Iowa boiler, University of Iowa Pharmacy building, Cattle and Swine research at Iowa State University, University of Iowa business building, Gilman Hall at Iowa State University and Wright Hall at the University of Northern Iowa.

* The Governor recommended \$7 million for economic development research and development funds from lottery proceeds. The Board had supported \$10 million. The Board has requested a portion of those funds be appropriated for research parks at the University of Iowa and Iowa State University.

Bills of Interest to the Board of Regents

Some of the bills being followed are briefly discussed below.

House File 17 increases the minimum wage to \$5.00 an hour over a three-year period. The current minimum wage is \$3.35 an hour. The bill increases the minimum wage to \$3.85 on January 1, 1990, to \$4.40 on January 1, 1991, and to \$5.00 on January 1, 1992. This bill will have cost implications for the universities due to their student employment. Iowa State University has estimated that the legislation could cost at least \$300,000 the first year. The recommended Board position is to monitor.

House File 68 requires that a contract for public improvement in excess of \$2,000 provide for paying laborers not less than the prevailing wage and not less often than once a week. This bill would have a significant cost increase on Regent construction cost. At this time it was recommended the Board monitor the legislation and study the cost impact.

House File 103/Senate File 100/Senate Study Bill 178/SF 147 provide for some form of tuition reciprocity with other states. Cost estimates from the universities indicate that tuition reciprocity would cost the Regent universities at least \$27 million. The recommended Board position is to oppose unless adequately funded by the Legislature. Senate File 147 relates only to graduate students and would place Iowa at a disadvantage with some other states which have limited graduate programs.

House File 109 expands the scope of negotiations in public employment contract negotiations to include wages, hours, and "terms and conditions of employment." The present list of negotiable items has been in place since 1976 and should be retained, without expansion, for stability in the negotiating process and to preserve the ability to govern and manage the institutions effectively.

House File 139 appropriates \$250,000 for various agricultural health and safety programs. Of that amount \$215,000 would go to the Board of Regents for projects including continuing a pilot project coordinated through the University of Iowa's College of Medicine. The recommended position is to support this bill.

House File 157 allows American sign language to qualify as a foreign language for instruction in public schools. This bill has several implications including academic ones and it was recommended for further study.

Senate File 60 prohibits state investments or deposits in financial institutions or companies which invest in, or do business with, or in, the Soviet Union. The bill parallels sanctions currently applicable to trade or investment in South Africa. The recommendation is to oppose this bill because it would limit investment flexibility of the Regent universities.

Director Eisenhower brought the members up to date on the Governor's budget recommendation for the next fiscal year. He proposed a 3.2 percent appropriation increase over the current fiscal year. Major areas of emphasis include undergraduate education, agriculture research, the Center for Early Childhood Development and price inflation. Funds have not been appropriated for price inflation in about 8 years.

Director Eisenhower said the Board has made presentations at six education appropriation subcommittee meetings. Staff learned yesterday that two more meetings are scheduled for next week to discuss student aid, oversight issues and legislative intent.

Director Eisenhower referred to an addendum to the docket memorandum that lists the major information requests received by the Board Office from

legislators. Close to 30 items were listed and staff receives more requests every day.

Director Eisenhower highlighted new bills that have been introduced since the last Board meeting. HF 269 is a bill which ties tuition to the higher education price index. Staff suggested the Board should take a position of opposition. That bill puts the legislature in the position of controlling tuition rates which is the responsibility of the Board of Regents.

Regent VanGilst asked how the meeting on student aid would be conducted. Director Eisenhower said it would be a round table discussion, not questions and answers. The committee has invited individuals from the three universities.

Regent VanGilst asked if the Regents would be allowed to sit in or take part. Director Eisenhower said she was certain they would invite participation from Board members.

Regent VanGilst noted that the Board had approved a request for \$1 million for student aid. He questioned whether legislators had seen that in the Regents' budget. Mr. Richey said he knew that legislators know it is in there. Regent VanGilst said the Regents had not emphasized that request.

President Pomerantz suggested that if Regent VanGilst could spare the time he should participate in that student aid discussion. Regent VanGilst stated he would like to be there. He felt it was something the Regents should talk about. He said he has always been concerned about students subsidizing tuition of students who can't pay.

Director Eisenhower stated that the subcommittee chairs have just received their initial targeted amounts. Therefore, she felt there was plenty of time for Regents to provide input. She said the guidelines given to the subcommittee chairs are for the current level of expenditures plus annualization of salaries. Mr. Richey noted that is routine for this stage.

President Pomerantz stated that in terms of the subcommittee session on student aid, any Regents who can be there should be there. He said they will have some conversation with the legislative liaisons this Saturday to have them also carry that message. He felt it was important that the Regents have the right to discuss whatever they wish to discuss with the legislature. He asked that the Board members be kept informed of the dialogue.

MOTION:

Regent VanGilst moved to receive the report on legislative activities and approve the recommended positions on bills being followed, include opposition to the recently-introduced bill that would dictate tuition policy to the Board. Regent Fitzgibbon

seconded the motion, and it carried unanimously.

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

Regent Fitzgibbon, Chairman of the Banking Committee, said the Regents Banking Committee met on February 15 and took action to approve the Iowa College Savings Bonds bond purchase agreement and resolution for the sale of \$9 million in capital appreciation bonds for the University of Iowa.

Regent Fitzgibbon stated that considerable time was spent discussing the selection of an endowment fund manager. The Board had earlier authorized the Board Office to obtain the service of Cambridge Associates to assist in the selection. In consultation with the institutions and the Board Office, they had an opportunity to review a long list of firms.

Director Eisenhower stated that all five institutions will be involved in the endowment fund manager effort. The committee favored retaining the services of two different firms. Those firms are Invesco Capital Management, which is a balanced firm and will use some fixed income, and Warburg, Pincus Counsellors, an equity firm. The committee opinion was that using both firms would result in very sound but creative investing.

Regent Fitzgibbon said that the managers of both firms are highly sophisticated and knowledgeable people.

MOTION:

Regent Fitzgibbon moved to retain the services of Invesco Capital Management and Warburg, Pincus Counsellors as endowment fund managers. Regent Williams seconded the motion, and it carried unanimously.

Regent Fitzgibbon stated that the usual cash management reports were received and filed. One other issue addressed by the Banking Committee was the change in the Iowa State University May and July bond sale/conversion.

Director Eisenhower stated there were three reasons for changing the schedule for the sale and the conversion. The May \$10 million bond sale was changed to July and the July \$16.5 million utility bond conversion was moved to May. The reasons were 1) The bond indenture requires the university to maintain an unreasonable level of reserve. If they convert in May there will be a smaller burden on the university to maintain the level. 2) The proposed May conversion will take place early in the month and the July sale will take place at the end of the month leaving time between the conversion and the sale. 3) Iowa State University cash flow needs will be accommodated.

MOTION: Regent Williams moved to approve the revised bond sale/conversion schedule, as presented. Regent VanGilst seconded the motion, and it carried unanimously.

Regent Duchen stated that it was brought up at the Banking Committee meeting that there may be a need to address questions such as "What is a bond?" and "Who is obligated to pay bonds?". He felt it might be appropriate to allow time in June or July for a 15 to 20 minute presentation on that subject so that people are introduced to this kind of structure.

President Pomerantz stated that the presentation would be of the financing mechanism the Board of Regents is involved in and how the funding actually works.

Regent Fitzgibbon said another important aspect of that was for the Board members to have some exposure to the people who are managing their funds.

President Pomerantz asked that some time when the managers are at the University of Iowa for a review, if it is in conjunction with a Board meeting they be scheduled to give the Board a presentation.

Vice President Phillips agreed that it would be good for everyone to hear their presentations. She said the quality of the recent presentations was excellent. She will coordinate a campus visit when the Board is on campus.

Regent Fitzgibbon stated that at the Banking Committee meeting the Iowa State University internal auditor visited with the committee members about his function at the university. The committee will schedule similar visits for the rest of the institutions when the committee is on their campuses.

RULES RELATING TO COMPETITION OF PRIVATE ENTERPRISE. The Board Office recommended the Board (1) Approve the filing of proposed administrative rules to replace the emergency rules approved by the Board and filed last July implementing House File 529 concerning government competition with private business, (2) Require that the institutions shall cooperate and work jointly in the development of an internal process to implement the Board policies relative to House File 529, and (3) Require the institutions to report to the Board, at the April Board meeting, the process and procedures developed for the internal review mechanism.

In July the Board adopted "emergency rules to comply with the provisions of House File 529 with the understanding that the Executive Secretary will appoint an interinstitutional committee to review all goods and services sold by the institutions that may compete with private enterprise and to make recommendations to the Board for the adoption of permanent administrative rules." Proposed administrative rules have been drafted by the interinstitutional workgroup based on direction provided by the priority

committee and presented to the Board at the January meeting. The rules include further definition of allowable exemptions under House File 529.

The rules include a policy statement including criteria to be followed in allowing the sale of goods and services. The rules include an internal review process to be established at each institution to ensure that activities are consistent with Board policies. Each institution is required to receive input from local businesses. The rules require each institution to consult with business interests in the community.

The appeal process for private businesses established in the emergency rules would be continued. That process encourages resolving the issue at the institutional level or with the assistance of the executive secretary if necessary. If the issue remains unresolved it may be docketed for the Board to consider the executive secretary's recommendations.

The Board Office recommended that the institutions annually report to the Board of Regents the results of the internal review process and any appeals during the previous year. This report is not mentioned in the administrative rules but will be handled by inclusion in the Board of Regents Procedural Guide.

Once the Board of Regents approves filing the rules they will proceed through the normal administrative rules process including a public hearing. After any changes which might be necessary following the public hearing process the rules will again be submitted to the Board. The rules, once in final form, will replace section 7.30 of the Board of Regents Procedural Guide.

Director Eisenhower stated the Board was being asked to approve the filing of proposed administrative rules. The rules will replace the emergency rules filed in July. The proposed rules are a culmination of 7 months of work. Once the rules are approved they will be filed with the Code Editor. There will be two opportunities for comments from the general public. The rules contain a policy statement and an internal review process, definitions and examples of items that will be sold and not sold. She said the priority committee met on February 9 to review the rules.

Director Eisenhower distributed a revised docket memo. Regent Tyler said there were no substantive changes as far as the revised docket memorandum.

President Pomerantz said the process is that the rules will be filed and then a hearing will be scheduled. Any changes that need made will be done in that process. The rules will ultimately come back to the Board.

Regent Tyler referred to the following paragraph of the revised memorandum:

It is the policy of the Board of Regents that the institutions shall not engage in competition with private enterprise unless the activity will

assist in the education, research, extension or service mission of the institutions.

Regent Tyler said the committee members felt that was not a misstatement of what the Board truly feels. He said that after all the meetings and discussions the institutions are more mindful about competition.

MOTION:

Regent Tyler moved to (1) Approve the filing of proposed administrative rules to replace the emergency rules approved by the Board and filed last July implementing House File 529 concerning government competition with private business, (2) Require that the institutions shall cooperate and work jointly in the development of an internal process to implement the Board policies relative to House File 529, and (3) Require the institutions to report to the Board, at the April Board meeting, the process and procedures developed for the internal review mechanism. Regent VanEkeren seconded the motion.

Regent VanGilst asked how this will effect the University of Iowa College of Dentistry. He said they do dental work in competition with private business.

President Pomerantz emphasized that the policy says they will not be in competition unless the activity will assist in the specific missions of the institutions.

Regent VanGilst asked about the effect on the University of Iowa College of Medicine.

Regent Fitzgibbon said that same paragraph describes that relationship.

Regent Tyler stated that each institution shall have these policies in writing. He said the committee members did not discuss the institutions individually. The intent of the rules is to tighten things up. It also provides a higher level of awareness on behalf of the institutions.

President Pomerantz said the sense of the policy recognizes there might be competition but does not say there should be no competition.

Regent Fitzgibbon said the paragraph concerning interpretation and definitions may be problem. He said there is a fine line when they start interferring with the universities in the process of education. He felt they should be given more time to think about these things and should approach it sensibly.

At it's meeting on January 10, the Commission approved administrative rules relating to due diligence in the collection of guaranteed student loans, the eligibility of part-time students in the Iowa Tuition Grant Program, new requirements for receipt of a State of Iowa Scholarship and the eligibility of students for benefits under the Occupational Therapy Program. Although the purpose of the Occupational Therapy Program is aid to students, it is also intended to attract practicing Occupational Therapists to Iowa. The program is funded at only \$10,000 during the current year, which is the first year of the award under the program.

ACTION: President Pomerantz stated the Board received the report as a consent item.

REGENTS MERIT SYSTEM CLASSIFICATION REVISION. The Board Office recommended that the Board approve the following pay grade changes subject to implementation through the collective bargaining process:

<u>Class</u>	<u>From</u>	<u>To</u>
Dietetic Clerk	Grade 507 (\$14,685-\$20,363)	Grade 508 (\$15,350-\$21,403)
Radiographer I	Grade 408 (\$15,350-\$20,738)	Grade 409 (\$16,411-\$21,778)

Dietetic Clerks now operate with more independence in the performance of their duties than what was envisioned and point counted when the class was first established three years ago. An appropriate change in the point count results in a one pay grade increase.

A change in the minimum qualifications for Radiographer I to reflect the permit now required by the State for all radiographers operating ionizing radiation emitting equipment results in a one pay grade increase for that class.

There are currently 12 Dietetic Clerks and 9 Radiographer I's at University of Iowa Hospital and Clinics. Funds are available to implement the changes.

MOTION: Regent Duchen moved to approve the pay grade changes subject to implementation through the collective bargaining process, as presented. Regent Williams seconded the motion, and it carried unanimously.

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.

BOARD OFFICE PERSONNEL TRANSACTIONS INCLUDING APPOINTMENTS. The Board was asked to ratify the following personnel transactions:

1. Appointment: LOUISE KUNTZELMAN, Administrative Assistant, effective January 3, 1989, at an annual salary of \$28,000 plus the usual fringe benefits.
2. Reclassification:
 - (a) JANET KAUFMAN from Secretary II to Secretary III, Grade 511, Step 3, \$19,739 per annum, effective January 3, 1989.
 - (b) GAYE PACK from Secretary II to Secretary III, Grade 511, Step 3, \$19,739 per annum, effective January 6, 1989.
 - (c) BARBARA BRIGGLE from Secretary IV to Secretary III, Grade 511, Step 5, \$21,236, effective January 6, 1989.

Regent VanEkeren asked that the persons occupying the Board Office position of Administrative Assistant to the Executive Secretary, Ms. Kaufman and now Ms. Kuntzelman, be informed of how much the Board appreciates the job they are doing. They make things go smoothly.

ACTION: President Pomerantz stated the Board ratified the personnel transactions, as presented, as a consent item.

ASSOCIATION OF GOVERNING BOARDS OF UNIVERSITIES AND COLLEGES ANNUAL MEETING IN BOSTON, MARCH 19-21, 1989. The Board Office recommended the Board receive the report.

The annual meeting of the Association of Governing Boards of Universities and Colleges will be held at the Westin Hotel, Boston, March 19 - 21, 1989.

This is the only annual meeting that brings together trustees, regents chancellors, presidents, and other leaders from every sector of academia. The three day meeting provides opportunities for thoughtful dialogue, meetings on the vital issues of our time, and an occasion for reflection with our colleagues on the current condition of higher education.

President Pomerantz asked if the Board of Regents would have any representatives at this meeting. Mr. Richey responded that he had another national meeting at the same time and same place; therefore, he would be able to attend portions of it.

Regent VanGilst encouraged and recommended that any Board members available should attend. He said it is a place where they can learn things that are very helpful to their jobs as Regents. He has gone to several in the past.

President Pomerantz encouraged any Regents who could go to attend the meeting.

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ACTION: President Pomerantz stated the Board received the report as a consent item.

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

March 15-16	Iowa School for the Deaf	Council Bluffs
April 12	University of Iowa	City
April 13	Iowa Braille and Sight Saving School	Vinton
May 24-25	Best Western Country Squire	Atlantic
June 21-22	University of Northern Iowa	Cedar Falls
July 25-26	Village West Inn	Okoboji
August	NO MEETING	
September 20-21	Iowa State University	Ames
October 18-19	University of Iowa	Iowa City
November 15-16	University of Northern Iowa	Cedar Falls
December 13-14	(To Be Designated)	Des Moines
January 17-18, 1990	Iowa State University	Ames

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

President Pomerantz then asked Board members and institutional executives if there were additional general or miscellaneous items for discussion.

Regent Duchon addressed the three university presidents. He said he was troubled and felt compelled, as the chairperson of the Priority Issue Committee on Intercollegiate Athletics, to make the following comments. He said there are so many universities throughout the United States being limited as to what they can do in the future because of not playing by the rules now. He cautioned that this kind of disease can spread. Obviously, in the world of collegiate athletics the competition is intense -- they all want to be number one. In so doing it triggers some of the mistakes of judgment that have occurred at some universities in the last week to two weeks. A university's athletic program is just one part of the university. He felt that overseeing athletic programs is the individual responsibility of university presidents. Although he acknowledged that things can happen, the university presidents should be on top of it themselves and not just rely on heads of departments. Iowa's Regent institutions are too fine to let those types of issues occur.

Regent Harris said he agreed with what Regent Duchon said. He said the policy of the institutions whenever those types of issues arise is to identify the problem and act quickly. He referred to the issue that the University of Iowa faced most recently. He wanted university officials to know that the Board approved of and appreciated the way the situation was handled. The problem was identified and treatment initiated, and was kept confidential as medical

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matters should be. He was sad that it occurred but pleased the university responded in a responsible manner.

Regent Fitzgibbon said it was important that the university, in the appropriate way, keep this Board informed. He said the final blow can be here if it all falls apart.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, February 15 and Thursday, February 16, 1989.

PERSONNEL TRANSACTIONS FOR DECEMBER 1988. The Board Office recommended the Board approve the Register of Personnel Changes for December 1988.

ACTION: President Pomerantz stated the Board approved the Register of Personnel Changes for December 1988 as a consent item.

REPORT ON DRIVING SIMULATION RESEARCH PROJECT. The Board Office recommended the Board approve the Driving Simulation Research Center at the University of Iowa.

University of Iowa officials proposed a Driving Simulation Research Center.

The proposal for matching planning funds to the Department of Economic Development was recommended to the department's board by the High Technology Council and is likely to be acted upon at the Department of Economic Development board meeting on February 16.

The proposal's cost is \$20-\$25 million dollars with the U.S. Department of Transportation contributing \$10-\$15 million and industrial users about \$6 million. The balance would come from state and other sources.

The university is in competition with the University of Michigan for this project.

The simulator would be similar to existing flight simulators but would be more sophisticated. Users of the facilities would include vehicle manufacturers, government agencies and law enforcement agencies.

President Rawlings introduced Professor Edward Haug. He said the research team headed by Professor Haug stretches across a number of disciplines within engineering. The professor was proposing a very major project that has strong implications for the state of Iowa.

Professor Haug stated that their research has been partially funded by the National Science Foundation. Approximately \$500,000 in financial support per year is received from each of the Army and Nasa. They are operating at about \$2 million/year. \$100,000 of the \$2 million/year comes from the state of Iowa. Different firms and organizations will be participating. Professor Haug noted that they have to be nationwide to succeed. The team utilizes the Alliant FX8 computer which is the fastest computer in the state of Iowa. They

purchased it with research dollars that came from outside the state of Iowa. That purchase was made possible by a team of people which includes faculty, staff, administration and students. They are an interdisciplinary team. He said it took 15 years to build that team. They can do tracking simulation. Rather than doing it off line they do it in real time with parallel computers. They have created new dynamics and new methods that have led to new parallel computers. They are 100 times faster today than 2 years ago. They have broken the real time computing barrier.

Professor Haug presented a rough sketch of the simulator they would like to build. They are excited about the opportunities this offers to create safer vehicles and highways. The simulator will cost approximately \$25 million to build. He said the potential applications of this are vast. Driving Simulator objectives include a) designing better vehicles and highways, b) studying human factors, c) designing effective low cost simulators and d) contributing to effective public policy. Health-related uses of the Driving Simulator include a) defining hazards and health-related aspects of driving, b) defining criteria for licensing and imposing limitations on drivers, c) evaluating effectiveness of displays, controls, driver assists, and safety devices, and d) investigating means of minimizing injury or disability and associated costs of prolonged operation of trucks, tractors, bulldozers, construction vehicles and military vehicles.

Regent Fitzgibbon asked for the professor's projections on recovering the \$25 million to build the simulator. Professor Haug responded that there would be a user cost of \$1,000 to \$2,000/hour. They are not proposing to amortize; only to keep the facility at the cutting edge. He said the Department of Transportation is not pressing for amortization.

Regent Duchon asked if there is this type of facility elsewhere. Professor Haug stated there is one in Berlin which is only good to 5 cycles/second which is not adequately realistic.

Regent Duchon asked where they would house the simulator. Professor Haug said it would be housed in the new research park.

Regent Fitzgibbon suggested they should develop more information on recouping their investment in order to make better projections.

Professor Haug stated that the idea is for this to be more like the national laboratory. If they have to fully amortize it would take 10 years before one is built.

Regent Duchon asked about patents and if this were to be built would they build others in other parts of the state. Professor Haug said this would be the premier. It would be cutting edge the day it is built and if they do their job right it would be maintained at the cutting edge.

Regent Duchen asked about casualty companies as another possible funding source. Professor Haug said the insurance industry is the one sector that won't participate.

Regent Fitzgibbon asked about the return on the \$4 million in state funds. Professor Haug said they will do an economic impact. Vice President Phillips said they are doing a feasibility study.

President Rawlings stated that it was important to understand that this project has to go through a very difficult process in Washington, D.C. Therefore, he said they still have a long way to go. University officials would only be asking for support from the state if the federal process works out.

MOTION: Regent Greig moved to approve the Driving Simulation Research Center at the University of Iowa. Regent Harris seconded the motion, and it carried unanimously.

SUPPLEMENTAL FACULTY DEVELOPMENT ASSIGNMENT REQUEST FOR 1988-89. The Board Office recommended the Board approve an additional developmental assignment for the University of Iowa for 1989-90.

In January, the Board approved a request from the University of Iowa for developmental assignments for 135 faculty members. This month the university requested an additional faculty developmental assignment for which there will be no replacement costs required.

MOTION: Regent Harris moved to approve an additional developmental assignment for the University of Iowa for 1989-90. Regent Williams seconded the motion, and it carried unanimously.

PROFESSIONAL EXTRAMURAL ACTIVITIES OF FACULTY, JULY 1986 THROUGH JUNE 1988. The Board Office recommended the Board receive the report of professional consulting activities of faculty at the University of Iowa.

The university report on consulting reports that some 809 faculty reported 3994 consulting days during the period covered by this report. The largest amount of activity took place by faculty in the Colleges of Medicine and Liberal Arts (the latter mostly in the sciences).

The university reported that the extramural activities of faculty have many positive benefits (i.e., interaction with others in the field, opportunities to apply expertise, engaging in the practice of the profession, intellectual stimulation, etc.)

ACTION: President Pomerantz stated the Board received the report of professional consulting activities of faculty at the University of Iowa by general consent.

GOVERNANCE REPORT BY UNIVERSITY OF IOWA HOSPITALS AND CLINICS TO THE BOARD OF REGENTS ACTING AS HOSPITAL BOARD OF TRUSTEES. The Board Office recommended the Board receive the governance report by the University of Iowa Hospitals and Clinics.

President Pomerantz recognized John Colloton, Director of University of Iowa Hospitals and Clinics, and Assistant to the President for Statewide Health Services.

Mr. Colloton introduced two of his colleagues: Kenneth Yerington, Director of Financial Management and Control, and William Hesson, Senior Assistant Director.

Mr. Colloton stated that in the first six months of 1988 admissions were up 6.1 percent and the number of clinic patients was also up over 6 percent. The projected aggregate number of patients for 1988-89 is 459,600 compared to 436,023 last year. That represents a 5 percent increase.

Mr. Colloton addressed indigent patient care. The annual aggregate indigent patient care cost is \$38.8 million. The state provides support for indigent patients in the amount of \$26.8 million. Therefore, \$12 million is subsidized by University Hospitals. State appropriation support for the indigent patients is \$26.8 million and paying patient support for indigent patients is \$5.5 million. There is a great need for state appropriated funds to support indigent patients. They need to make sure that appropriation is stable.

Mr. Colloton stated that in 1984 the need was recognized for a review of the changing nature of medical health services and the educational cost to teaching hospitals. That resulted in a resolution being adopted in 1984 by the State Board of Regents concerning the need for continuity in state appropriation support to perpetuate the societal contributions of the University of Iowa Hospitals to the state of Iowa in a price competitive health care system. In response to that resolution the Governor appointed a Blue Ribbon Commission in 1986. Mr. Colloton stated there is a need to step up the communication of this commission's report and the recommendations whenever possible. That is especially important in light of the legislature's interest in a universal health care program. When such a program is enacted those enacting the legislation will conclude that if the patients are coming out from under the responsibility of University Hospitals so should the \$27 million appropriation. Mr. Colloton said that assumption is wrong! The \$26.8 million appropriation is highly imbedded in fixed costs. He gave the example of a unit having 46 patients. If they were to remove two patients they would remove very few costs because all the nursing staff would remain

for the rest of the patients in that unit. What they really would save are the food costs. He said if the \$26 million is no longer provided the University Hospitals will be bankrupt. Medicaid officials are saying they no longer wish to pay for education-related costs and that it should become a state liability.

Mr. Colloton stated that yesterday President Rawlings told the legislative subcommittee that in Washington, D.C. they are proposing to change the formula by which hospitals are paid for services provided to Medicaid patients. That can have a resounding impact at the institutional level. He said the federal government is trying to deal with the deficit. Over the last few years substantial cuts have been made in the Medicare budget. In the aggregate there has been a loss of \$11 million over the last 3 years. President Bush has recommended they make another cut. If that is done University Hospitals would lose another \$6.8 million next fiscal year. That is happening all over the country. The Iowa Hospital Association has a petition with 16,000 signatures asking for protection of the Medicare system. At present 38 senators and 136 congressmen are ready to support a resolution to protect Medicare. President Bush has indicated it will be cut only \$3 billion. Mr. Colloton said the bottom line is that we are still in a period of substantial turbulence.

Regent VanGilst stated that this may be his last meeting as a hospital trustee. Two years ago he had the opportunity to meet Dr. McCabe, the hearing aid specialist. He has been wondering for a long time why the university does not do more research on hearing aids. There is no question about the need for that. He said Dr. McCabe is top-notch in the world in the hearing aid field. He reiterated that they need to have more research on hearing aids.

Mr. Colloton stated that Regent VanGilst really hit on a weakness in the system. He agreed there was no question about the need for such research. Considering the incidence of hearing disease in this country the medical community is behind in dealing with the subject. He said people like Dr. McCabe recognize the facts and want to bring more into their research programs in order to do the clinical research required.

Mr. Colloton stated they have one of the very distinguished otolaryngologists in the United States. He acknowledged that there is a deficit in the delivery to patients with that malady.

Regent VanGilst said this need should never be de-emphasized.

Regent Fitzgibbon stated that some of the Regents listened to the presentation the day before to the legislative subcommittee. He said Mr. Colloton did an outstanding job. He asked Mr. Colloton to restate what he told the subcommittee about the amount of time the Board of Regents spends in its capacity as trustees to the University Hospitals and Clinics.

Mr. Colloton said that hospital officials surveyed a calendar year and found that the Board handled 178 different docket items at 11 Board meetings in addition to two 2-hour Board meetings and a half day planning seminar. When that is compared with three large community hospitals, the number of Board members were 9 or 10 and some met quarterly. Further, the Board has a full-time staff supporting and monitoring the institution on a daily basis.

MOTION: Regent Harris moved that the Board reaffirm the resolution adopted July 12, 1984. Regent Duchen seconded.

Regent Duchen stated that he has made on the average 5 to 10 different visits annually through the hospital. In each case he was trying to relate how well the people of the state are being handled.

Regent Fitzgibbon questioned whether there might be any inappropriate language in the resolution because of the date.

Mr. Colloton asked for an opportunity to review the detail of that resolution. He felt they could probably improve the wording somewhat. He felt the motion was especially appropriate considering the likelihood of a universal health care program and its interrelation with indigent health care.

President Pomerantz agreed they should adopt a more timely resolution. He asked if Regent Harris would consider tabling the motion until next month. They could then come back in a more informed manner and speak better to what they are trying to accomplish. He asked that the Board have this item on the docket for this month.

ACTION ON THE MOTION: The motion was tabled until next month.

Mr. Colloton stated that he appreciated the sentiment and would work with Mr. Richey in redrafting the resolution for Board consideration at its next meeting.

Mr. Yerington discussed reports provided to the Legislative Fiscal Bureau. University Hospitals cash receipts for the year ended June 30, 1988, were \$224,900,004 and disbursements were \$215,017,484 leaving receipts of \$9.8 million. He said these funds were committed to projects at University of Iowa Hospitals and Clinics. Adding that to excess receipts from previous years totals \$91.3 million. Mr. Yerington presented an analysis of funds committed totaling \$91.3 million.

Regent Fitzgibbon asked about restrictions on the excess funds.

Mr. Hesson referred the Regents to the summary of statutory, hospital revenue bond covenant, contractual agreements with Blue Cross of Iowa and Medicare, and constitutional restrictions on use of UIHC revenues. He said none of

these are self-imposed, self-serving types of restrictions. They are based in law and common sense. To move those funds would cause the funds to be in default.

Regent Williams stated that hospital officials had an opportunity the day before to explain all this to the legislators. Mr. Hesson said they had also discussed it all previously.

Regent Williams asked if the legislators seemed to understand. Mr. Hesson said he believed they did. They encouraged hospital officials to look for additional relationships. He noted that around the turn of the century many of those bonds will be paid off.

Mr. Colloton stated that the documents provided to the Regents also went to the legislative subcommittee co-chairpersons two weeks ago.

Mr. Colloton thanked the Regents for their continuing support, and gave a special note of thanks to Regents Harris, Fitzgibbon, Tyler, VanGilst, Duchen, and Mr. Richey for participating in the hearing the day before.

ACTION: President Pomerantz stated the Board received the governance report by the University of Iowa Hospitals and Clinics by general consent.

REPORT ON STUDENT RECRUITMENT. The Board Office recommended the Board receive the oral report on student recruitment at the University of Iowa.

At the January Board meeting, Regent Fitzgibbon and other Board members requested an oral report on the university's student recruitment/marketing efforts including the recruitment of minorities.

Vice President Vernon introduced Michael Barron, Director of Admissions at University of Iowa.

Mr. Barron said he sincerely appreciated the Board's interest in admission activities. He said the universities cannot sit idly by and wait for qualified students to appear at their door. Recruitment is a complicated business. Mr. Barron distributed a packet of the university's basic promotional materials.

Mr. Barron stated that demographic trends have a significant effect on undergraduate student recruitment. There has been a drop of 8,427 high school seniors between 1975 and 1988. At the same time 2,984 more students were considered to be "college bound" on the basis of ACT tests. He said that given the out-of-state tuition pricing policy which made the university quite competitive with the University of Illinois for Illinois residents, it was not

surprising that enrollment grew over the last decade rather than declined. Mr. Barron noted that 23 percent of the students each year come from the state of Illinois.

The pool of high school graduates will decline over the next 5 years and rise during the 5 years following. The size of the student body can be controlled by managing its composition. A decline in the pool if in-state students could be compensated for by more intensive in-state and national recruitment efforts. The racial, ethnic, national and experiential background of students will change. These changes stem from a decline in birthrate of Whites compared to Blacks and Hispanics, recent patterns of immigration, and increases in non-traditional applicants.

Mr. Barron stated that university officials accomplished coordination of a recruitment plan through the Office of University Relations by creating the Council on Institutional Advancement. The Office of Admissions is an integral part of that council. The coordination made possible by such a group has made the recruitment plan of the Office of Admissions easier to design and accomplish with special attention being given to cooperative efforts between the Office of University Relations, the Alumni Association, the University of Iowa Foundation and the Office of the President.

Three undergraduate recruitment goals are 1) attracting a more ethnically diverse student body, 2) achieving a more diverse geographic mix in their nonresident enrollment, and 3) continuing to attract and enroll all qualified Iowa residents. Their student recruitment plan utilizes:

1. Student search services which identify students who meet the university's qualifications;
2. Repeated written and person contacts with:
 - a) students who are identified through high school visitation, college night and college fair programs;
 - b) students who self identify their interest to the University of Iowa; and
 - c) students who are referred by other campus departments of external agencies (Talent Search, Upward Bound, National Merit Scholarship competitors, Iowa Academic Decathlon winners, etc.)

In order to adequately inform such students about the academic programs and campus life at the University of Iowa, the Office of Admissions:

1. Creates appropriate publications and forwards them to students on an appropriate mailing schedule;

2. Visits in every Iowa high school (staff permitting);
3. Plans and carries out out-of-state high school visitations in concert with student market analysis data in order to optimize limited time available for such visits;
4. Responds to information requests from students utilizing over 500 different brochures and information leaflets from university academic and special purpose departments;
5. Administers the Presidential, Opportunity at Iowa and Iowa Center for the Arts scholarship programs;
6. Creates opportunities (Scholars Day, group information sessions, campus tour programs, etc.) for students to visit the campus and learn about Iowa "first hand";
7. Participates in local, state, regional and national college fair programs especially those of the National Association of College Admission Counselors (NACAC) and National Scholarship Service and Fund for Negro Students (NSSFNS); and
8. Works cooperatively with the Alumni Association and coordinates ASIST: a nationwide alumni volunteer recruiting network (new in 1988-89).

Mr. Barron stated there is a 6 in 10 chance of enrolling a student if the student visits the campus and has a good experience.

In the last 18 months university officials have expanded the student services in order to serve a larger number of qualified minority students. ASIST has been expanded to include international alumni. Articulation between the university and community colleges has been increased. They have reorganized the admissions office. The primary admission publication has been redesigned and the content refocused. They have created a new minority focus brochure for prospective minority students. Those students who were offered admission but chose not to come are interviewed to better understand the strengths and weaknesses of the program. There is a need for admissions officials to work more closely with the undergraduate colleges of Engineering and Nursing. The Colleges of Nursing and Engineering have already developed general purpose promotional video tapes.

Mr. Barron stated that the High School Counselor Task Force meets on an annual basis in order for university officials to understand what is happening in the high school environment in grades 9 through 12. Junior high officials also act as proponents for higher education and not just for the University of Iowa. Students are encouraged to pursue higher education and to carefully make choices for high school courses.

While university officials have an outstanding outreach program to international students, Mr. Barron said it is a costly venture. However, they have been able to redirect 26 percent of the cost of doing business and mailing items overseas.

Regent VanGilst referred to Mr. Barron's statement that they have been in every high school in the state, and asked if that included private and public schools. Mr. Barron responded that it did.

Regent VanGilst asked for the number of recruitment counselors. Mr. Barron responded that they have 6 recruitment counselors.

Regent VanGilst asked if the recruitment counselors are active during the school year and vacation time. Mr. Barron stated they have an 18-month long recruiting period which begins in April of a student's junior year. The primary outreach time is September 15 through March 1 in high school visitation. In April and May they go back and visit with juniors.

Regent VanGilst said he was pleased they were not only working with seniors but also junior high students.

Mr. Barron said the people of Iowa are eager for information concerning their Regent universities. Recently, they scheduled a meeting with 8th grade parents. The school district said they would have approximately 50 people attending the meeting and they actually had 155.

Regent Williams asked how many districts are involved in the High School Counselor Task Force. Mr. Barron said there were 11 to 12 in the first year and they expect 2 or 3 more this year.

Regent Fitzgibbon said he assumed university officials have a number tied to their recruitment goals. He said the marketing program also has to be tied to a figure. He said the health of the Regent universities is tied very much to the field of marketing, in how they present themselves and sell the universities. He asked about the recruiting budget. He said they need to be willing to fund a program to achieve what they want to do.

Mr. Barron said he has been doing this for 20 years. He assured the Regents that the administration is completely and extremely supportive of these efforts. He said he has not wanted, within reason, for what he needed to get the job done. They work with him on getting more funding. He needs the advice, assistance and cooperation of University Relations, and they are getting that support.

Regent Fitzgibbon asked if they have sufficient funds to accomplish their goals. President Rawlings said they don't have near enough funding.

Regent Fitzgibbon stated that funds are always a problem. However, the salvation of these universities is at stake. He suggested they make sure the universities have ample funds for recruiting and marketing so they are sure that dollars are being spent in sufficient amount to achieve the goals. He said a good recruiting program is the difference between success and failure. They need to zero in, working through the Board Office, to see what their needs really are.

Regent Harris asked at what grade university officials first make contact with prospective students. Mr. Barron said it is sixth, seventh and eighth grade.

Regent Harris suggested that officials of all three Regent universities send letters to all of the junior high schools and high schools asking that they identify those youngsters with a high potential for going to college. That would lead university officials to a group of students with whom they would work. University officials and the school principals would work harder on those students. He suggested they could also write letters to parents, without breeching confidentiality, stating they understand their child has college potential and tell them that it is their desire that they go to college and that they would stay in the state and attend a public institution. He said they should also let the parents know that the institutions will help them in terms of counseling and financing. Regent Harris said they cannot make a dent in this problem unless they attack it in as many different positive ways as they can, including the matter of financing. Once they identify the students they could get the parents and friends involved who could also reinforce this effort.

President Rawlings said university officials are working on that and at even earlier grades. He referred to the Lincoln Elementary School in Waterloo effort where they are working with second, third and fourth graders. He felt the earlier the better. He said the best thing is to work with the community, schools, school superintendents and principals in establishing these partnerships. He emphasized that it is important that they not come in as arrogant institutions while establishing those links.

Regent Duchen asked about efforts to recruit the gifted and outstanding student. He felt they do not attract enough of those kinds of students. He said he was mindful of the competition; however, if they are to achieve the goals that they would like to they have to have this mix of people.

Mr. Barron said they certainly recruit for those students. University officials have developed a program to deliver the message to those types of students. They have materials specializing within the area of gifted and talented. The results are giving them an opportunity to understand the needs of those students. Once they put the materials in their hands it is then up to the student.

Regent Williams stated that one of the problems with recruiting truly gifted students is that everyone is seeking them. They are sometimes offered full scholarships at private institutions. Most scholarships are based on student need and not on student performance. One problem the state universities have is that those students are offered full rides at private institutions. She said it is really important for our universities to provide financial aid for those who need it but also for student performance. They are giving it to students for athletic performance; therefore, why not attract the best students as well as the best athletes? Regent Williams stated that another problem she has noticed in a local high school in Davenport is that for some reason the high school counselors are not promoting the Regent institutions to their best students. When she has asked students what university they are going to they answer in a defeated tone "I guess University of Northern Iowa, or Iowa State University or University of Iowa". She said these are the premier universities in this state and high school counselors sell the notion that our public institutions are below the private institutions. She said she really believes the Regent universities can and will compete. That message needs to go out to the high school counselors.

Mr. Barron said he did not disagree that happens in pockets and is a syndrome in many states. One of the problems is how much can they ask a high school guidance counselor to do. With only 170 to 180 days they can't get to know students very well but those counselors work with the teaching staff. The teachers need to get this message.

President Pomerantz stated that the idea of quality at the Regents universities isn't just a figment of imagination, or a pipe dream, or an esoteric thought to debate. They need to focus on the survival in a quality way of the Regent universities. He stressed that if they don't get a larger piece of the pie and if they don't recruit more students than they have historically they will have very significant problems dealing with the quality issues. The marketing strategies need to be tied into the strategic planning process. They need to strengthen the programs that exist and recognize that some of the issues are going to materialize and come to the forefront. He cautioned that if they don't move with enough emphasis on recruiting they will miss the opportunity and the market.

President Pomerantz said they have to do a couple of things. One is the budget. There needs to be a tremendous increase in the resources being devoted to attract students. The first market is the students within the state because they are paying the bills. He said they should be able to attract the gifted and minority students. Those students should be approached in a way that will recognize the value that exists in our public universities. He emphasized that he meant that across the Board: University of Iowa, Iowa State University and University of Northern Iowa. They are very quality universities but are just not good enough. He said they need to move now, today. The Board is trying to create a significant sense of urgency and communicate to constituencies how appropriate it is to go to Regent

universities within the state. Then they can focus on students from neighboring states and international students. It is important to have all those students participate in this. They need to create that sense of urgency so they can aggressively go after it. He cautioned that other universities are not waiting for the Regent universities to get moving.

Regent Fitzgibbon stated he visited the University of Iowa campus a few weeks ago. He said they need to make sure their efforts are not interpreted as saying these universities are not quality institutions. They need to have a professional approach as they go about making changes. Many of the things they are talking about are already in place. The Board needs to play a supportive role. He suggested that the university presidents, through the Board Office, reestablish and review the budget to achieve what they would like to achieve and bring that back to the Board. He emphasized that they need to find a way to fund these efforts.

Mr. Richey responded that it might be more appropriate to address that in the preliminary budgets for 1990 that will come to the Board in May. They could address it as a specific aspect of the 1990 budget.

Regent Fitzgibbon stated it should be tied into the planning process.

President Rawlings stated that momentum is building in the legislature to help the universities with minority recruitment and retention.

Regent Fitzgibbon said they should address recruitment issues now.

President Pomerantz stated that in May they will get a report.

Regent Duchen referred to Regent Williams' earlier comments regarding the image and the personality of state universities. He said it can be changed. His personal role model has been the University of Virginia. That state university has pride. He said they need a way to put that message across. He added that University of Virginia officials are not even recruiting out-of-state students.

Regent Harris asked how many presidential scholarships are awarded at the University of Iowa. Mr. Barron stated that current funding permits them to award 20.

Regent Harris asked if that is for a full ride. Mr. Barron responded that it was.

Regent Harris suggested that President Rawlings review the criteria for the selection of presidential scholars. He said a student was lost last year that should not have been lost.

President Pomerantz stated that the Board was sending a signal as to what it would like to do. He acknowledged that university officials are already doing it.

ACTION: President Pomerantz stated the Board received the oral report on student recruitment at the University of Iowa by general consent.

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

PROJECT DESCRIPTIONS AND BUDGETS

University officials presented revised budgets on two phases of the following project.

<u>Psychiatric Pavilion Replacement Facility--</u>	Original Budget	<u>\$9,802,305</u>
<u>Phases A and B</u>	Revised Budget	<u>\$10,166,061</u>
Source of Funds: University Hospital Building		
Usage Funds		

Phase A Project Budget

	Original Budget <u>Oct. 1987</u>	Revised Budget <u>Feb. 1989</u>
Construction	\$5,663,645	\$ 5,255,000
Architectural and Engineering	368,137	368,137
Planning and Supervision	169,909	124,869
Contingency	<u>566,364</u>	<u>219,800</u>
TOTAL	<u>\$6,768,055</u>	<u>\$ 5,967,806</u>
	=====	=====

Phase B Project Budget

	Original Budget <u>June 1988</u>	Revised Budget <u>Feb. 1989</u>
Construction	\$2,578,915	\$ 3,723,600
Architectural and Engineering	167,630	194,183
Planning and Supervision	77,365	100,682
Contingency	<u>210,340</u>	<u>179,790</u>
TOTAL	\$3,034,250 -----	\$ 4,198,255 -----
TOTAL, PHASES A AND B	\$9,802,305 -----	\$10,166,061 -----

Upon receipt of Phase B bids and in reviewing the variance between bids for Phases A (clinic wing shell) and B (clinic finishing) and their preliminary budgets, the design architects have concluded they miscalculated their allocation of estimated costs between these two phases. As a result, bids for Phase A were under budget and bids for Phase B were over budget. The University of Iowa Hospitals and Clinics requested the preliminary budgets be revised to reconcile this misallocation which involves a total budget increase of \$363,756. The net increase for construction and contingency is \$358,926 or 4 percent.

* * * * *

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

ARCHITECT/ENGINEER AGREEMENTS

University Hospitals and Clinics--Bone Marrow Transplant
Laminar Flow Installation \$34,045
Hansen Lind Meyer, Iowa City, Iowa

Approval Requested:

The professional services agreement provided for design services for the installation of laminar air flow rooms in the Adult Bone Marrow Transplant Unit. The agreement provides for design services throughout the project and includes services during the bidding and construction phases.

The agreement is in the form of a standard Regent agreement for professional architectural services and provides for basic services at a fixed fee of \$29,645. Additional services will be at a multiple of 2.5 of direct personnel expenses and at fixed rates for principals. Services of professional consultants will be at a multiple of 1.15 of the amount billed. Reimbursable expenses shall not exceed \$4,400.

Amendments:

<u>Human Biology Research Facility</u> The Durrant Group, Inc., Dubuque, Iowa	<u>\$24,880</u>
<u>Stadium Ramp (Chilled Water Plant Parking Structure)</u> The Durrant Group, Inc., Dubuque, Iowa	<u>\$17,400</u>

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Animal Care Unit Remodeling--Fourth Floor West Wing--
Medical Laboratories
Larson Construction Company, Inc., Independence, Iowa

University Hospitals and Clinics--Staff Dining and Patient Solarium
McComas-Lacina Construction Company, Inc., Iowa City, Iowa

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

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

1. with BIO-RESEARCH PRODUCTS, INC. for their use of approximately 800 square feet of space in the Physiology Research Building at the Oakdale Campus, a part of the Technology Innovation Center, for one year commencing March 31, 1989, and ending February 29, 1990, at an annual rent of \$8,004;
2. with COTTLE INDUSTRIES, INC. for their use of approximately 264 square feet of space in the Technology Innovation Center, Oakdale Campus, for one year commencing March 1, 1989, and ending February 29, 1990, at an annual rent of \$1,584;
3. with LAWRENCE G. AND PHYLLIS E. SWAILS for the university's use of approximately 22,759 square feet of heated warehouse and office space located in the Industrial Park, Iowa City, for a period of three years and four months, commencing March 1, 1989, and ending June 30, 1992, at a monthly rent of \$5,416.66 (\$65,000 per annum); and

4. with TOM WILLIAMS for his use of approximately 213.5 acres of tillable land on the Hawkeye Area Farm for one year commencing March 1, 1989, and ending February 28, 1990, at an annual rent of \$17,371 (\$81.36 per acre, average).

Regent Tyler said he did not think much of the practice of paying \$65,000/year for three years for a 22,000 square foot building and all they have to show for all that money is a rent receipt. He said leases for storage buildings go on and on. By the time 40 months goes by they would be doing this again.

Vice President Phillips stated that this is a renewal of an existing lease for hospital storage space. It is the same space that is currently being used. In its longer-range plans the hospital has allowed for the building of storage space. This lease would address the short-term current problem. She noted that as part of the submission to the Board Office were several alternatives for leases and a lease/purchase arrangement. The current lease is the most cost effective.

Regent Greig stated the farm lease is different than most that he has seen. The price for soybeans compared to corn is not very commonplace.

Vice President Phillips stated that the farm manager who approved this lease is the farm manager that has been used since 1967.

Regent Greig stated the prices were especially unusual because of the drought. At the present time the price looks extremely low for soybean with corn being high. He felt the prices should be switched around.

Vice President Phillips said she would be glad to check into that.

President Pomerantz recommended deferral on the Tom Williams lease until next meeting.

Regent VanGilst noted that the lease goes into effect the first of March. If they defer until the March meeting it will almost be past crop time.

Vice President Phillips agreed that deferring might be a problem.

President Pomerantz suggested they could go ahead and approve the lease as submitted subject to the answers to Regent Greig's concerns.

Regent Greig said that would mean they can't change the prices.

President Pomerantz said their choices were to 1) approve the lease and get some answers or 2) not approve the lease and, in deference to March 1 deadline, have a telephone meeting regarding the one issue.

Regent Greig stated that university officials should think about getting those leases to the Regents a little sooner.

Regent Greig said the prices listed would be the low number.

President Pomerantz said they could go ahead and approve the lease, and have university officials work with Mr. Richey on addressing Regent Greig's concerns.

Regent Fitzgibbon stated that university officials knew in September the leases were coming up. He felt they should be given 2 to 3 months' lead time.

MOTION: Regent VanGilst moved to approve leases with BIO-RESEARCH PRODUCTS, INC., COTTLE INDUSTRIES, INC., LAWRENCE AND PHYLLIS SWAILS and TOM WILLIAMS, as presented. Regent Greig seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

Vice President Phillips stated she would make a report to the Regents on the negotiations.

Regent Fitzgibbon asked whether the telephone systems on each campus are owned or leased.

President Pomerantz suggested the Board receive a report on that matter at the next meeting.

Regent Fitzgibbon encouraged university officials to negotiate the prices because it can make a significant difference in the amount of money they could save.

Mr. Richey stated that University of Iowa and Iowa State University own their systems. The University of Northern Iowa does not own its own system.

President Pomerantz asked for a report at the next meeting.

UNIVERSITY-AFFILIATED RESEARCH PARK. The Board Office recommended the Board receive a report on the progress of the Research Park planning and development.

University officials presented a progress report on planning and development of the research park authorized by the Board in January. An application for

\$1,060,708 of RISE road funds has been submitted to the Iowa Department of Transportation. The university and the Board Office are working with the Attorney General's Office to structure a corporate entity for the research park. It has become apparent that the University of Iowa Facilities Corporation is no longer the appropriate entity.

Treasurer True stated that in December university officials came before the Board and described the project and a timetable. They said they would be back to update the Board. He said next month they will be bringing specific documents for Board approval. Since December university officials have submitted an application to the Department of Transportation for \$1 million for infrastructure. They have issued a request for qualifications from developers. They have been actively pursuing firms of pharmacy and medicine. University officials are working diligently with Coralville, especially with its Mayor. They have seated a faculty advisory committee as real partners in making this happen.

Treasurer True stated that the documents to be brought next month include the master land lease agreement between the Board and the Research Park Corporation, the Articles of Incorporation and the Bylaws, restrictive covenants and a 28E Agreement with Coralville. There will also be a variety of easements.

ACTION: President Pomerantz stated the Board received a report on the progress of the Research Park planning and development by general consent.

AUTHORIZE THE SALE OF \$9,000,000 IN ACADEMIC BUILDING REVENUE BONDS. The Board Office recommended the Board approve the bond purchase agreement and resolution for the sale of \$9 million in capital appreciation bonds for the University of Iowa.

The Banking Committee met on Wednesday, February 15, before the Board meeting to consider final authorization for the sale of \$9 million in capital appreciation bonds.

Director Eisenhower stated it was the opinion of the Board Office, the bond counsel and the Banking Committee that the Board had again achieved the lowest possible interest cost. The true interest cost was 6.66 percent with interest rates ranging from 6.05 percent to 6.70 percent depending on maturity dates. The October sale of bonds was at a rate of 6.54 percent.

Regent Fitzgibbon stated the Banking Committee was in full agreement.

MOTION: Regent Fitzgibbon moved to approve "A Resolution providing for the sale and award of \$8,999,890.75 Academic Building Revenue Bonds (Iowa College Savings Program), Series

S.U.I. 1989, and approving and authorizing the agreement of such sale and award", and to approve "A Resolution authorizing and providing for the issuance and securing the payment of \$8,999,890.75 Academic Building Revenue Bonds (Iowa College Savings Program), Series S.U.I. 1989, for the purpose of defraying all or a portion of the cost of constructing, improving and equipping the Laser Laboratories to be located on the campus of the State University of Iowa and remodeling and renovating the International Center (the old law school building) located on the campus of the State University of Iowa, and paying certain costs of issuing the Bonds". Regent Williams seconded the motion, and upon the roll being called, the following voted:

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

NAY: None.

ABSENT: None.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, February 15 and Thursday, February 16, 1989.

RATIFICATION OF PERSONNEL ACTIONS FOR JANUARY 1989. The Board Office recommended that the Board approve the personnel actions for January 1989.

1. Register of Personnel Changes for January 1989 including retirements as follows:

a. Early retirements

- (1) ROSS A. ENGEL, Professor of Professional Studies, retiring August 4, 1989, will have a total cost of \$17,601 for incentives and the college will use the cost savings for faculty replacement;
- (2) DUANE I. MICHELSEN, Manager of Facilities in the Ames Laboratory, retiring March 31, 1989, will have a total cost of \$31,552 for incentives and the Lab will use the cost savings for staff replacement and reallocations;
- (3) MARILYN L. PETERSON, Associate Professor of Elementary Education, retiring August 31, 1989, will have a total cost of \$28,814 for incentives and the college will use the cost savings for faculty replacement;
- (4) JOHN E. GALEJS, Professor and Assistant Director, Library, retiring July 18, 1989, will have a total cost of \$45,364 for incentives and the college will use the cost savings for replacement of staff; and
- (5) LEROY WOLINS, Professor of Psychology and Statistics, retiring December 30, 1989, will have a total cost of \$43,675 for incentives and the college will use the cost savings for a faculty position.

b. Phased retirement

- (1) LOUIS A. KOENEKE, Assistant Materials Officer in the Ames Laboratory, at 75 percent beginning April 1, 1989, and retiring March 31, 1993, or before.

2. Approval of the following appointments:

- a. DR. DIANE DRAPER as Interim Chair of the Department of Family Environment, effective February 1 through June 30, 1989 at an annual salary of \$59,900;
- b. HOWARD R. SHANKS as Acting Director of the Microelectronics Research Center, effective February 1, 1989, and until the appointment of a permanent director at an annual salary of \$75,900;
- c. DR. ELIZABETH A. ELLIOTT as Interim Dean of University Extension and Interim Director of the Cooperative Extension Service, effective February 1, 1989, until a review of university outreach programs has been completed, at an annual salary of \$80,000 with an administrative increment of \$4,093;
- d. DR. BERNARD J. WHITE as Acting Chair of the Department of Biochemistry and Biophysics, effective January 16 through June 30, 1989, while Dr. Donald Graves is on Faculty Improvement Leave, at an annual salary of \$58,700, including an administrative increment of \$1,000; and
- e. MARGARET HEALY as Interim Dean of Students, effective February 22, 1989, and until a permanent director is appointed. Salary \$54,000.

3. Approval of the following change:

The salary of DR. GEORGE JACKSON from \$60,625 to \$63,625, effective July 1, 1988. The Board had approved a change in title and duties in December 1988, for Dr. Jackson. The university now requested that the salary change be made effective July 1, 1988, the date that Dr. Jackson began performing the duties that resulted in the December 1988 request for the title change.

ACTION: President Pomerantz stated the Board ratified the personnel actions for the month of January 1989 as a consent item.

ACCEPTANCE OF CONSULTING REPORT. The Board Office recommended the Board receive the report on consulting at Iowa State University.

The university consulting report indicated that 716 faculty members consulted 4,657 days during the period covered by this report. The largest amount of consulting was done by faculty in the Colleges of Engineering, Agriculture and Sciences and Humanities (the latter primarily in the sciences). University

officials reported that these consulting opportunities provide an opportunity for improved classroom instruction as faculty gain experience in business, industry and government. University officials reported that Iowa industries are also beneficiaries of faculty consulting.

Provost Glick stated that no one consults over two days/month by policy.

ACTION: President Pomerantz stated the Board received the report on consulting at Iowa State University by general consent.

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

The technologies currently being addressed by the Iowa State University Center for New Industrial Materials are much broader than just Industrial Materials, which include all of the technologies constituting physical science and engineering. Iowa State University officials requested approval to change the name of the Center to the Iowa Center for Industrial Technology Development, a title which is more descriptive of the mission of the organization.

ACTION: President Pomerantz stated the Board referred this request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation as a consent item.

APPROVAL OF THE REPORT OF THE ACADEMIC PROGRAM REVIEW SUBCOMMITTEE OF THE LONG-RANGE STRATEGIC PLANNING COMMITTEE. The Board Office recommended the Board receive the report of the Academic Program Review Subcommittee of the Long-Range Strategic Planning Committee at Iowa State University.

This is probably the most significant report of academic programs in at least a decade. The report is the result of a six-month review of all academic units at Iowa State University and is intended to generate campus discussion of major academic program issues. Some of the recommendations under consideration are proposals that would:

- Concentrate the agricultural programs at Iowa State University on programs that are applied to serve the basic systems of production, processing, and marketing of food, fiber, and other organic materials derived from land utilization.
- Modify the College of Design to limit its programs to undergraduate and graduate professional design programs or alternatively eliminate the college and disperse its departments.

- Consolidate departments in Education and Engineering
- Limit program areas in the College of Family and Consumer Sciences or alternatively phase out the college.
- Reduce the number of colleges within the university to four (1) Life Sciences and Agriculture; (2) Physical and Mathematical Sciences and Engineering; (3) Social and Behavioral Sciences; and (4) Arts and Humanities.
- Create several professional schools (i.e., Business, Design, Education, Family and Consumer Sciences).

Provost Glick stated the report was distributed to faculty in November. He has now received input from faculty which he is in the process of digesting. He will share the information with President and the faculty in the next 3 weeks. The second volume was distributed last week and is a very extensive document. He will look at what recommendations in that document have a substantial chance of making a significant contribution to the quality of the university.

President Pomerantz stated the Board congratulated university officials on the effort.

Regent Greig stated that Iowa State University was the first of the Regent universities to do this type of in-house review. He said he was anxious to see the final report.

President Pomerantz stated that Peat Marwick Main officials will probably also have some recommendations.

ACTION:

President Pomerantz stated the Board, by general consent, received the report of the Academic Program Review Subcommittee of the Long-Range Strategic Planning Committee at Iowa State University.

REPORT OF AD HOC COMMITTEE FOR THE REVIEW OF OUTREACH PROGRAMS AT IOWA STATE UNIVERSITY. The Board Office recommended the Board receive the report of the Ad Hoc Committee for Review of Outreach Programs at Iowa State University.

This report was requested by President Eaton last March. It addresses outreach and extension activities of Iowa State University. The Ad Hoc Committee made 21 recommendations in four areas: coordination of outreach activities; timeliness and effectiveness of Iowa State University outreach; targeting of clientele; and funding.

The recommendations are currently under review by President Eaton.

ACTION: President Pomerantz stated the Board received the report of the Ad Hoc Committee for Review of Outreach Programs at Iowa State University by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the university's capital register with the exception as noted on the Hilton Coliseum Improvements project.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Hilton Coliseum Improvements

Ogden-Allied Facility Management, manager of the Iowa State Center, commissioned Howards Needles Tammen and Bergendoff, Architects, Engineers and Planners, Sports Facilities Group of Kansas City, Missouri, to prepare a feasibility study for Hilton Coliseum. The purpose of this study was to address the issues of the adequacy of existing capacity, adequacy of existing support amenities, and the addition of luxury suites.

The study has now been completed and the university wishes to proceed with a detailed design for a project to satisfy the identified existing problems in the report. Because of the university's and the Board's interest in maintaining fire and life safety in public facilities, it is appropriate to move forward on this project as quickly as possible.

The university sought approval to begin the selection process for an architectural firm to continue with the detailed design begun in the feasibility study.

As noted in the October 1988 memorandum of the Board on Ogden-Allied management, approval of the Ogden-Allied management agreement did not abrogate Board policies and procedures for capital projects. Costs of projects by Ogden-Allied at the Center are passed through the operation as an expense recovered by Ogden-Allied. Therefore, any such contracts require the specific approval of the Board if they exceed \$25,000, pursuant to Section 9.05A(3)(a) of the Board of Regents Procedural Guide.

Because this project was a late addition to the university's register, the Board Office recommended that the university be given permission to begin the selection process for an architect under the condition that no contract be awarded without prior Board approval. The Board Office also recommended that permission to proceed with this project be deferred until the March Board

meeting, allowing the Board Office time to review the study in detail with the university.

PROJECT DESCRIPTIONS AND BUDGETS

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

ARCHITECT/ENGINEER AGREEMENTS

Approval Requested:

Comprehensive Engineering Analysis (Energy Audits) \$343,398
Viron Corporation, North Kansas City, MO

This project was approved at the January Board meeting. The university has negotiated an agreement with Viron Corporation of North Kansas City, Missouri, to complete the engineering analyses for a fee not to exceed \$343,398, including reimbursables.

Viron specializes in engineering analyses and was chosen because of its experience and staff size which will be required in order to perform the engineering analysis in a very limited time on a project of this magnitude. This firm's experience includes a recently-completed comprehensive analysis of 395 buildings (7.3 million square feet) in a period of six months under contract with the Iowa Department of Natural Resources.

Residence Halls Comprehensive Engineering Analysis (Energy Audit) \$129,733
Sega, Inc., Des Moines, Iowa

The university requested permission to enter into an agreement with Sega, Inc., of Des Moines, Iowa. This agreement will provide technical engineering consulting services that are necessary to complete a comprehensive engineering analysis on all residence hall facilities. The agreement is based on hourly rates and a fixed maximum of \$129,733, including reimbursables.

Amendments Reported:

VMRI Animal Holding Facility \$430
The Durrant Group, Dubuque, Iowa

In April 1988 the Board approved an agreement with The Durrant Group, Inc., for architectural services on the above project. After the agreement was executed, the university required all bid document addenda be sent out via certified mail.

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

Maximum Payable Original Agreement		\$64,400
Change No. 1	<u>\$430</u>	
Subtotal All Changes	\$430	
Maximum Amount Payable Including This Change		\$64,830

The Durham Center (Computation Center) \$3,226
Henningson, Durham and Richardson, Inc., Omaha, NE

The Computation Center has updated the list of computer equipment to be installed in the main computer machine room. The architect has been requested to revise the approved plans for the basement level computer machine room to conform with the updated equipment list.

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

Maximum Payable Original Agreement		\$600,000
Change No. 1	\$26,250	
Change No. 2	2,915	
Change No. 3	1,550	
Change No. 4	7,850	
Change No. 5	<u>3,226</u>	
Subtotal All Changes	\$41,791	
Maximum Amount Payable Including This Change		\$641,791

CONSTRUCTION CONTRACTS

Beardshear Hall--West First Floor Renovation and Fire Stairs \$444,300
Award to: Webster Construction, Fort Dodge, Iowa
(9 bids received)

Molecular Biology Building--Phase 3--Enclosure Package

Bid Package #31--Masonry \$724,200
Award to: Boucher Masonry Contracting, Inc., Boone, Iowa
(3 bids received)

Bid Package #32--Roofing \$164.990
Award to: Central States Roofing, Ames, Iowa
(1 bid received)

Bid Package #33--Fenestrations \$807.326
Award to: Swanson Gentleman, Inc., Des Moines, Iowa
(4 bids received)

1988 Institutional Roads--Resurface Selected Campus Streets--
13th Street and Stange Road \$126.663
(6 bids received)

MOTION: Regent VanEkeren moved to approve the university's capital register, as presented, with the exclusion of the Hilton Coliseum Improvements. Regent Greig seconded the motion, and it carried unanimously.

APPROVAL OF LEASES AND EASEMENTS. The Board Office recommended the Board approve leases and easements, as follows.

1. with 2730 FORD PARTNERSHIP for the university's use of approximately 625 square feet of space in the property at 2730 Ford Street for a period of approximately two months at a rent of \$380 per month;
2. with MTEC PHOTOACOUSTICS, INC. for their use of approximately 866 square feet of space in the Iowa State Innovation System Center (ISIS) for a period of three months at a rent of \$433 per month;
3. with HERITAGE CABLEVISION OF AMES granting them an easement to lay and maintain underground cable television signal cable on property owned for the use and benefit of the university, near the Veterinary Medicine College, for a width of 10 feet and a length of 1,351.24 feet, for as long as the easement is used for this purpose, for a fee of \$1.00; and
4. with U.S. WEST COMMUNICATIONS granting them an easement to lay and maintain telephone cable on the university's Ankeny Research Center, for a width of 10 feet across the land in a straight line, for as long as the easement is used for this purpose, for a fee of \$1.00.

MOTION: Regent VanGilst moved to approve leases and easements, as presented. Regent Greig seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

IOWA STATE UNIVERSITY
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NAY: None.
ABSENT: None.

IOWA STATE CENTER ANNUAL REPORT.

The Board Office recommended the Board defer action on this item.

ACTION: President Pomerantz stated the Board deferred action on this item by general consent.

President Pomerantz then asked Board members and institutional executives if there were additional items 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 Wednesday, February 15 and Thursday, February 16, 1989.

RATIFICATION OF PERSONNEL TRANSACTIONS FOR JANUARY 1989. The Board Office recommended the Board ratify the university's personnel transactions for the month of January 1989.

1. Register of Personnel Changes for January 1989.
2. Approval of the following appointments:
 - a. DR. MICHAEL J. YOHE, Director, Information Systems and Computing Services, effective February 27, 1989, at an annual salary of \$66,500.
 - b. BRIDGET JOHNSON as permanent special security officer. Ms. Johnson successfully completed the 110th Basic Training Session of the Iowa Law Enforcement Academy on December 16, 1988.
 - c. JAMES WILDER as permanent special security officer. Mr. Wilder successfully completed the 110th Basic Training Session of the Iowa Law Enforcement Academy on December 16, 1988.
 - d. EUNICE A. DELL, Budget Director, effective February 16, 1989, at an annual salary of \$48,000. This is an annual appointment in pay grade VII.

3. Impending vacancy:

Assistant to Vice President for Administration and Finance. With the promotion of Eunice A. Dell to the Budget Director position, a search will be initiated to fill this vacancy which is also an annual appointment.

4. Resignation of Jim Stamp as Budget Director.

ACTION: President Pomerantz stated the Board ratified the university's personnel transactions for the month of January 1989 as a consent item.

FACULTY CONSULTING REPORT. The Board Office recommended the Board receive the faculty consulting report from the University of Northern Iowa.

University officials reported that 152 faculty were paid consultants in the period covered by this report. The faculty committed some 2,490 days to consulting activities during this period. Most faculty consulting at the University of Northern Iowa was undertaken by faculty in the College of Education and the School of Business. University officials report that the faculty consulting has had a positive impact on classroom instruction and public service that can contribute to the economic development of the community and state.

ACTION: President Pomerantz stated the Board received the faculty consulting report from the University of Northern Iowa by general consent.

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

ARCHITECT/ENGINEER AGREEMENTS

Amendments Reported:

Classroom-Office Building \$10,000
Hansen Lind Meyer, Iowa City, Iowa

CONSTRUCTION CONTRACTS

Power Plant Replacement--Power Plant No. 2, Phase I--Boiler
Contract 202--Foundations and Structural Steel \$877,497
Award to: Lockard Construction, Inc., Waterloo, Iowa
(8 bids received)

Power Plant Replacement--Power Plant No. 2, Phase I--Boiler
Contract 211--Demineralizer Equipment \$279,000
Award to: EMCO Engineering, Inc., Canton, MA
(5 bids received)

Power Plant Replacement--Power Plant No. 2, Phase I--Boiler
Contract 212--Electrical Equipment \$230,827
Award to: Siemens Energy and Automation, Inc., Des Moines, Iowa
(2 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Institutional Roads--Campus/Redeker Street--Reconstruction and
Campus Street Condensate Piping Replacement \$206,779.77
Cunningham Construction Company, Inc., Cedar Falls, Iowa

ACTION: President Pomerantz stated the Board received the university's capital register as a consent item.

FARM LEASES. The Board Office recommended the Board approve three farm leases, as follows:

1. with CHARLES J. MURPHY for his use of 63.5 acres of the Upland Forest Preserve Farm for a period of three years, commencing March 1, 1989, and ending February 28, 1992, at an annual cash rent of \$8,174.40;
2. with CHARLES J. MURPHY for his use of 80.9 acres of the West UNI-Dome Area Farm for a period of three years, commencing March 1, 1989, and ending February 28, 1992, at an annual cash rent of \$10,597.90; and
3. with MIKE BOVY for his use of approximately 4 acres of the Broadcasting Tower Property Farm, for a period of one year commencing March 1, 1989, and ending February 28, 1990, at an annual cash rent of \$215.

Vice President Conner stated these rates are very good as compared to their past history.

Regent VanGilst agreed they were very good rates.

MOTION: Regent VanGilst moved to approve the farm leases, as presented. Regent Greig seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Thursday, February 16, 1989.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the Register of Personnel Changes for December 1988.

ACTION: President Pomerantz stated the Board approved the Register of Personnel Changes for December 1988 as a consent item.

APPROVAL OF RECOMMENDATIONS OF ADVISORY COMMITTEE. The Board Office recommended that the Board approve the proposed policy which requires sign language competency related to job assignments for all staff at the Iowa School for the Deaf except for the two-year requirement for achievement of proficiency and, further, that this issue be referred to the institution for further study and recommendation.

Under the policy, necessary levels of sign language competency related to duties and responsibilities would be determined for each position. All staff would be interviewed and evaluated once every five years by a committee consisting of at least one person from the Iowa School for the Deaf faculty or staff, one from administration, and one qualified person from outside the institution.

Staff who do not meet the level of competency required for their position would be provided training during work hours or in pay status. The school recommended that failure to achieve competency in two years would be grounds for dismissal. The Board Office believes the proposed two-year period for achieving competency may be artificially restrictive in view of the range of required levels of competency, and recommended that issue be referred to the institution for further review.

The proposed policy has been reviewed with and was recommended by the Iowa School for the Deaf Advisory Committee and the faculty of the institution.

Professional staff from the National Technical Institute for the Deaf in Rochester, New York, would be used to train evaluators and interviewers and in other ways assist in the initial implementation of the policy.

It is planned that the program begin this spring and that initial evaluations be completed in approximately one year.

Initial costs for consultants (approximately \$3,000 plus travel and lodging) would be funded within existing resources. The Board Office recommended that on-going costs also be estimated and planned for before the program begins.

Superintendent Johnson stated that in regard to the adoption of a sign language proficiency policy, Iowa School for the Deaf officials looked around the country to see what was happening at other institutions. School officials shared the draft policy with the Faculty Senate, the Board Office and the advisory committee. The advisory committee recommended two additions: 1) continue emphasis on total communication at the school including signing and speech reading and 2) everyone would be re-evaluated every 5 years. The policy went back to the Faculty Senate with those two changes and was well received. School officials are trying to encourage faster and better communication skills between students and staff. He said there is a little anxiety but there is not opposition to it.

Regent Williams questioned the Board Office recommendation to approve the policy except for the two-year requirement for achievement of proficiency.

Mr. Richey responded that the recommendation for a review of the timing factor was made in view of the fact that proficiency was not required at the time most employees were hired. There would be a shorter period of time for obtaining proficiency for new people coming on.

Regent Williams asked if there are individuals in the high-level positions at the school who are not capable of achieving proficiency. Superintendent Johnson said there may be one person. He noted that if a person is two or more levels below the expected level they may have some problems with that person attaining proficiency. They did not require a superior level of proficiency for anyone. The communication specialist/ombudsman must have a high level of proficiency. He noted that the Faculty Senate was not uncomfortable with the requirement. He understood from a legal point the concern about persons that were hired without the policy being in effect. The proposed Iowa School for the Deaf policy is similar to the Minnesota policy established three years ago. Minnesota officials gave their employees two years to attain proficiency. Two teachers did not meet the requirement. School officials gave those two people one more year to attain proficiency but that additional year did not make a difference in the proficiency.

Regent VanGilst said he noticed in the legislative budget hearings that Superintendent Johnson's signers were there to interpret. He asked on a scale of one to ten where Superintendent Johnson would rank those two people. He noted that people talked so fast he didn't see how they could keep up.

Superintendent Johnson stated the requirement would be for those interpreters to be around a 7 or 8. He noted that these two interpreters are higher than that. They are unique.

Regent Tyler referred to Superintendent Johnson's usage of the term "a level of anxiety" among employees. He asked if that was anything Superintendent Johnson could not handle.

Superintendent Johnson stated that when he interviewed for this job he wondered about his signing proficiency and his ability to communicate with the other people. He felt staff's anxiety was normal. He has had staff asking him if they can take the test to get it over with.

President Pomerantz stated the key is the way this policy is administered. The policy, that if proficiency is not achieved within two years is grounds for dismissal, doesn't mean they would dismiss someone. The issue is personnel policies and consistency in the way it is applied.

Director Barak stated that the advisory committee suggested that if after two years a person isn't at the highest level of proficiency but has shown considerable progress, it should be expanded for an additional time period, within reason.

Superintendent Johnson stated the Board Office also recommended that if an employee were a little below the expected proficiency level it could be put into their employment agreement that they are making progress and indicate the date by which the required level of proficiency is to be obtained.

MOTION:

Regent Williams moved to approve the proposed policy which requires sign language competency related to job assignments for all staff at the Iowa School for the Deaf except for the two-year requirement for achievement of proficiency and, further, that this issue be referred to the institution for further study and recommendation. Regent Harris seconded the motion, and it carried unanimously.

DEAF SERVICES COMMISSION OF IOWA INTERPRETING. The Board Office recommended the Board approve the proposed agreement between Deaf Services Commission of Iowa and the Iowa School for the Deaf, and authorize the Executive Secretary to approve and sign the agreement when it is developed.

Deaf Services Commission of Iowa has formally requested use of office space in Giangreco Hall in exchange for provision of interpreting services. Under the proposed reciprocal agreement (no exchange of monies), Iowa School for the Deaf will provide use of three rooms including payment for utilities and Deaf Services Commission of Iowa will furnish the school with interpreters in medical situations. The school considers the proposal to be of great benefit

for the school because it is not always viable or appropriate to use school staff in these settings.

Superintendent Johnson stated that current law does not permit Deaf Services Commission of Iowa to pay rent. There is a lot of empty space in the school's administrative building. In exchange for a place for their offices the commission would provide students with free interpreting. Right now that type of interpreting takes roughly ten hours per week. Currently school officials are having a staff person attend the appointment with the student or the student goes to the appointment without an interpreter.

MOTION:

Regent Harris moved to approve the proposed agreement between Deaf Services Commission of Iowa and the Iowa School for the Deaf, and authorize the Executive Secretary to approve and sign the agreement when it is developed. Regent Duchen seconded the motion, and it carried unanimously.

REPORT ON HEALTH SERVICES. The Board Office recommended the Board receive the report on Health Services at the Iowa School for the Deaf.

In response to a request from the Board of Regents, Drs. Healy and Hoffman of the University of Iowa Hospitals and Clinics reviewed the medical services provided to students at Iowa School for the Deaf.

The reviewers were favorably impressed by the health services and found the health center adequately equipped to care for daily health needs. They noted that a system is in place to handle acute illnesses in an appropriate manner.

The reviewers made eight recommendations to improve service: (a) Provide developmental screening for all students; (B) plot each child's height, weight, and blood pressure on charts; (C) develop a written policy on standing orders; (D) develop a written policy on dependent adult abuse consistent with state legislation; (E) develop quality assurance monitors to review care provided to students; (F) maintain liaison with the University of Iowa Department of Otolaryngology for information on new and innovative medical techniques and care; (G) initiate quality assurance program in the health care component of the program; (H) resolve problem with Boys Town on lack of communication about Iowa School for the Deaf students.

The superintendent has responded to the recommendations and has already begun implementation of a number of them.

Superintendent Johnson stated that school officials appreciated the assistance provided.

ACTION: President Pomerantz stated the Board received the report on Health Services at the Iowa School for the Deaf by general consent.

APPROVAL OF HALL OF FAME GUIDELINES. The Board Office recommended the Board approve the proposed Hall of Fame Guidelines.

Legislation was passed in the last session of the General Assembly creating a Hall of Fame at Iowa School for the Deaf. The objective of the Hall of Fame is to honor persons who have graduated from Iowa School for the Deaf, have attended Iowa School for the Deaf for at least three academic high school years, or have performed outstanding service at Iowa School for the Deaf to deaf people.

A committee consisting of four members of the Iowa Association for the Deaf and three members from Iowa School for the Deaf has drafted guidelines for administering the Hall of Fame. A controlling body consisting of six persons will review nominees and select those to be honored based on nominee's contributions to the field. Financial support for the Hall of Fame will be provided equally by Iowa School for the Deaf and the Iowa Association for the Deaf in the event that donations do not adequately cover costs.

ACTION: President Pomerantz stated the Board approved the proposed Hall of Fame Guidelines by general consent.

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

CONSTRUCTION CONTRACTS

Awarded:

The following project was approved by the Executive Secretary on behalf of the Board:

First Floor Boys Dormitory Shower Area--Replacement of Lead Drain Pan Under Shower Floor

Award to: McFean Flooring

\$2,144

ACTION: President Pomerantz stated the Board approved the school's capital register as a consent item.

IOWA SCHOOL FOR THE DEAF
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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 Iowa Braille and Sight Saving School was transacted on Thursday, February 16, 1989.

Superintendent Thurman announced the death of a faculty member at the school, Joe Barringer. Mr. Barringer was a Recreational Therapist. He leaves a wife and 8 year old daughter. He said Mr. Barringer literally worked with hundreds of students and has touched so many kids.

President Pomerantz asked that Superintendent Thurman express the condolences of the Board to the family.

Superintendent Thurman introduced Ian Stewart, the school's new Director of Outreach Services. Mr. Stewart has been at the school for a month.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR DECEMBER 25, 1988, TO JANUARY 21, 1989. The Board Office recommended the Board approve the Register.

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

COOPERATIVE EFFORT WITH AEA 7 - PRODUCTION OF INSTRUCTIONAL VIDEOS. The Board Office recommended the Board approve in concept the outline for a cooperative effort and authorize the Executive Secretary to approve the final version.

Students who are visually impaired are often excluded from the industrial arts curriculum in public and private schools although, if given proper training and opportunity, they can achieve similar levels of competence. Iowa Braille and Sight Saving School has received a request from AEA 7 to co-sponsor production of a series of video tapes demonstrating that industrial arts skills can be taught safely to visually-impaired students.

Superintendent Thurman stated school officials were approached 4 to 5 months ago with the offer to produce one video tape that would help with instruction in industrial arts to visually-impaired students. They originally thought it would be a 5 minute demo but has since expanded. They are now requesting to produce 5 to 8 video tapes. There will be a formal agreement.

MOTION: Regent VanGilst moved to approve in concept the outline for a cooperative effort and authorize the Executive Secretary to approve the final version. Regent Williams seconded the motion, and it carried unanimously.

Regent Williams said she felt it was a tremendous opportunity to cooperate with the Area Education Agency.

TRUST FUNDS BUDGET - SUMMER PROGRAM PROPOSAL. The Board Office recommended the Board (1) approve a Summer School Program for the period June 18-30, 1989, at a projected cost of \$48,250; (2) authorize the program to be funded from the school's trust funds; and (3) authorize the school to charge a \$25 activity fee for enrollment.

Iowa Braille and Sight Saving School officials proposed a summer school again this summer that will be funded by trust funds and fees charged to participants. An activity fee of \$25.00 will be charged for enrollment.

Five programs will be offered both to students at Iowa Braille and Sight Saving School and to students from local schools.

Superintendent Thurman stated the enrollment level was tentatively set at 52 to 53 students. Thirty students have already expressed an interest in attending even though the program has yet to be advertised.

MOTION:

Regent Williams moved to (1) approve a Summer School Program for the period June 18-30, 1989, at a projected cost of \$48,250; (2) authorize the program to be funded from the school's trust funds; and (3) authorize the school to charge a \$25 activity fee for enrollment. Regent VanEkeren seconded the motion, and it carried unanimously.

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

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session to conduct a confidential evaluation pursuant to Code of Iowa Section 21.5(1)(i) as requested by an employee.

MOTION:

Regent VanEkeren moved to enter into closed session. Regent Williams seconded the motion, and upon the roll being called, the following voted:

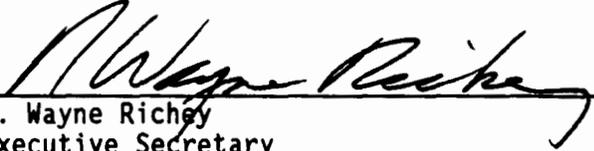
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
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NAY: None.
ABSENT: None.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 11:27 a.m. on Thursday, February 16, 1989, and arose therefrom at 11:58 a.m. on that same date.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 11:58 a.m., on Thursday, February 16, 1989.



R. Wayne Richey
Executive Secretary