

The State Board of Regents met on Wednesday, February 19, and Thursday, February 20, 1992, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

	<u>February 19</u>	<u>February 20</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Berenstein	All sessions	Excused
Mr. Dorr	All sessions	All sessions
Mr. Fitzgibbon	All sessions	All sessions
Ms. Furgerson	All sessions	All sessions
Ms. Hatch	All sessions	All sessions
Ms. Johnson	All sessions	All sessions
Dr. Tyrrell	All sessions	All sessions
Mrs. Williams	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Director Richey	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Smith	All sessions	Excused
Director Volm	All sessions	All sessions
Compliance Officer Maxwell	All sessions	Excused
Minutes Secretary Briggles	All sessions	All sessions
<u>State University of Iowa</u>		
President Rawlings	All sessions	Excused
Vice President Nathan	All sessions	All sessions
Vice President Rhodes	All sessions	All sessions
Interim Vice President True	All sessions	All sessions
Associate Vice President Small	All sessions	All sessions
Director Gibson	All sessions	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	Excused at 10:00 a.m.
Interim Provost Swan	All sessions	Excused at 10:00 a.m.
Vice President Madden	All sessions	Excused at 10:00 a.m.
Associate to the President Adams	All sessions	Excused at 10:00 a.m.
Exec. Ass't. to President Mack	All sessions	Excused at 10:00 a.m.
Director Jensen	All sessions	Excused at 10:00 a.m.
<u>University of Northern Iowa</u>		
President Curris	All sessions	Excused at 10:07 a.m.
Provost Marlin	All sessions	Excused at 10:07 a.m.
Vice President Conner	All sessions	Excused at 10:07 a.m.
Vice President Follon	All sessions	Excused at 10:07 a.m.
Exec. Ass't. to Pres. Stinchfield	All sessions	Excused at 10:07 a.m.
Director Chilcott	All sessions	Excused at 10:07 a.m.
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused at 10:04 a.m.
Business Manager Nelson	All sessions	Excused at 10:04 a.m.
Interpreter Cool	All sessions	Excused at 10:04 a.m.
Interpreter Seiler	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 10:05 a.m.
Director Hauser	All sessions	Excused at 10:05 a.m.

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, February 19 and Thursday, February 20, 1992.

APPROVAL OF MINUTES OF BOARD MEETING, JANUARY 15, 1992. President Pomerantz asked for corrections, if any, to the Minutes.

ACTION: President Pomerantz stated the Board approved the Minutes of the January 15, 1992, meeting, by general consent.

ACCREDITATION REPORTS. (a) Doctoral Program in Clinical Psychology at the University of Iowa. The Board Office recommended the Board (1) receive the report on the accreditation of the doctoral program in Clinical Psychology at the University of Iowa and (2) request that future accreditation actions be reported in a timely manner.

The American Psychological Association awarded full accreditation to the doctoral program in Clinical Psychology at the University of Iowa for five years in June 1991.

Strengths included faculty serving effectively as role models for students in research and practice, excellent supervision of students, a well organized program, faculty who exemplify the scientist-practitioner training model, and student placement in quality internships.

It was suggested that attention be given to an organized approach to teaching and modeling cultural diversity, licensing of faculty as psychologists in Iowa, and additional facility space and support.

There were no stipulations associated with the awarding of the accreditation.

Accreditation documents on file in the Board Office include the self study, visiting team report, response to the team report, and the accreditation award announcement.

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The Board Office recommended that future accreditation actions be reported within a shorter time period.

Vice President Nathan stated that the doctoral program in Clinical Psychology at the University of Iowa is one of the top 10 doctoral programs in this field in the country.

ACTION:

President Pomerantz stated the Board, by general consent, (1) received the report on the accreditation of the doctoral program in Clinical Psychology at the University of Iowa and (2) requested that future accreditation actions be reported in a timely manner.

(b) Master of Arts in Urban and Regional Planning at the University of Iowa.

The Board Office recommended the Board (1) receive the report on the accreditation of the Master of Arts Program in Urban and Regional Planning at the University of Iowa and (2) request that future accreditation actions be reported in a timely manner.

* The Planning Accreditation Board continued accreditation of the Master of Arts Program in Urban and Regional Planning at the University of Iowa through 1995.

The Accreditation Board commended the program for the "exceptionally thorough minority student recruitment plan" and requested permission to share the plan with other accredited programs.

Program strengths included a concise mission statement with curriculum and faculty selected to assure the mission, dedicated faculty, strong links between the program and the university, and the Public Policy Center.

There were no stipulations included with the awarding of accreditation.

The two identified problem areas concerning inadequate faculty and insufficient student diversity were addressed before the accreditation was granted.

A complete copy of the accreditation action is on file in the Board Office.

The Board Office recommended that future accreditation actions be reported within a shorter time period.

ACTION:

President Pomerantz stated the Board, by general consent, (1) received the report on the accreditation of the Master of Arts Program in Urban and Regional Planning at the University of Iowa and (2) requested that

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future accreditation actions be reported in a timely manner.

(c) Marriage and Family Therapy at Iowa State University. The Board Office recommended the Board receive the report on Accreditation of the Marriage and Family Therapy Ph.D. Program at Iowa State University.

Iowa State University officials reported the accreditation of the Marriage and Family Therapy Ph.D. Program in April 1991.

The Commission on Accreditation for Marriage and Family Therapy Education granted accreditation for five years in November 1990 with the understanding that five stipulations would be satisfied by submission of the November 1991 annual report. The stipulations related to accurate course documentation, inclusion of ethnic minority issues, recording of supervisory time, and student evaluation.

The program annual report to the Commission gave particular attention to addressing the stipulations and corrective actions.

ACTION: President Pomerantz stated the Board received the report on Accreditation of the Marriage and Family Therapy Ph.D. Program at Iowa State University, by general consent.

REPORT ON THE MEETING OF THE HIGHER EDUCATION STRATEGIC PLANNING COUNCIL. The Board Office recommended the Board receive the report.

The Higher Education Strategic Planning Council met by telephone conference call on February 10, 1992. The major issues on the agenda of the Council were a draft report of the Strategic Plan for Iowa Higher Education and the legislative issue of membership in the Midwestern Compact on Higher Education.

The Council reviewed the draft document of the Strategic Plan for Iowa Higher Education and made a number of changes. That document is being redrafted in final form and will be available in the near future. A series of public hearings will be scheduled around the state.

The Council discussed the issue of membership in the Midwest Higher Education Compact at great length. Members of the staff and consultants to the Midwestern Compact were on the telephone line and made extensive presentations in favor of the State of Iowa becoming a member. Representatives Kay Chapman and Janet Adams were also on the line speaking in favor of the proposal. The Council adopted a motion stating that additional study of the proposal is needed before a position can be taken on the issue. The motion was adopted unanimously.

The next meeting of the Strategic Planning Council is scheduled for April 22.

Mr. Richey stated the Strategic Plan for Higher Education report should be out forthwith. A press conference will be held next week to reveal the report and discuss its contents. He then referred to the Council's consideration of the establishment of a Midwest Compact on Higher Education. He said one of the legislators indicated this would be very advantageous. The Council considered a motion to defer support of the idea of the Midwestern Compact until after additional study, and the motion passed unanimously. He said the Board of Regents has in the past taken opposition to that type of legislation.

Regent Williams stated the meeting lasted about 2-1/2 hours. She said she was looking forward to the public announcement of the strategic plan and public hearings. The Council will incorporate the comments in the final draft.

Regent Dorr asked if it would be appropriate or necessary for the Board of Regents to take further action on its position on the Midwestern Compact on Higher Education. Mr. Richey noted that the matter was addressed further under the legislative report also on the general docket for this meeting.

Regent Tyrrell asked if the Regents would see a preliminary draft of the Strategic Plan for Higher Education. Regent Williams responded that educational institutions and the Regents will have an opportunity to view the document as soon as it is printed.

ACTION: President Pomerantz stated the Board received the report, by general consent.

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

The Iowa Coordinating Council for Post-High School Education met on February 12 at Marshalltown Community College. Below are some highlights from the February meeting.

1. Articulation. The Coordinating Council heard a report from Tom Westbrook from Drake University regarding the work of the Articulation Committee. Mr. Westbrook reported that on January 14 he gave a report to the Strategic Planning Council. At that meeting it was requested that full-time faculty members be added to the membership of the committee. Mr. Westbrook indicated that at the next meeting of the committee, four faculty members representing the Faculty Senates from the various sectors will be members of the Articulation Committee.

The Council also approved a recommendation to develop a mechanism to facilitate the discussion of anticipated changes in academic curriculum and institutional policy to and from the colleges, universities and secondary schools.

The Council also heard a report regarding the Choices Program, which is a computer program used by guidance counselors that contains information regarding colleges and universities. It is anticipated that the work of the Articulation Committee may evolve into a form which can be utilized on the Choices Computer Network.

2. Marketing. The Coordinating Council heard a report from Susan Chilcott, who chaired the Marketing Committee, regarding the status of the Marketing Committee's work. Ms. Chilcott indicated that the Marketing Committee has been working on the development of the research component approved by the Council at its last meeting. A meeting will be set up in the next couple of weeks to review draft questionnaires for a telephone survey. This report was followed by some discussion of the purposes of the Coordinating Council's marketing endeavor.
3. Fall Enrollment Report. Jerald Dallam from the University of Iowa gave a report on the Iowa Coordinating Council's fall enrollment report. The Council made several suggestions for changes in the reporting format. A Data Committee of the Coordinating Council will review with Mr. Dallam the proposed changes.
4. Program Approval Process. The Coordinating Council discussed the purposes and procedures used in the program review process and several suggestions were made for changes in the process, including a new requirement for the colleges to provide information regarding articulation efforts as a part of new program proposals.
5. Legislative Reports. The Coordinating Council discussed several legislative items including the proposed Midwestern Compact on Higher Education.
6. Approval of New Programs. The Coordinating Council approved a Nursing Program and Human Resource Management Program at Briar Cliff College, an AAS Degree in Food Marketing at Iowa Western Community College, and an AAS Degree in Child Care and an AAS Degree Program in Insurance at Kirkwood Community College. The Coordinating Council also took under consideration proposals from Grandview College for a Biology Program and a Religion Program.

Regent Williams stated that the docket memorandum on this subject pretty well summarized the meeting. She said it was quite a meeting. She has served on the Council for almost 5 years. She said it seems like they keep going around the same track. The composition of the committee keeps changing. Topics such as articulation and program approval are very thorny, difficult issues. She feels it is the only organization that is composed of a community of educators representing all sectors of higher education. Since the membership is voluntary she felt that some individuals do not view its functions as

important. The Coordinating Council needs the support of the people involved in it.

Regent Tyrrell stated that there needs to be clear identification for people looking at college work. They should know if they start in a given course what their options are for moving to another institution. They must be sure that young people are given the best information possible.

Regent Williams stated that one issue of frustration for her was that within the last 2 years the Coordinating Council established a process by which all sectors had agreed on what needed to be presented to the Council. That is not how it has worked with the community colleges.

President Pomerantz said it was his belief that the Higher Education Strategic Planning Council domain will come into this vacuum if it is not handled on a voluntary basis.

Regent Fitzgibbon stated that if anyone wanted a "super board" that is the place it can happen. He urged that the Coordinating Council get it done at that level.

Regent Williams stated that Dr. Barak said something very important a year ago. He said look, we can do this or somebody else can do this. However, somehow the message is not getting across to the Council as a whole. If the programs presented to the Council were presented the same from each sector it would work very well. The less the sectors voluntarily consult the more likely the opportunity for voluntary cooperation will be removed.

President Pomerantz referred to the issue of articulation particularly as it relates to transferability of the associate degree. He said the interface between all sectors has to be improved.

Regent Dorr asked if there has been a pragmatic approach. Regent Williams responded that the Council has a very good arrangement with the community colleges for the transfer of the first 2 years of higher education. Some of the associate of applied arts programs were never intended to be transfer programs when they were initiated.

Regent Dorr said standards have to filter down through the system. Regent Williams said it works the other way. The programs oftentimes are developed at the community college level. The trouble is with the ones that were never intended to be transferable. The pressure is put on the Regents institutions to accept those as transferable programs.

Regent Fitzgibbon asked what the Board of Regents can do to accommodate, encourage or motivate. Regent Williams said the Regents are only one of 4 sectors in that body. Perhaps the frustration she has is inherent in the structure of the organization.

Regent Fitzgibbon suggested that leadership of the 4 areas needed to participate in discussing what can be done.

President Pomerantz noted that the Higher Education Strategic Planning Council has all 4 sectors represented in its membership. He then questioned why someone could not take a catalog from every community college and designate what courses will transfer and what courses will not transfer in any given year.

Regent Williams said one problem was, for example, the Associate of Applied Science degree program versus a certification program at one community college. There can be 3 different programs. Students all take some of the same courses but the ones in the degree courses transfer and the others do not transfer. She noted that the Regents can only be responsible for their respective institutions. Regent Williams said the community college catalogs should designate which programs are terminal programs.

Mr. Richey reminded the Regents that they took a leadership position by establishing a major study group on articulation. The group's report came to the Regents with recommendations, among which was a recommendation to develop documents and materials regarding what is transferable. The Regents asked the Coordinating Council to take that information and proceed. He suggested the Regents need to give the Council a little more time. It is in the process of getting done.

ACTION: President Pomerantz stated the Board received the report, by general consent.

IOWA SCHOOL FOR THE DEAF AND IOWA BRAILLE AND SIGHT SAVING SCHOOL ADVISORY COMMITTEE REPORTS. The Board Office recommended the Board receive the reports of the Advisory Committees at Iowa School for the Deaf and Iowa Braille and Sight Saving School.

An advisory committee for each of the special schools was established to advise the Board regarding cooperative endeavors with the universities, services to students, training, and the development of governance reports and planning.

The two advisory committees assessed progress made toward strategic goals during the past year and examined the revised goals and long-range plans before recommending that these documents be presented to the Board. Recommendations and suggestions for improvements were offered to the schools.

Guidance provided by the Iowa School for the Deaf Advisory Committee relative to the operation of the Iowa School for the Deaf included performance-based teacher evaluation, mental health services, publications policy, research policy, and the Educational Resource Center on Deafness.

The Iowa Braille and Sight Saving School Advisory Committee reviewed and made recommendations relative to the Iowa Braille and Sight Saving School proposals for a student behavior management plan, a short-term educational program for junior high and high school students, a day program for students in the local area, orientation and mobility instruction, school transportation, survey development, and the Iowa Department of Education Compliance Review.

The Iowa Braille and Sight Saving School and Iowa School for the Deaf Advisory Committee subject area consultants provided an informational report on topics such as vocational education from a national perspective.

The Iowa School for the Deaf Advisory Committee endorsed the importance of public relations efforts at the Iowa School for the Deaf to acquaint the public with the programs and services available. The Committee encouraged the administration to pursue aggressively a comprehensive public information/public relations program. The Committee suggested that cooperative efforts with a university could provide some public relations services.

The activities of the committees appear to be fulfilling the objectives identified by the Board of Regents at the time that the committees were formed.

Kathryn Gerken, Chair, Iowa Braille and Sight Saving School Advisory Committee, and Associate Professor in the University of Iowa College of Education, highlighted the report concerning Iowa Braille and Sight Saving School.

Charles Anderson, Chair, Iowa School for the Deaf Advisory Committee, and Associate Professor in Speech Pathology at the University of Iowa, highlighted the report concerning Iowa School for the Deaf.

President Pomerantz stated that it was the Board's attitude that Iowa Braille and Sight Saving School is a unique and outstanding school. He asked if Dr. Gerken shared that view. Dr. Gerken responded affirmatively. She said she has seen what has happened to the school in the last ten years. The Regents can be proud of the kinds of services that are provided at Iowa Braille and Sight Saving School.

Regent Hatch referred to an earlier comment by Dr. Anderson regarding University of Northern Iowa officials working to provide teacher training for teachers of hearing-impaired students. She asked what sign language will be used. Dr. Anderson responded that American Sign Language in English word order is typically used.

With regard to President Pomerantz' question regarding his impression of the quality of Iowa School for the Deaf, Dr. Anderson stated that the advisory committee members were very impressed with the creative programming and the reallocation taking place at the school. School officials are at the cutting edge of a number of efforts. The administration is recognized as a leader in the country in the education of deaf students. The institution is evolving tremendously and setting the pace in a number of areas. He said Iowans can be very proud of Iowa School for the Deaf.

Regent Furgerson asked if there was a way the Regents can be helpful to both of the special schools in getting the word out about the good things they are doing. Dr. Anderson responded that the Iowa School for the Deaf Advisory Committee has passed a motion regarding public relations because so much has taken place. Dr. Gerken responded that visually-impaired students from Russia have visited Iowa Braille and Sight Saving School. Therefore, even if the school is not well known within the state, it is known internationally.

ACTION: President Pomerantz stated the Board received the reports, by general consent.

LEGISLATIVE REPORT. The Board Office recommended the Board (1) receive the report on legislative activities, (2) approve the recommended positions on bills being followed, and (3) approve the University of Iowa budget amendment to increase the Board's appropriation request for fiscal year 1993 by \$300,000 for the Driving Simulator.

The Governor released his budget on January 24, 1992. The Joint Education Appropriation Committee has not taken up budget discussion, to date.

The Joint Education Appropriation Subcommittee requested that the three university presidents attend a meeting on February 18 to discuss ways to improve the State of Iowa and to present information concerning economic development (technology transfer) initiatives that are taking place at the Regent universities.

University of Iowa officials requested a budget amendment in order to increase the Board's appropriation request by \$300,000 in fiscal year 1993 to implement and accelerate business linkages through the Driving Simulator.

Critical legislation under review is as follows:

- * House File 2001 is an act to establish a midwestern higher education compact. This bill has been reviewed by institutions and Board Office staff and opposition to the bill was recommended.
- * House File 2028 is an act requiring institutions of higher education to establish policies relating to sexual assault. The institutions and the Board Office have been working with the legislature to address technical

differences. The Board Office recommended maintaining the position of monitor.

- * House File 2035 is an act creating a central collections division within the Department of Revenue and Finance. The Governor's bill is being drafted and is expected to allow Regent institutions and others to "opt in", which H.F. 2035 does not.
- * House File 2155 is an act relating to gender equality in recreational activities including club sports, and athletic programs at institutions of higher education governed by the Board of Regents and at community colleges. The institutions are in the process of reviewing this legislation. The Board Office recommended monitoring this bill.
- * Senate File 2015 is an act relating to the membership of the College Student Aid Commission. The bill as currently drafted would add the president of the Iowa Association of Student Financial Administrators to the College Student Aid Board. The Board Office recommended monitoring this bill and to closely review any amendments.
- * Senate File 2080 is an act relating to the establishment of a preference for the purchase of recycled lubricating and industrial oils by General Services, the Board of Regents and other state agencies. This legislation is under review at this time. The Board Office recommended taking the position of monitor.
- * Senate File 2116 is an act relating to the state budget by supplementing certain appropriations and reducing certain appropriations made for the fiscal year beginning July 1, 1991. This legislation does not provide the Regents funding for health insurance which was requested as a supplemental. The Board Office recommended monitoring this bill.

The Senate's Supplemental Bill provides \$174,000 more expenditures than the Governor recommended. Differences included:

* Human Services	\$917,000
* Justice Department	130,000
* Compact on Grain Marketing	2,000
* General Services Capital	(875,000)

The Senate bill does not include the Governor's revenue enhancement measures. According to the Governor's Office, the ending balance in the State General Fund budget would be \$22.2 million lower due to the provisions in this bill.

- * Mr. Richey stated that the legislature is considering the fiscal aspects of the current fiscal year particularly the issues of expenditures and revenues. Both the House and Senate versions are different from the Governor's recommendation. University of Iowa officials requested a budget amendment to

address funding for the Driving Simulator. He noted that the Driving Simulator project award has moved much faster than expected.

Mr. Richey said the Board stated clearly its intent to address the issues relating to technology transfer at Iowa State University and IPRT. University officials requested a total of \$4.65 million in fiscal year 1993 and \$4 million in fiscal year 1994 for a total of \$8.65 million. The Board requested \$4.65 million in 1993 and left open the issue of addressing the remainder in fiscal year 1994. The Governor recommended \$3 million. The Governor's recommendation is a little short for this year; therefore, the rest of the amount requested will carry over into fiscal year 1994. The Board Office requested the Board adopt a statement of intent addressing that \$5.65 million in its request for fiscal year 1994 when considering that request in September of this year. He felt that would clarify the Board's position and intent.

President Pomerantz asked if Mr. Richey was referring to 1993. Mr. Richey responded that he was talking about 1993 for the \$300,000 for the Driving Simulator, and about 1994 for IPRT.

Regent Williams asked if the recommendation regarding IPRT was in the docket memorandum. Mr. Richey responded that it was not listed in the docket memorandum because it was developed after the docket was distributed to Regents.

Regent Williams asked if the \$5.65 million being requested was for 1994. Mr. Richey responded that the Regents were being asked to include that amount in their statement of intent for 1994. That amount is the balance unfunded of the 1993 request plus the balance of the university's total request for fiscal year 1994.

President Pomerantz asked for the amount of the 1993 line item. President Jischke responded that Iowa State University officials requested an appropriation of \$4.65 million toward that request. The Governor has recommended \$3 million. In order to get to a total investment for IPRT of \$8.65 million the university requires \$1.65 million more than the Governor recommended. University officials requested that the Regents indicate their intent to add that amount to the fiscal year 1994 budget request.

President Pomerantz stated that notwithstanding the Governor's recommendation, the Regents are not giving up on getting the entire amount requested in fiscal year 1993. They intend to lobby for the full IPRT component in 1993. Whatever shortfall there is will be added to the fiscal year 1994 budget request. He said they are asking for \$8.65 million over a time frame. The Governor's initial recommendation is \$3 million. The university needs \$4.65 million in 1993; therefore, they would be \$1.65 million short if the legislature funds the Governor's request. However, the Regents are asking the legislature to fund the full \$4.65 million in fiscal year 1993. They just do

not know how that comes out yet. However it comes out, whatever they are short will be added to the next fiscal year's budget request.

Regent Fitzgibbon suggested they should push heavily in this direction because the environment is right to get it accomplished.

MOTION:

Regent Furgerson moved to (1) receive the report on legislative activities, (2) approve the recommended positions on bills being followed, (3) approve the University of Iowa budget amendment to increase the Board's appropriation request for fiscal year 1993 by \$300,000 for the Driving Simulator, and (4) to approve a Statement of Intent regarding funding for Iowa State University's Institute for Physical Research and Technology. Regent Tyrrell seconded the motion.

Regent Dorr asked for the normal procedure in the monitoring process during the legislative session from which Board positions evolve. President Pomerantz responded that the Board has lobbyists. The lobbyists' activities are coordinated by the Board Office. He noted that the Board must take positions on every bill that affects it.

Regent Dorr asked who determines the position to be taken. President Pomerantz responded that the Board Office, in consultation with the Board president, takes the position. Consultation from Board members is welcome. He emphasized the complexity of the issue. Iowa State University officials are currently monitoring 101 bills. It is not a simple process. There is a reason why the Board does not make a big issue over each bill at this point in the process. He said that if there are differing opinions among the Regents they can modify their position.

Regent Dorr expressed concern about the proposed midwestern compact on higher education legislation. Although the Board's position was indicated as being in opposition to the legislation, he questioned whether they should indicate how strongly they oppose the bill. Ultimately he felt they should oppose it aggressively.

President Pomerantz stated the Board of Regents had to declare a position on the bill last week. He noted that there is plenty of sentiment against the legislation. It is highly political.

Mr. Richey noted that the community colleges have registered against the proposed midwestern compact on higher education, also. At a given point the educational sectors have to register if they are going to oppose a bill.

President Pomerantz noted that several members of the legislature are for the midwestern compact. He expected there would be a substantial battle over it.

Regent Furgerson stated that the "funnel" date might also affect the outcome of legislation this session.

President Pomerantz noted that some issues recur in subsequent sessions.

Mr. Richey stated that the Board Office was monitoring the proposed legislation for any possible amendments.

Regent Dorr stated that the proposed midwestern compact has significant cost implications.

Mr. Richey said the Board Office does "fiscal notes" on proposed legislation.

VOTE ON THE MOTION: The motion carried unanimously.

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board (1) receive reports on current Banking Committee items, (2) approve a resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$19,620,000 Academic Building Revenue Bonds, Series S.U.I. 1992, and (3) approve University of Iowa \$1.1 million computing equipment upgrade and \$2.5 million lease of refinancing proposal.

Regent Fitzgibbon stated that at the previous morning's Banking Committee meeting the members discussed the sale of up to \$19,620,000 Academic Building Revenue Bonds, Series S.U.I. 1992. The committee approved for the benefit of the University of Iowa \$1.1 million computing equipment upgrade and \$2.5 million lease of refinancing proposal. He said the Banking Committee members received a presentation from Cambridge Associates concerning the performance of the Board's endowment fund manager. The review indicated the investment managers are performing satisfactorily. A recommendation resulting from Cambridge's review was that the Banking Committee members asked the universities and Board Office to increase the foreign investments of equity funds up to 5 percent of the total funds available.

Regent Fitzgibbon then said the committee received the institutions' quarterly cash management and investment reports. They reviewed the risk management program and Governor's proposal as well as the Governor's audit recommendation. The Banking Committee members felt very strongly that many items in the Governor's recommendation concerning risk management needed addressed. That issue needs to be aggressively attacked through the Board Office. The Iowa School for the Deaf audit was reviewed. The committee authorized Huncke Endowment as an investment manager for Iowa State University.

MOTION:

Regent Fitzgibbon moved to approve a resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$19,620,000 Academic Building Revenue Bonds, Series S.U.I. 1992. Regent Dorr seconded the motion, and upon the roll being called, the following voted:
AYE: Dorr, Fitzgibbon, Furgerson, Johnson, Pomerantz, Tyrrell, Williams.
NAY: None.
ABSENT: Berenstein, Hatch.

MOTION:

Regent Fitzgibbon moved to approve University of Iowa \$1.1 million computing equipment upgrade and \$2.5 million lease of refinancing proposal. Regent Furgerson seconded the motion, and it carried unanimously.

MOTION:

Regent Fitzgibbon moved to authorize Huncke Endowment as an investment manager for Iowa State University. Regent Dorr seconded the motion, and it carried unanimously.

ACTION:

President Pomerantz stated the Board received the Banking Committee report, by general consent.

ATHLETIC POLICY. The Board Office recommended the Board approve the policy on athletics.

An athletic policy was proposed that expresses the Board of Regents strong desire for integrity in athletics at the Regent universities and provides a mechanism for reporting infractions of NCAA, athletic conference or institutional rules to the Board. The proposed policy was reviewed by the Regents Priority Study Committee on Athletics.

The policy requires violations of NCAA, athletic conference or institutional rules to be reported to the Board Office and prescribes a procedure. The policy amends the language approved by the Priority Study Committee by adding specifics regarding the nature of violations to be reported.

The policy requires that all violations that could result in corrective, punitive or disciplinary action by the governing body be reported to the Board. The previous language stated that "significant violations" should be reported without defining the term.

This policy complements previous athletic policies adopted by the Board of Regents last July.

The policy as presented here has been agreed to by the presidents, athletic directors and coaches.

IOWA STATE BOARD OF REGENTS

Policy on Athletics

Policy Statement

Integrity in the administration of intercollegiate athletic programs is one of the highest priorities of the Board of Regents. In July 1991, the Board of Regents adopted the "one plus three" concept of intercollegiate athletics that asserts presidential control of athletics at the institutions, as well as academic integrity, financial integrity and accountability through certification. The Board now wishes to provide additional policy emphasis on integrity in athletics by clarifying the Board's position on the consequences for serious infractions of the rules and regulations of the NCAA, athletic conference or institution and adopting a reporting procedure. All violations of NCAA, conference or institutional rules that could result in punitive, corrective or disciplinary action will be reported to the Board Office. Sanctions, including but not limited to, reprimand, suspension, and/or termination of employment (following due process) will be given in response to significant violations.

Procedure

A. Notification of Possible Violation

The Board Office will be notified of all violations that could result in corrective, punitive or disciplinary action by the NCAA, athletic conference or institution. The form of the notification will be as follows:

- a) if the NCAA has initiated an investigation, a copy of the letter from the NCAA, and a letter of explanation will be forwarded to the Board Office.
- b) if the institution is self-reporting an alleged violation to the NCAA, a copy of the letter will be forwarded to the Board Office.
- c) if conference or institutional rules are at issue, the Board will be notified as soon as a factual basis for the rule violation is known.

The Board Office will be notified of the nature of the alleged violation; the NCAA, conference, or the institutional rule involved; and the plan for investigating the allegation.

B. Notification of Status of Investigation

The Board will be notified periodically of the status of the institution's investigation. The form of notification will be a letter to the Board Office from the institutional official charged with overseeing the investigation.

C. Notification of Outcome of the University Investigation.

The Board Office will be notified of the outcome of the university's investigation, including its factual conclusions and sanctions (if any). A summary of reports and documents submitted to NCAA, athletic conference or institutional officials will be provided to the Board Office.

D. Notification of Outcome of NCAA, Athletic Conference or Institutional Investigation

The Board Office will be notified of the results of any investigation undertaken by NCAA, athletic conference or institutional officials. This notification will include the conclusions and sanctions (if any).

Additional Actions

1. Clauses shall continue to be included in all coaches and athletic administrators contracts that will provide that significant violations of NCAA, conference or institutional rules will result in sanctions including, but not limited to, reprimand, suspension, and/or termination of employment (subject to the Board of Regent procedures in due process).
2. Future contracts for appropriate athletic department officials shall include reference to this policy.
3. In cases where this policy is not followed, the institutional president is to request an executive session with the Board of Regents to discuss the situation.

MOTION:

Regent Williams moved to approve the policy on athletics, as presented. Regent Tyrrell seconded the motion.

President Pomerantz stated that he was comfortable with either set of language. He emphasized that they need to make sure they are clear on what they are doing. The delay in adopting the policy until this meeting was concern over the word "significant" to distinguish between major and minor infractions. Reporting every violation will be a gigantic administrative problem. He said good work had been done in changing the language. He noted that even with the new language there still has to be a judgment call.

Regent Fitzgibbon said he agreed that institutional officials need latitude. The goal is the same.

President Pomerantz said the point he had tried to establish was that they were putting the athletic departments on notice that they are required to comply with the rules. The Regents are sending a loud and clear message that if they do not comply with the rules the Regents will not likely be tolerant of their actions. The policy speaks to the principles around athletic governance. The Regents endorsed the Knight Commission's draft report and will continue to endorse that report. If athletic departments do not strictly adhere to the rules there will be punitive action taken.

VOTE ON THE MOTION:

The motion carried unanimously.

ANNUAL REPORT ON AFFIRMATIVE ACTION. The Board Office recommended that the Board (1) receive the affirmative action reports; (2) recognize the positive efforts taken by Regent institutions in recruiting and retaining women and minorities despite severe budget cuts; (3) encourage the institutions to continue their efforts to recruit minority tenured/tenure track faculty, particularly Blacks, Hispanics and American Indians; and (4) instruct the Board Office and institutions to continue their efforts to improve the number of minorities and women employed by the building industry and to utilize Iowa Targeted Small Business as vendors and contractors with Regent institutions.

Women appointed to faculty tenured/tenure track positions increased by 34 at the University of Iowa, by 4 at Iowa State University and by 5 at the University of Northern Iowa.

Minorities appointed to faculty tenured/tenure track positions increased by 24 at the University of Iowa, by 3 at Iowa State University and by 12 at the University of Northern Iowa.

There was an overall loss of 80 women and 39 minorities employed in faculty non-tenure track position at the Regent universities.

Regent institutions lost 446 permanent full-time and part-time employees during the program year. Budget cuts were primarily responsible for these losses.

	<u>Total</u>	<u>Non-Minority</u>	<u>Total Minority</u>	<u>Blacks</u>	<u>Hispanics</u>	<u>Asian</u>	<u>American Indian</u>
SUI	(280)	(266)	(14)	(12)	(6)	1	3
ISU	(140)	(165)	25	10	5	9	1
UNI	(5)	(15)	10	11	1	2	(4)
ISD	(12)	(10)	(2)	(2)	0	0	0
IBSSS	<u>(9)</u>	<u>(10)</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	(446)	(466)	20	8	0	12	0

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REGENT INSTITUTIONS - NET CHANGES FOR FISCAL YEAR 1991

CATEGORY/SCHOOL	TOTAL	MEN	WOMEN	MINORITIES
<u>Executive/Administrative/Managerial</u>				
University of Iowa	(15)	(11)	(4)	0
Iowa State University	(1)	(5)	4	0
University of Northern Iowa	<u>2</u>	<u>0</u>	<u>2</u>	<u>(2)</u>
	(14)	(16)	2	(2)
<u>Faculty-Tenured/Tenure Track</u>				
University of Iowa	56	22	34	24
Iowa State University	(4)	(8)	4	3
University of Northern Iowa	<u>19</u>	<u>14</u>	<u>5</u>	<u>12</u>
	71	28	43	39
<u>Faculty-Non-Tenure Track</u>				
University of Iowa	(98)	(60)	(38)	(30)
Iowa State University	(81)	(36)	(45)	(5)
University of Northern Iowa	(13)	(16)	3	(4)
Iowa School for the Deaf	(6)	(1)	(5)	0
Iowa Braille & Sight Saving School	<u>(1)</u>	<u>0</u>	<u>(1)</u>	<u>1</u>
	(199)	(113)	(86)	(38)
<u>Professional and Scientific</u>				
University of Iowa	36	6	30	(3)
Iowa State University	94	48	46	36
University of Northern Iowa	9	1	8	6
Iowa School for the Deaf	4	1	3	0
Iowa Braille & Sight Saving School	<u>(1)</u>	<u>0</u>	<u>(1)</u>	<u>0</u>
	142	56	86	39
<u>Secretarial/Clerical</u>				
University of Iowa	(115)	(19)	(96)	(4)
Iowa State University	(72)	0	(72)	(2)
University of Northern Iowa	(15)	0	(15)	(4)
Iowa School for the Deaf	(2)	0	(2)	(1)
Iowa Braille & Sight Saving School	<u>(2)</u>	<u>0</u>	<u>(2)</u>	<u>0</u>
	(206)	(19)	(187)	(11)
<u>Technical/Paraprofessional</u>				
University of Iowa	1	(15)	16	1
Iowa State University	(22)	(11)	(11)	(3)
University of Northern Iowa	(1)	(1)	0	(1)
Iowa School for the Deaf	(6)	(3)	(3)	(1)
Iowa Braille & Sight Saving School	<u>(2)</u>	<u>0</u>	<u>(2)</u>	<u>0</u>
	(30)	(30)	0	(4)

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CATEGORY/SCHOOL	TOTAL	MEN	WOMEN	MINORITIES
<u>Skilled Crafts</u>				
University of Iowa	(51)	(51)	0	(1)
Iowa State University	(1)	(1)	0	0
University of Northern Iowa	(4)	(3)	(1)	0
	(56)	(55)	(1)	(1)
<u>Service/Maintenance</u>				
University of Iowa	(94)	(35)	(59)	(1)
Iowa State University	(53)	(22)	(31)	(4)
University of Northern Iowa	(2)	(0)	(2)	3
Iowa School for the Deaf	(2)	(1)	(1)	0
Iowa Braille & Sight Saving School	(4)	(3)	(1)	0
	(155)	(61)	(94)	(0)
<u>Total Net Change</u>				
University of Iowa	(280)	(163)	(117)	(14)
Iowa State University	(140)	(35)	(105)	25
University of Northern Iowa	(5)	(5)	0	10
Iowa School for the Deaf	(12)	(4)	(8)	(2)
Iowa Braille & Sight Saving School	(9)	(2)	(7)	1
	(466)	(209)	(237)	20

The Regent Affirmative Action Office reviewed 130 companies employing more than 50 people during the year to determine their compliance with Regent Equal Employment Opportunity Policies. Seventy-eight (78) companies were found to be in compliance. The compliance status of 52 companies is unsatisfactory. Additional information has been requested from 19 companies for further analysis.

One hundred and fifty (150) Iowa vendors are scheduled for affirmative action reviews during this calendar year.

The Regent Affirmative Action Office is working with representatives from city government, local school districts, area community colleges, the construction industry, the minority community and women contractors in the Waterloo-Cedar Falls area to increase the number of minorities and women in the construction industry. Similar meetings are being scheduled for the Des Moines-Ames area and the Iowa City-Cedar Rapids area.

Regent Furgerson said she appreciated getting what she asked for: that minorities be broken down to indicate the areas of minority under-representation. She felt they should recognize that there are areas where the institutions are doing a very fine job for which they should be commended. She encouraged the Board Office and institutions to continue their efforts. She said she felt that what the Regents were presented with this time addressed all the issues the committee previously raised.

MOTION:

Regent Furgerson moved to (1) receive the affirmative action reports; (2) recognize the positive efforts taken by Regent institutions in recruiting and retaining women and minorities despite severe budget cuts; (3) encourage the institutions to continue their efforts to recruit minority tenured/tenure track faculty, particularly Blacks, Hispanics and American Indians; and (4) instruct the Board Office and institutions to continue their efforts to improve the number of minorities and women employed by the building industry and to utilize Iowa Targeted Small Business as vendors and contractors with Regent institutions. Regent Fitzgibbon seconded the motion.

Regent Williams referred to the "faculty women" category, specifically the percentages of females that are currently in tenured and tenure track positions at the universities. She said women are still terribly underrepresented. She felt the climate was still not what it should be to encourage diversity. Those types of comments came from both male and female faculty. Not even 20 percent of the faculty is female although the student population is about 50/50. She felt the universities were not doing very well and that did not seem to change from year to year. She then referred to page 5 of G.D. 9 which indicated that the figures for the University of Iowa tenure track positions were a total of 1,565 faculty of which 298 are female.

Vice President Nathan said he took exception to Regent Williams' position. He said the University of Iowa is in a time of very difficult finances. As they added to the tenure track faculty over 30 of the positions were filled by women and over 20 of the positions were filled by minorities. The university has increased the percentage of women by 1.5 percent. Granted, it is a small percentage increase but he said it indicated they were moving in the right direction. He emphasized that they must also take into account the financial condition of the university. University of Iowa officials are trying very hard to address the issue of diversity but it is not easy. It is a very competitive market.

Regent Williams said she was pleased to see the progress but this is going to require a revolution in terms of timing. They need to make diversity such a priority that it becomes an astounding achievement. Vice President Nathan responded that University of Iowa officials feel they do give diversity that level of emphasis.

Regent Furgerson referred to the "white sheet", page 9 of the University of Iowa report. Tenure track female is 19.4 percent as of October 1, 1990. As

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of October 1, 1991, that figure had risen. Regent Dorr noted that was a significant increase in the percentage growth.

Regent Tyrrell noted that there are only a certain number of opportunities for change each year. He felt that with the opportunities they have had their priorities have been excellent.

President Pomerantz stated that the non-tenure track faculty numbers tend to detract from the tenure progress that has been made. They may do a better job in the tenured area than non-tenured.

Vice President Nathan stated that the reductions in faculty have also had an affect on their numbers. University officials laid off many of the adjunct faculty.

President Pomerantz noted that part of the explanation for the numbers could be that seniority is followed in the lay offs.

Vice President Nathan emphasized that University of Iowa officials are taking net admissions to the percent of women and minorities in the tenure track group.

President Jischke stated that total faculty experience is just under 20 percent female representation; however, with regard to new hires the number of females is 35 percent. It was the representation overall versus the new hires. Roughly one-half of the new hires come from historically under-represented groups with particular emphasis in science, technology and agriculture.

VOTE ON THE MOTION: The motion carried unanimously.

ANNUAL REPORT ON FACULTY RESIGNATIONS. The Board Office recommended the Board accept the Annual Report of Resignations for the period from July 1, 1990, through June 30, 1991.

University of Iowa

The 63 University of Iowa faculty resignations was an increase of four over the previous year but was close to total counts for recent years. Only 17 of the 63 faculty who resigned were women. Thirty-three resignations were at the

Assistant Professor level, 13 were Associate Professors, and 17 were Professors.

Thirty-six University of Iowa faculty accepted positions with another university, 17 accepted employment in the government or private sector, and 10 did not indicate their future employment.

Medicine, Liberal Arts, and Business Administration Colleges continued to receive the largest number and percentage of resignations. Twenty-four faculty resigned from the Medical College comprising 38 percent of resignations, 19 resignations were from the Liberal Arts College, and 10 resignations were from the College of Business Administration.

Iowa State University

Iowa State University resignations decreased to 34 in 1990-91 from 47 in the previous year. The number of resignations during the last five years ranged between 30 and 47. Ten of the 34 resignations were submitted by women. Sixteen of the 34 resignations were at the Assistant Professor level and twelve were Associate Professors.

Sixteen faculty accepted positions with another university, one returned to school, eight entered the government or private sector, and nine did not specify their new employment.

The College of Liberal Arts and Sciences sustained 11 resignations and the Agriculture College experienced 7 resignations.

University of Northern Iowa

Twenty-two University of Northern Iowa faculty members resigned in 1990-91, two more than in the previous year. The number of resignations has ranged from 20 to 25 in the last five years.

Ten of the 22 resignations were women and 13 of the 22 resignations were faculty at the Assistant Professor level.

Sixteen faculty accepted positions with another university, one returned to school, four accepted employment in the government or private sector, and one did not specify future employment plans.

The College of Humanities and Fine Arts received eight resignations, the College of Education received six, and the College of Business Administration received four.

Special Schools

The Iowa School for the Deaf experienced a loss of six faculty members in 1990-91 compared with seven in the previous year. There were 65 academic employees before the resignations. Two faculty members accepted positions outside of the Iowa School for the Deaf, two took early retirement, and two left due to reduction in force.

The Iowa Braille and Sight Saving School reported four resignations compared with two in the previous year. There were 29 academic employees before the resignations. One teacher accepted employment in an elementary school, one elementary teacher took early retirement, the Work Experience Coordinator sought other employment, and a Level II teacher left to attend graduate school.

Regent Dorr said he was not impressed with this report indicating only two or three reasons why people leave. Mr. Richey stated that this was one of the basic governance reports of the Board. It allows the Regents to monitor what happens to faculty on a year-to-year basis. From time to time it becomes a very important indicator of the competitiveness of salaries. Over time the institutions and Board have found this to be an important indicator as a guide in other decisions they make about budgets, facilities, etc.

Regent Dorr stated that he had apparently misunderstood because it said in the background information section of the docket memorandum that this was just instituted in December 1990. Mr. Richey responded that the specific reasons and more detailed information for leaving was requested by the Board in December 1990. Director Barak said exit interviews were requested by the Board a year ago in order to have more information available. He noted that many times people do not disclose the real reasons why they are leaving; however, other times they can provide critical information to the institution in terms of problems that need to be corrected.

President Pomerantz asked if particular problems in a college or department have surfaced because of exit interviews. Are university officials seeing any sensitivities on campus that would indicate they should do something differently? President Jischke responded negatively, noting that was only an assurance that university officials were doing things reasonably well. He stated that there is nothing more important than the people of the university.

President Pomerantz said it is a good policy to have exit interviews. The question is what are they doing when they discover problems. Have they learned anything from the process?

Regent Williams referred to her comments under the previous docket item concerning gender diversity. She said the information she was referring to was contained on page 9 of G.D. 10 concerning the faculty resignation report. The docket memorandum indicated that questionnaire respondents were satisfied

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with the commitment of the University of Iowa to diversity of race and ethnicity; however, both men and women were less satisfied with the commitment to gender diversity. That is the issue she was trying to raise in the previous docket item. She said affirmative action and faculty resignations go together because meeting their affirmative action goals depends not only on hiring but also on the turnover that occurs. If there is a climate issue on any campus the Regents ought to be aware of it. She asked if there was further information available concerning this issue.

Vice President Nathan responded that he was also concerned when he read that statement in the docket memorandum. He did not know where it came from or what it meant but he will ask the associate vice president for academic affairs to determine its source.

Regent Williams asked if Vice President Nathan would let the Regents know as they gather this information. Vice President Nathan said he would.

ACTION:

President Pomerantz stated the Board received the report, by general consent.

EARLY AND PHASED RETIREMENT POLICIES. The Board Office recommended that the Board approve, effective July 1, 1992, through June 30, 1997, subject to annual reviews, the Early Retirement Incentive Program and the Phased Retirement Program.

The Early Retirement Incentive Program and the Phased Retirement Program currently approved for all five institutions and the Board Office will terminate on June 30, 1992, unless renewed by the Board.

The following charts show the components of the current programs and the changes recommended by the Board Office and agreed to by institution administrations:

EARLY RETIREMENT INCENTIVE PROGRAM

	<u>Current Plan</u>	<u>Recommendation</u>
ELIGIBILITY:	Age 57 but not yet 64 10 years of service	Age 60 20 years of service
APPROVAL:	Designated administrative approval required.	Same as Current
INCENTIVES:	Cease at age 65 except for health insurance at age 68	

	<u>Current Plan</u>	<u>Recommendation</u>
Health Insurance:	Full premium for 3 years Employer share until age 68 (Medicare supplement at age 65)	Cost of single premium until eligible for Medicare. Employer cost of other than single until eligible for Medicare.
Dental Insurance:	Full premium for 3 years Employer share until age 65	Cost of single premium until eligible for Medicare. Employer cost of other than single until eligible for Medicare.
Life Insurance:	Policy at level of salary at retirement (normal reduction at age 65) Full premium for 3 years Employer share until age 65.	A paid life insurance policy equal to what the individual would have received at retirement (\$2,000 - \$4,000).
Retirement:	TIAA/CREF: 15% contribution for 3 years. 10% contribution until age 65.	Employer and employee for 3 years. Employer share for additional 2 years. Benefit for maximum of 5 years or until eligible for full Social Security benefits, whichever is first.
ALTERNATE PAYMENT METHOD:	Participants may elect, with institutional approval, to receive a lump sum cash payment equal to present value of the expected benefit cost for any or all of benefits.	Same as Current
MISCELLANEOUS:	Employees participating in the Phased Retirement Program may transfer into ERI. Each month spent in Phased Retirement reduces period of full payment by one month.	Same as Current

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	<u>Current Plan</u>	<u>Recommendation</u>
DURATION:	Sunsets June 30, 1992	Subject to annual reviews, expires June 30, 1997, unless renewed by the Board.
REPORTING REQUIREMENTS:	Annually to the Board. Individual participants are reported to the Board on the monthly Register of Personnel Transactions.	Same as Current
PHASED RETIREMENT PROGRAM		
	<u>Current</u>	<u>Recommendation</u>
ELIGIBILITY:	Faculty and P&S - age 57 with at least 15 years service. Merit age 60 with 20 years of service	Faculty, P&S and Merit - age 60 with 20 years of service.
APPROVAL:	Designated administrative approval required.	Same as Current
SCHEDULING OF PHASING:	Maximum period of 5 years with full retirement at end of period except that participants may continue on 1/2 time until age 65. Maximum appointment during phasing period - 75% Participants may not return to a full-time appointment.	Maximum period of 5 years with full retirement at end of period. Maximum appointment during phasing period - 65% Same as Current
PHASED RETIREMENT PERIOD	Limited to 5 years except if subject to an earlier mandatory retirement age.	Same as Current

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	<u>Current</u>	<u>Recommendation</u>
COMPENSATION:	First 4 years, proportionate salary plus 10% of budgeted salary.	Same as Current
	Fifth year, appointment no greater than 1/2 time and salary proportionate.	Same as Current
BENEFITS:	Continuation of life, health and disability insurance at same levels as if full time.	Same as Current
	Retirement contributions to TIAA-CREF same as if full-time. IPERS, FICA and Federal Retirement as mandated by law.	Same as Current
	Sick leave and vacation proportionate to appointment time.	Same as Current
DURATION:	Sunsets June 30, 1992	Subject to annual reviews, expires June 30, 1997, unless renewed by the Board.
REPORTING REQUIREMENTS:	Annually to the Board	Same as Current
	Individual participants are reported to the Board on the monthly Register of Personnel Transactions.	

The programs have been reviewed over the past year on campus by administrators and constituent faculty and staff groups in consultation with the Board Office.

Factors considered in review of the programs included:

1. various cost and savings projections;
2. a change in federal law that will eliminate mandatory retirement for tenured faculty at the end of 1993, and studies which propose that

research universities may need to rely on retirement incentives to ensure vitality; and

3. the non-discrimination provisions of regulations and laws including the federal Older Workers Benefits Protection Act that will become effective for public universities in October 1992.

University administrators support continuation of Early and Phased Retirement Programs to help promote institutional vitality.

Mr. Richey stated that the recommendation is to continue the retirement programs but to establish age 60 as a threshold and 20 years of service as the required amount of service. That is more conservative than the current program. It also allows greater savings when an employee exercises one of the alternatives. He noted that he had discussed the proposed program amendments with the university presidents and they were agreeable to the recommendation.

MOTION:

Regent Furgerson moved to approve, effective July 1, 1992, through June 30, 1997, subject to annual reviews, the Early Retirement Incentive Program and the Phased Retirement Program. Regent Williams seconded the motion.

Regent Hatch referred to the information contained on the first page of the docket memorandum concerning health insurance and asked if it was stated correctly that the employer would maintain the normal employer contribution toward family coverage.

Director Volm responded that the docket memorandum was correct. The normal employer contribution toward family coverage would be maintained. The institutions are paying the full cost for single coverage and a set contribution toward the cost of family coverage.

President Pomerantz stated he believes that early retirement programs properly administered create opportunities and save organizations money. He then said he was not sure why they wished to move the threshold from 57 to 60 years of age. Mr. Richey responded that the change was made because of the cost.

President Pomerantz questioned whether there was still an institutional benefit to leaving the threshold at 57. Are they sure that is what they want to do? Why are they now not willing to incent the early retirement of people? How strongly do they feel they want to move it to 60 years of age?

Mr. Richey said there has been quite a shrinkage in the number of employees in the last few years. The real savings accrue from being able to eliminate a position entirely. The opportunities for eliminating positions entirely as a result of this program are going to be quite fewer than they have been in the past.

President Pomerantz stated that if they have fewer employees the costs are not going to be excessive. If they have someone aged 57 to 60 that they would like to encourage to exercise this program, they would not be able to if they change the threshold to 60 years of age.

Mr. Richey stated that aside from the issue of age, the benefits were much more of an issue in terms of costs.

President Pomerantz said he could understand changing the benefits. However, the idea that someone 57 years old could opt out is preempted if they move it to 60 years of age. It was his feeling that amending the age to 60 loses part of the program's advantage.

Regent Hatch noted that some early retirement programs have the option of the administration approving retirement under age 60.

President Pomerantz suggested that unless there were strong feelings about the recommendation, the Regents should send the recommendation back, let institutional and Board Office officials take another look and decide if they really want to do this or modify it some other way.

Mr. Richey said there is no question that the committees on campus want to increase the attractiveness of the programs both in terms of age and benefits substantially beyond what was proposed.

Regent Dorr said he was in support of the proposed program as recommended. He felt that an analysis of the savings numbers would show the savings is not significant.

Regent Hatch questioned whether the Older Workers Benefit Protection Act should be reviewed with regard to the Regents' retirement programs. President Jischke said it was his belief that some changes must be made for that reason.

MOTION: Regent Hatch moved to table this item.
Regent Williams seconded the motion, and it carried unanimously.

Mr. Richey said there was one other area he wanted to look at that was not reflected in the recommendation.

Regent Tyrrell recommended that when this comes back to the Board the Board Office indicate why the changes were proposed.

Regent Hatch stated that she felt the present program was exceedingly generous compared to other programs she has seen.

President Pomerantz suggested they determine the effectiveness of the programs and the cost/reward relationship. Also, if most of the people who are

eligible are already out, that is an argument for leaving it alone because when they need to use it it would be there. If they increase the minimum age then there would be situations where they would not be able to take advantage of the programs when they might wish to.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve the Register of Personnel Changes which included the following:

APPOINTMENT: Carol A. Kominski, Director of Planning and Policy Analysis, effective March 23, 1992, at an annual salary of \$65,000 plus the usual fringe benefits.

APPOINTMENT: SUSAN E. NEYLON, Associate Director of Business and Finance, effective March 2, 1992, at an annual salary of \$58,000 plus the usual fringe benefits; and

REVISE the job descriptions of the positions of Associate Director of Business and Finance and Assistant Director of Business and Finance with no change in pay grade assignments.

MOTION:

Regent Hatch moved to approve the Board Office personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

RESIDENCY APPEAL. The Board Office recommended the Board uphold the decision of the Registrar's Office at the University of Iowa regarding the residency status of Christopher Salomon.

Christopher Salomon, a student at the University of Iowa, appealed the decision of the university to deny residency status for purposes of tuition and fees.

Mr. Salomon matriculated at the University of Iowa as a resident of the state of Illinois and continues to be claimed as a dependent of his parents. For this reason, it was recommended that his appeal be denied.

MOTION:

Regent Dorr moved to uphold the decision of the Registrar's Office at the University of Iowa regarding the residency status of Christopher Salomon. Regent Tyrrell seconded the motion, and it carried unanimously.

VENDORS WITH CONFLICT OF INTEREST. The Board Office recommended the Board approve the request of the University of Iowa to add the name of Chunghi Choo to the standing list of approved vendors with a conflict of interest.

University of Iowa officials previously requested and received Board authorization to contract with 15 companies or individuals who have an

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affiliation with the university. This month university officials requested that an additional name be added to the list of approved vendors with a conflict of interest.

Chunghi Choo, a Professor of Art (metalworking) in the School of Art and Art History desires to sell a contemporary metal art object to the University of Iowa Museum of Art.

Ms. Choo reported that the proposed sale in no way adversely affects her teaching or work relation to the University of Iowa.

The funds for the art object were specifically contributed to the University of Iowa Foundation for this acquisition.

University of Iowa officials reported that abuses of the rules are avoided by strict scrutiny of proposed purchases from vendors on this list. Purchases from university employees must be approved by either the Director or Associate Director of Purchasing and the Director of Planning and Administrative Services. Final approval is obtained from the Vice President of Finance and University Services.

MOTION:

Regent Tyrrell moved to approve the request of the University of Iowa to add the name of Chunghi Choo to the standing list of approved vendors with a conflict of interest. Regent Johnson seconded the motion, and upon the roll being called, the following voted:
AYE: Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.
NAY: None.
ABSENT: Berenstein.

REPORT ON THE BOARD OFFICE BUDGET. The Board Office recommended the Board receive the report.

The Board Office budget for fiscal year 1992 was in order based on expected expenditures during the remainder of the fiscal year. The projections assume appointment in March of full-time persons to the positions of Director of Planning and Policy Analysis and Associate Director of Business and Finance.

ACTION:

This report was received by consent.

CONSENT ITEMS.

MOTION:

Regent Williams moved, seconded by Regent Furgerson, to approve the consent docket, as follows:

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Receive the progress report on the Ad Hoc Committee on Information Systems and Technology;

Receive the Next Meetings Schedule;

Refer the University of Iowa request to change the name of Museum Training to Museum Studies to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the University of Iowa request to suspend the Master of Arts Degree in Public Affairs program to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the University of Iowa post-audit report on the MFA degree program in Dance to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the University of Northern Iowa request for a department name change to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation; and

Refer the University of Northern Iowa proposed enrollment management mechanism to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The motion carried unanimously.

PROGRESS REPORT ON THE AD HOC COMMITTEE ON INFORMATION SYSTEMS AND TECHNOLOGY.
The Board Office recommended the Board receive the report.

The Ad Hoc Committee on Information Systems and Technology was formed to develop more effective and efficient current operating systems and to formulate a strategic plan for the Regent institutions.

The Committee, comprised of a member of the Board of Regents, institutional representatives, a representative of the Department of General Services, and Board Office staff met February 11 to discuss the mission and objectives of

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the Committee and to develop action plans. Three general phases of effort were evident during the meeting:

- * A structured inventory of equipment, software, and functional analysis of key applications, such as payroll systems. This short-term approach should generate positive results within a two- to three-month period.
- * On testing of the short-term analytical approach, more complex areas involving academic/research applications may be studied for opportunities to develop sharing of resources.
- * A less formal structure consisting of institutional computing and information services personnel will continue to communicate on matters of common interest on completion of Committee work.

The Committee discussed the complexity of different potential objectives such as:

- * The implications of a guarantee of personal computing access in individual student dormitory rooms.
- * The growth in administrative personnel and related costs despite widespread applications of computing technology.
- * Assessment of applications which are more functional, effective, and efficient if centralized and, conversely, those areas which are best addressed in a decentralized mode.
- * Issue analysis and recommendations of the Committee which will raise matters of policy and must be addressed by institutional leadership.

ACTION:

This report was received by consent.

NEXT MEETINGS SCHEDULE. The Board Office recommended the Board approve the Next Meetings Schedule, as follows:

March 18-19, 1992	Iowa School for the Deaf	Council Bluffs
April 15-16	Iowa State University	Ames
May 20-21	University of Northern Iowa	Cedar Falls
June 17-18	University of Iowa	Iowa City
July 15-16	Lakeside Laboratory	Okoboji
September 16-17	Iowa State University	Ames
October 21-22	University of Northern Iowa	Cedar Falls
November 18-19	University of Iowa/Iowa Braille and Sight Saving School	Iowa City/ Vinton
December 16-17	Iowa State University	Ames
January 20, 1993	Telephonic	
February 17-18	University of Northern Iowa	Cedar Falls
March 17-18	To be determined	Des Moines

GENERAL
February 19-20, 1992

ACTION:

This matter was received by consent.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, February 19 and Thursday, February 20, 1992.

REPORT ON AND TOUR OF IOWA ADVANCED TECHNOLOGY LABORATORY FACILITY.

President Rawlings gave a brief presentation prior to the tour of the Iowa Advanced Technology Facility. He emphasized the importance of the next 2 hours. This was the Regents' opportunity to look at a major investment by the University of Iowa. University officials are extremely pleased with the project and the research. President Rawlings said he would speak about the background of the project. Associate Vice President Davis would next address the laser research. Interim Vice President Willard would then address the driver simulation project to be housed on the 3rd and 4th floors of the facility. Mr. Kruse of Herbert, Lewis, Kruse, Blunck would then provide a brief presentation on the architecture of the building.

President Rawlings stated that the University of Iowa believes in centers of excellence, many of which are now internationally prominent including the area of biomedical research. The Iowa Advanced Technology Laboratory will become another of the university's centers of excellence. He then stated that the view from the river shows the facility as an outstanding piece of architecture. He noted that the building is on schedule and within budget. He said the university's laser scientists have begun to win large grants and contracts for their work which is a payoff on the investment the people of Iowa put into this project.

Associate Vice President Davis talked about the laser research. He stated that 1-1/2 years ago university officials decided to survey the campus to determine its strength in laser science, which he said is great. There is a very strong nucleus of senior faculty to start with. They also have first class laser equipment. When the scientists move into this building later this year they will "hit the floor running." With regard to the relationship of grants received to grant applications, he said if the university applied for \$3.9 million they would get 40 percent, or \$1.5 million. They already have \$4.6 million.

Regent Dorr referred to the university's large storehouse of laser equipment and asked if most of the equipment was purchased. Associate Vice President Davis responded that they have a pretty good storehouse. Their real needs will probably be to upgrade the facility to the needs of the individual groups. He noted that some space would be freed up by relocating the laser researchers and driver simulation researchers.

Interim Vice President Willard said the university had considerable capacity to begin with. Professor Ed Haug and his colleagues worked for years in mechanical engineering. This project is an example of the way the university cooperates with industry. This center in turn makes possible connections with other industries in the state. Professor Haug collaborates with other universities in the country. All the states have huge investments in the transportation system industry. Iowa State University also has a collaborative agreement with Professor Haug's group.

President Rawlings concluded by referring to the bottom line dollar amounts. When the doors of the facility are open there will be roughly \$8 million in research going on between the 2 teams with several million dollars more pending.

President Pomerantz stated that another very important part of this is that they are moving facilities from a very crowded engineering building; therefore, this new building will, in fact, enhance the engineering building. At the same time they are generating a significant amount of research dollars for the university.

President Rawlings stated that this facility will draw together faculty interdisciplinarily. It will bring researchers together to work on very large problems. Space will be freed up in the engineering and chemistry buildings.

Rod Kruse described the architecture of the building. He reiterated the importance of Frank Gehry in the design of the building. Mr. Gehry is one of the most internationally known architects in the world. The site utilities are contained in the copper portion of the building. The pipe canyon is six feet wide and three stories high. All the utilities that serve the laboratories are there. Utilities can be run without disturbing ongoing research. He noted that certain laboratories cannot have windows. The "silver" areas on the building are stainless steel. He addressed the building's waste management system.

The Regents then proceeded on a tour of the Iowa Advanced Technology Laboratory facility.

ACTION:

President Pomerantz stated the Board received the report, by general consent.

PRESENTATION ON THE CONNIE BELIN NATIONAL CENTER FOR GIFTED EDUCATION.

Vice President Nathan stated that that morning the Regents were shown a research facility (Iowa Advanced Technology Laboratory). This afternoon they would be presented information on a program that does a good deal of research but which is distinguished in its services offered to talented and gifted

students in Iowa. The Connie Belin Center for Gifted Education is a national center.

Nicholas Colangelo, Director of the Connie Belin National Center for Gifted Education, provided the Regents with an overview of the program. He said it has been in existence for about 3-1/2 years. The Center's mission is to conduct research, teacher training and service. It receives federal, state and private funding as well as tremendous internal support from the university. Research is conducted on the characteristics of gifted youngsters and teaching skills necessary for this kind of student. Research is also done with families. The Center employs 2 full-time staff people. Those staff conduct talent searches and help identify gifted youngsters. It is important to know by around the 4th grade who the talented and gifted students are. Pre-college programs are one of the most comprehensive programs in America. He said Iowa as a state is among the bottom 3 in use of advanced placement but is a leader in identifying talent in the inner city schools. The Center offers teacher training programs for high-ability students in the regular classroom. The teacher who is prepared for these students can do much to assist the student in the classroom. He said this may be the single most effective teacher training program in the country.

President Pomerantz thanked Mr. Colangelo for a great presentation. He said they are doing outstanding work for which the Regents are very supportive.

ACTION: President Pomerantz stated the Board received the report, by general consent.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board ratify personnel transactions, as follows:

Register of Personnel Changes for December 1991;

Approve the commissioning of IAN J.G. SCOTT as special security officer. Mr. Scott has successfully completed training at the Iowa Law Enforcement Academy; and

Presented for the Board's information was the appointment of Gilbert S. Banker as Dean of the College of Pharmacy effective July 1, 1992, at an academic year salary of \$130,000.

Vice President Nathan introduced Gilbert S. Banker, new Dean of the College of Pharmacy at the University of Iowa. He said university officials had extensive discussions with Dean Banker and finally succeeded in convincing him that there are a variety of reasons for coming to the University of Iowa to head the College of Pharmacy. He has agreed to do so. He said Dean Banker's record as a scholar, as an administrator and as a researcher is distinguished. Therefore, he said, that equips him very well to lead the University of Iowa College of Pharmacy to great achievements in the next decade.

Dean Banker stated that his great pleasure in coming to Iowa was recounted in the Daily Iowan that morning. Dean Banker then stated that he has long had a high regard for the College of Pharmacy at the University of Iowa. It has had very strong industrial programs and connections with industry, as well as an interest in economic development. Dean Banker was head of a pharmacy department at Purdue for 17 years before going to Minnesota as a dean. He has a number of very close colleagues on the University of Iowa campus not only in the pharmacy school but across the campus. He is looking forward to coming back to a college town and to working with the pharmacists of the state. He noted that Iowa and Minnesota are in the same district in the American Association of Colleges of Pharmacy. He concluded by stating that he is very much looking forward to joining the college and to joining the family at the University of Iowa.

President Pomerantz said it was a pleasure to welcome Dean Banker. He stated that the University of Iowa is on a track to becoming one of the ten best public universities in the nation. He wished Dean Banker great success.

Regent Fitzgibbon asked for the status of the Pharmacy Building Addition. Mr. Richey responded that the Regents' request for funds is before the legislature.

* Regent Fitzgibbon stated the Pharmacy Building has been a high priority of the Regents for a long time. It seemed they should do everything they can to get the funding during this legislative session.

President Pomerantz stated that before the session is over it was his belief that there would be an opportunity to address capitals.

MOTION: Regent Hatch moved to ratify personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

NAME CHANGE - MUSEUM TRAINING TO MUSEUM STUDIES. The Board Office recommended the Board refer the request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

University of Iowa officials requested a change in the name of the University of Iowa curriculum in Museum Training to Museum Studies.

The emphasis of instruction in this discipline has broadly shifted to the cultural role served by museums as institutional centers for informal learning, inspiration and entertainment. The new name of the curriculum reflects this change.

ACTION: This item was referred by consent.

SUSPENSION OF DEGREE PROGRAM - MASTER OF ARTS DEGREE IN PUBLIC AFFAIRS. The Board Office recommended the Board refer the request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

University of Iowa officials recommended the discontinuance of the Master of Arts Degree Program in Public Affairs. The program currently has only 8 registered students. New admissions into the program have been suspended.

The one faculty member in the Political Science Department whose primary professional commitment was to the area of public administration has retired and has not been replaced.

ACTION: This item was referred by consent.

FACULTY DEVELOPMENTAL ASSIGNMENT REPORTS. The Board Office recommended the Board receive the report on faculty improvement leaves at the University of Iowa during the 1990-91 academic year.

A total of 136 faculty members were on faculty development leaves at the University of Iowa in 1990-91.

The average replacement cost for each faculty member was \$1,250 compared with the projected average cost of \$1,429. The total replacement cost for the 136 faculty leaves was \$170,014, a 69 percent increase over the unusually low cost of \$100,610 reported for 1989-90.

Regent Dorr questioned why the University of Iowa's replacement cost was \$1,250. Vice President Nathan responded that it was because university officials expect the departments to bear the instructional burden for their colleagues that go on leave. Basically, the other faculty carry the responsibility, as well as graduate students.

Regent Hatch recommended that the other two universities consider a similar arrangement whereby if a faculty member in a department is going on leave, other faculty members are encouraged to split up those courses thereby lowering costs.

Provost Marlin responded that in some cases the University of Northern Iowa does. However, there are other cases where the existing or remaining faculty do not have the expertise in the area of the courses that need to be offered. She noted that not everyone is replaced.

Regent Dorr stated that he thought it was rather ironic when they are very concerned over personnel policies that in these particular situations it is fairly obvious, he felt, that the universities hire replacement faculty at almost starvation wages in order to allow faculty to take leaves of absences.

*They seem to have no qualms or concerns about basically taking anyone who is available to be an adjunct faculty at a very low rate of pay. They seem to be greatly concerned about the human cost in all other areas.

President Pomerantz asked if the universities, as a matter of policy, take anybody that is available at any rate. He cautioned that they had better get this on the record.

Provost Marlin responded that they do not. The cost presented to the Regents was an average cost. In some cases the faculty are simply not replaced. The cost presented was not what the university pays people.

Regent Dorr clarified that he was not implying that the universities hire anyone who is unqualified. However, the universities can hire teaching assistants and graduate assistants at considerably less than they pay the regular faculty member.

President Pomerantz said he was concerned that Regent Dorr's comment had serious quality implications.

Regent Dorr said he did not think the universities were diminishing the quality of teaching. He felt it was an issue of the standard of living that the teaching assistant has to contend with at those salary levels.

Interim Provost Swan said that in the case of Iowa State University, there are several fields in which the university does not have Ph.D. programs from which to draw graduate students for teaching. Therefore, the university seeks professionals to bring in on a temporary basis to cover the teaching assignments. She emphasized that is one very real issue that Iowa State University officials have to deal with. A second issue is the way they budget faculty development leaves. It can be budgeted centrally or budgeted for more faculty time in the department to cover leaves. Iowa State University budgets it more centrally than some institutions do.

Regent Hatch asked if Provost Swan was saying that they possibly were not looking at the same budgeting procedures and, therefore, the numbers may not be comparable. Interim Provost Swan responded affirmatively. She went on to say that a department makes plans to rotate the teaching responsibility in such a way that they can cover for their colleagues. That would not show as an incremental cost for the faculty improvement leave figures.

President Pomerantz noted that the numbers they were presented with are averages. If they had pure researchers taking leave there would not be any teaching load to replace. The numbers tend to be very misleading. He said he thought that Regent Dorr's real point is that they ought to make sure they are paying people fairly. President Pomerantz' point in addition to that was that they ought to make sure that quality of teaching meets the Regents' standards.

Regent Hatch said her point was that they should encourage departmental members, if the absence faculty's teaching is in their area of expertise, to pick up the extra class.

President Pomerantz said it was his understanding that considerable discussion is going on at the administration level on all campuses regarding faculty work load. As time goes by, the Regents will begin to get some feedback from the campuses.

Regent Furgerson stated that faculty workload discussion is going on nationally, too, according to the last issue of the Chronicle of Higher Education.

President Pomerantz said it is very topical and very important. Faculty workload is something that the Regents have been working on for a long time. The Regents will be waiting to hear what the campuses have to say as they report back.

Regent Williams said it may be that somehow the reporting is different from one institution to another and, therefore, the Regents are not getting the full picture. If the figures, in fact, are true then Iowa State University and University of Northern Iowa are paying more for the teacher replacements. She did not think that was necessarily bad. She also agreed with Regent Hatch that many times existing faculty can take on those additional responsibilities without a lot of problem depending on the department. However, when there is such a drastic differential it says something about the commitment to teaching at the institutions, particularly at a research institution. Research institutions often come under criticism for their relative commitment to teaching. If this is as it looks then they have a serious problem and perhaps they need to put more of their resources into the whole teaching side of the faculty responsibility.

Regent Hatch stated that it may be a function of size. The smaller the size of the institution the more it is going to cost to find a replacement in a particular field.

Regent Tyrrell said they may be looking at "apples and oranges". It may be that University of Northern Iowa had some exceptional opportunities of longer duration that maybe next year the University of Iowa or Iowa State University will have. The Regents have not looked at the individual opportunities. It may be that some of the opportunities were exceptional and/or of longer duration. Therefore, he cautioned that before the Regents get too bogged down in a debate about this they should consider that, as well.

President Pomerantz stated that the whole area of faculty workload is something the Regents have great interest in. This is just one small piece of it. During the next 12 months he said they will see significant response to

the issue. It is topical, national and local, as well. They need to give the campuses an opportunity to do their work and then report back.

Mr. Richey clarified that faculty members often have the option of one full semester with full pay or 2 semesters at one-half pay.

ACTION: President Pomerantz stated the Board received the report, by general consent.

FACULTY DEVELOPMENTAL ASSIGNMENTS FOR 1992-93. The Board Office recommended the Board approve the faculty improvement leaves for the University of Iowa for the 1992-93 academic year.

University of Iowa officials requested 121 faculty development leaves for the 1992-93 academic year.

The projected replacement cost for the faculty members on leave is \$220,000, an average of \$1,818 for each faculty member. The University of Iowa has the lowest estimated average cost per faculty member because of the availability of graduate students, the ability of other faculty to absorb some of the responsibilities, and the practice of awarding one semester leaves.

Seventy-six percent of the recommended leaves are for male faculty members and 24 percent are for women faculty members. The percentages are unchanged from the previous request. Twenty-four percent is the highest percentage of women to be included in the requests.

ACTION: President Pomerantz stated the Board approved the faculty improvement leaves for the University of Iowa for the 1992-93 academic year, by general consent.

POST-AUDIT REPORT - MFA DEGREE PROGRAM IN DANCE. The Board Office recommended the Board refer this matter to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The University of Iowa has completed a post-audit report on the MFA Degree Program in Dance five years after the program was initially approved by the Board of Regents. The program appears to have met the objectives established for the program at the time that it was initially approved.

ACTION: This item was referred by consent.

NAME BUILDING - IOWA ADVANCED TECHNOLOGY LABORATORIES. The Board Office recommended the Board approve the name of Iowa Advanced Technology Laboratories for the building now being completed to house the laser and other technology development research activities at the University of Iowa.

The name selected was intended to be descriptive of the focused research to be carried out by the faculty and staff assigned to the building.

MOTION: Regent Fitzgibbon moved to approve the name of Iowa Advanced Technology Laboratories for the building now being completed to house the laser and other technology development research activities at the University of Iowa. Regent Williams seconded the motion, and it carried unanimously.

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

PROJECT DESCRIPTIONS AND BUDGETS

University officials submitted four new projects for approval by the Board. These projects were included in the university's quarterly report of anticipated capital projects.

University Hospitals and Clinics--Development of a Surgical Intensive Care Unit in the John Pappajohn Pavilion \$5,552,065
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$4,569,600
Contingency	456,960
Architectural/Engineering Support	297,025
Planning and Supervision	<u>228,480</u>
TOTAL	\$5,552,065

University officials requested approval of a project description and budget for the development of an expanded Surgical Intensive Care Unit in previously shelled-in space on the fifth level of the John Pappajohn Pavilion.

This project is necessary to meet the critical need of the Surgical Intensive Care Unit for additional beds and to provide an adequate level of support space for families, visitors, physicians and staff. A major benefit of the project is the opportunity to subsequently convert the present Surgical Intensive Care Unit on the fifth level of the Carver Pavilion into a Medical Intensive Care Unit. The current Medical Intensive Care Unit is located in outmoded, non-conforming and spatially deficient facilities in the 1926-vintage General Hospital. The Medical Intensive Care Unit is located in the last remaining original open-bed ward and is currently the most deficient patient care unit of University Hospitals.

This project involves the finishing of approximately 31,000 square feet of shelled-in space located on the fifth level of the Pappajohn Pavilion. It involves development of a 36- to 38-bed Surgical Intensive Care Unit as well as patient support facilities for Nursing, Pharmacy and Respiratory Therapy. The project also includes waiting and consultation areas and restrooms for families and visitors, on-call rooms, conference facilities, and offices for resident, fellow and staff physicians, nursing and other support staff. The estimated cost per square foot to finish this space ranges between \$47 and \$168, depending on the type of space to be developed. The total project construction cost is estimated to average approximately \$145 per square foot, which is comparable to similar recent projects at University Hospitals and elsewhere.

University officials also requested approval to enter into a negotiated agreement with Hansen Lind Meyer of Iowa City, Iowa, to provide design services on this project. This firm was recommended by the university Architectural Selection Committee.

John Staley and Dr. Peter Jebesen made a presentation to the Board on the request for approval of the budget, program statement and architect agreement for development of a new surgical intensive care unit.

MOTION:

Regent Berenstein moved to approve the University Hospitals and Clinics--Development of a Surgical Intensive Care Unit in the John Pappajohn Pavilion project, as presented. Regent Williams seconded the motion, and it carried unanimously.

West Campus Chilled Water Plant Expansion

\$4,397,185

Source of Funds: Requested State Capital Support and
University Sources to be Identified

Preliminary Budget

Design, Inspection and Administration	\$ 527,662
Construction	3,517,749
Contingencies	<u>351,774</u>

TOTAL \$4,397,185

University officials received Board approval in September 1991 of a planning project to determine the chilled water needs of the university's west campus, including the University of Iowa Hospitals and Clinics. The planning was now completed and the results showed that the West Campus Chilled Water Plant needs to supply an additional 6,000 tons of chilled water. The plan shows this need to occur beginning in 1993 and to continue to grow to the maximum level by the mid- or late-1990s.

University officials requested approval to enter into a negotiated agreement with Stanley Consultants of Muscatine, Iowa, to provide design services on this project. Stanley Consultants has provided the design on all other portions of the West Campus Chilled Water Plant. The firm has in-depth knowledge of the existing chilled water systems including piping, equipment and structure which would permit the firm to proceed immediately with the design process.

University Hospitals and Clinics--Neurology Clinic Expansion and Renovation \$356,455

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 289,800
Contingency	28,980
Architectural/Engineering Support	23,185
Planning and Supervision	<u>14,490</u>
TOTAL	\$ 356,455

This project involves the renovation of approximately 2,800 square feet of space in the Department of Neurology Clinic and former Adult Psychiatry Clinic, both of which are located on the second level of the Carver Pavilion. The project is required to permit the former Adult Psychiatry Clinic to be used by the Department of Neurology for additional ambulatory care clinic and departmental support functions. In addition, the existing Neurology Clinic waiting room, reception and scheduling office, and nurse station/office will be renovated, and a patient testing room will be developed.

Daum Residence Hall--Window Replacement \$287,750

Source of Funds: Dormitory Improvement Reserves

Preliminary Budget

Design, Inspection and Administration	\$ 17,950
Construction	245,300
Contingencies	<u>24,500</u>
TOTAL	\$ 287,750

This project will provide for the replacement of 197 windows in Daum Residence Hall. The replacement windows will have aluminum frames and will be equipped with screens and insulating glass. Individual window air conditioners will also be installed in each window as part of this project.

University officials presented a revised budget on the following project.

University Hospitals and Clinics--Frozen Section Laboratory Development

Original Budget \$472,440
Revised Budget \$640,382

	<u>Project Budget</u>	
	Original Budget March 1991	Revised Budget Feb. 1992
Construction	\$ 388,840	\$ 544,343
Contingency	38,885	54,434
Architectural and Engineering	25,275	25,275
Planning and Supervision	<u>19,440</u>	<u>16,330</u>
 TOTAL	 \$ 472,440 -----	 \$ 640,382 -----

University officials requested approval of a revised budget in the amount of \$640,382 to allow award of the construction contract. Six bids were received for this project, all of which exceeded the project budget by at least 15 percent.

* * * * *

University officials reported six new projects with budgets of less than \$250,000 which were included in the university's quarterly report of anticipated capital projects. 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--Ambulatory Surgery Center \$53,600
Sixth Operating Room
Hansen Lind Meyer, Inc., Iowa City, Iowa

This project involves the conversion of a surgical equipment storage area into a sixth Ambulatory Surgery Center Operating Room. This includes upgrading of the HVAC, electrical and mechanical systems, as well as providing sterile and service corridors to accommodate the additional operating room and other required support facilities.

University officials requested approval of an agreement with Hansen Lind Meyer to provide design services for this project. The agreement provides for a fixed fee of \$53,600, including reimbursables.

University Hospitals and Clinics--Pappajohn Pavilion Atrium and Exit Corridor Completion \$43,400
Hansen Lind Meyer, Inc., Iowa City, Iowa

This project involves finishing approximately 4,100 square feet of space on the fifth level of the John Pappajohn Pavilion along with completion of the John Pappajohn Pavilion central atrium. The project is required to permit code-required fire exits and to accommodate patient, visitor and staff access to clinical functions on the fifth level as they are developed in a phased fashion. Interior finishes will also be installed in the atrium space on levels five and six.

University officials requested approval of an agreement with Hansen Lind Meyer to provide design services on this project. The agreement provides for a fixed fee of \$43,400, including reimbursables.

Bowen Science Building--Replace Roof \$28,500
Howard R. Green Company, Cedar Rapids, Iowa

This project involves re-roofing approximately 70,000 square feet at the Bowen Science Building. University officials requested approval of an agreement with Howard R. Green Company to provide engineering design services for this project. The agreement provides for a fee of \$28,500, including reimbursables.

Amendments:

University Hospitals and Clinics--A Clinical Cancer Center and Topping Out of the John Pappajohn Pavilion \$37,310
Hansen Lind Meyer, Inc., Iowa City, Iowa

University officials requested approval of Amendment #2 to the agreement with Hansen Lind Meyer in the amount of \$37,310. The amendment is required for additional design services for additive scope alternates which include ramp skywalk connections, front entry specialty treatment, and environmental HVAC controls.

Amendment No. 2 will not result in an increase in the total project budget.

University Hospitals and Clinics--A Clinical Cancer Center and Topping Out of the John Pappajohn Pavilion \$11,599
Hansen Lind Meyer, Iowa City, Iowa

University Hospitals and Clinics--Furnishings for the Operating Room Suite and Support Facilities Replacement \$7,000
Hansen Lind Meyer, Inc., Iowa City, Iowa

University Hospitals and Clinics--Overhead Pedestrian Link--Pappajohn Pavilion to Hospital Parking Ramp #2 \$800
Shive-Hattery Engineers and Architects, Inc., Iowa City, Iowa

Library--Interactive Information Learning Center \$290.02
Design Engineers, P.C., Cedar Rapids, Iowa

CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Frozen Section Laboratory Development \$544,343
McComas-Lacina Construction Company, Inc., Iowa City, Iowa

Six bids were received for this project, all of which exceeded the project budget by at least 15 percent. University officials requested approval of a revised budget in this capital register to allow award of the construction contract to the low bidder. University officials requested approval of the following contract award:

Award to: McComas-Lacina Construction Company, Inc.,
Iowa City, Iowa

Base Bid of \$523,532, plus Alt. #1 of \$20,811 -

TOTAL AWARD OF: \$544,343 (6 bids received)

Library--Interactive Information Learning Center \$274,500
Award to: Unzeitig Construction Company, Cedar Rapids, Iowa
(9 bids received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Operating Room Suite and Support Facilities Replacement Project Deduct \$235,717
M. A. Mortenson Company, Minneapolis, MN

This change order involves the deletion of \$235,717 for equipment as well as construction of fixed medical gas/utility columns which were included in the original agreement. It was concluded by surgeons, anesthesiologists and nurses that a movable gas column would provide much greater flexibility in arranging operating rooms for various surgical procedures. It would also provide the capability for attaching monitoring and other equipment directly on the columns, thereby saving floor space and reducing the potential for gas and power cords to limit movement around the surgical table.

University Hospitals and Clinics--CSS and Processed Stores Relocation Deduct \$40,025
M. A. Mortenson Company, Minneapolis, MN

This change order is the result of providing chrome shelving finish in lieu of solid stainless steel. The chrome finish provides an aseptic finish equivalent to stainless steel.

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

West Campus Chilled Water Plant--Modifications for the Isolation of Chilled Water Storage
AAA Mechanical Contractors, Inc., Coralville, Iowa

University Hospitals and Clinics--Ophthalmology Minor Surgery Nurse Station and Support Rooms Relocation
Mid-America Construction Company of Iowa, Iowa City, Iowa

FINAL REPORTS

Install Fire Alarm Systems--Various Buildings \$564,345.30

Engineering Research Facility--Simulator Addition \$517,798.46

MOTION: Regent Williams moved to approve the university's Capital Register, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

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

With THOMAS R. ALBERHASKY for the university's use of approximately 7,000 square feet of warehouse space located at 850 South Capitol Street, Iowa City, Iowa, for a one-year period commencing March 1, 1992, through February 28, 1993, at a rate of \$2,450 per month;

With HPM Investments, Inc., for the university's use of approximately 465 square feet of office space in the Park Fair Mall, 100 East Euclid Avenue, Des Moines, Iowa, for a 31-month period commencing March 1, 1992, through September 30, 1994, at a rate of \$302.25 per month;

With TOM WILLIAMS for his use of 213.5 acres of farm land on the Hawkeye Area Farm for one year commencing March 1, 1992, through February 28, 1993, at an annual rate of \$17,818 (an average of \$83.46 per acre);

With SCOTT OGDEN for his use of 139.6 acres of land located on the Oakdale Farm for one year commencing March 1, 1992, through February 28, 1993, at an annual rate of \$4,902 (an average of \$35.11 per acre);

With CHAPIUS FARMS, LTD., for Richard Chapius' use of approximately 80 acres of farm land located on the Johnston Farm for one year commencing March 1, 1992, through February 28, 1993, at an annual rate of \$6,700 (an average of \$86.34 per crop acre);

With MCI TELECOMMUNICATIONS CORPORATION for its use of approximately 333 square feet of space located in the University of Iowa Water Treatment Plant on the University of Iowa campus, for a three-year period commencing March 1, 1992, through February 28, 1995, at a rate of \$300 per month;

With the QUAD CITIES GRADUATE CENTER for the university's use of 87 square feet of office space located in Room 153A of Sorenson Hall on the Augustana College campus in Rock Island, Illinois, for a six-month period commencing March 1, 1992, through August 31, 1992, at a rate of \$400.20 for the six-month period, \$66.70 per month;

With the POLICE LAW INSTITUTE for its use of 1,519 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus, for a six-month period commencing March 1, 1992, through August 31, 1992, at a rate of \$759.50 per month;

MOTION:

Regent Fitzgibbon moved to approve leases, as presented. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.

NAY: None.

ABSENT: Berenstein.

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 19 and Thursday, February 20, 1992.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended that the Board ratify personnel transactions, as follows:

Register of Personnel Changes for January 1992 which included early retirement approvals as follows:

ARTHUR K. BONNICKSEN, Seed Processing Technician III, retiring June 30, 1992;

BERNARD C. GERSTEIN, Professor of Chemistry, retiring May 20, 1992;

FERN M. CARLSON, Assistant to the Dean of Engineering, retiring April 1, 1992;

TRACY L. CLARK, Professor of Veterinary Clinical Sciences, retiring June 30, 1992;

THOMAS A. HOERNER, Professor of Agricultural and Biosystems Engineering and Agricultural Education and Studies, retiring May 20, 1992;

JOSEPHINE L. ROSAUER, Assistant Professor of Human Development and Family Studies, retiring May 20, 1992;

THOMAS M. SCOTT, Associate Professor of Electrical Engineering, retiring May 20, 1992;

CHARLES L. SAMUELS, Affirmative Action Officer, retiring April 20, 1992;

MELVIN J. TSCHETTER, Assistant Metallurgist II, Ames Laboratory, retiring January 24, 1992;

BIDDIE C. HANSON, Supervisor Plant Service for Printing Service, retiring June 30, 1992;

LOUIS A. KOENEKE, Manager of Stores and Transportation, Ames Laboratory, retiring June 20, 1992;

KENNETH L. MALABY, Assistant Chemist, Ames Laboratory, retiring June 30, 1992;

ARTHUR R. ANDERSON, Assistant Scientist II, Veterinary Physiology and Pharmacology, retiring June 30, 1992;

JOHN R. BOWER, Professor of Anthropology, retiring May 20, 1992;

ROBERT P. STAGGS, Associate Health Physicist, retiring June 30, 1992;

DALE M. KNUTSON, Budget Director, Ames Laboratory, retiring June 30, 1992;

BERNARD J. BEAUDRY, Senior Metallurgist, Ames Laboratory, retiring June 30, 1992;

BEVERLY A. OWINGS, Storekeeper II, retiring June 20, 1992; and

For the Board's information, the Register contained the retirement of Joyce Van Pilsum, Assistant to the President, effective January 17, 1992.

President Jischke called the Board's attention to the fact that Charles Samuels will be retiring. Mr. Samuels has served more than 2 decades as the Iowa State University Affirmative Action Officer. He has worked long and hard to help the university make progress in the area of affirmative action.

MOTION: Regent Hatch moved to ratify personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

APPROVAL OF FACULTY IMPROVEMENT LEAVES. The Board Office recommended the Board approve the faculty improvement leaves for Iowa State University for the 1992-93 academic year.

Iowa State University officials requested 39 faculty improvement leaves for the 1992-93 academic year.

The estimated replacement cost for faculty members on faculty improvement leaves is approximately \$228,094, an average of \$5,848 per faculty member. Iowa State University's estimated average replacement cost is comparable to the University of Northern Iowa's and is higher than the University of Iowa's. The higher average replacement costs appear to be related to Iowa State's granting of longer leaves to faculty members and having fewer graduate teaching assistants available to call on for replacements.

Ninety percent of the leaves recommended this year are for male faculty members and 10 percent for women faculty members.

ACTION: President Pomerantz stated the Board approved the faculty improvement leaves for Iowa State

University for the 1992-93 academic year, by general consent.

ACCEPTANCE OF FACULTY IMPROVEMENT LEAVE REPORTS. The Board Office recommended the Board receive the report on faculty improvement leaves at Iowa State University during the 1990-91 academic year.

A total of 49 faculty members were on faculty improvement leaves at Iowa State University during 1990-91.

The actual average replacement cost of the leaves was \$5,287 per faculty member, less than what had been projected, \$6,209 per faculty member. The total cost of \$259,111 to pay for replacement for persons on leave during 1990-91 is 33 percent lower than the 1989-90 cost of \$387,171.

ACTION: President Pomerantz stated the Board received the report on faculty improvement leaves at Iowa State University during the 1990-91 academic year, 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 submitted two new projects for approval by the Board. These projects were included in the university's quarterly report of anticipated capital projects.

<u>1992 Institutional Roads--South Fourth Street Reconstruction</u>	<u>\$400,000</u>
Source of Funds: 1992 Institutional Roads Funds	\$200,000
1993 Institutional Roads Funds	\$200,000

The Institutional Roads portion of South Fourth Street, between Elwood Drive and Beach Avenue, is rapidly deteriorating due to decracking aggregate which is causing the pavement to crack and turn to gravel. The proposed reconstruction project includes the installation of a subdrain system, pavement drainage improvements, and reconstruction of the 0.37 miles of roadway.

The portion of Elwood Drive adjacent to South Fourth Street is experiencing a similar problem. This portion of roadway is under the jurisdiction of the City of Ames. Due to the adjacency of the projects, the City of Ames and the university wish to cooperate on the reconstruction of both roadways. This project is scheduled for engineering and Phase I construction during the summer of 1992. Phase II construction is scheduled for the summer of 1993 in accordance with the Institutional Roads program approved in July 1991.

Design and construction administration services will be performed by the City of Ames. Construction will be contracted.

Campanile Renovation

\$350,000

Source of Funds: ISU Foundation

Preliminary Budget

Contracts	\$ 250,000
Design Services	52,750
Construction Administration	7,978
University Services	1,000
Miscellaneous	2,000
Landscaping	5,000
Project Reserve	<u>31,272</u>
TOTAL	\$ 350,000

For 90 years the Campanile, which houses the Stanton Memorial Carillon, has stood on the central campus of the university. The Campanile presents both a striking visible and audible impact and is a significant symbol of the university.

Over its life the Campanile has had minimal maintenance. The last work performed on the exterior masonry occurred in the early 1970s. Although the structure appears to be in fairly good condition, closer examination has revealed severe deterioration of the masonry walls and terra cotta trim. Water penetration through the leaking roof and walls has damaged mortar joints in the brickwork to the point that many near the top of the building are completely gone.

The university has performed several studies over the last ten years in order to monitor the deterioration and determine the cost of repair. The structure has needed tuck pointing and roof repair for several years, but the university's limited maintenance funds have been allocated to buildings more central to the university's mission and have not been available for major work on the Campanile.

In addition to the work on the Campanile structure, there is a substantial amount of renovation work required on the carillon. The Stanton Memorial Carillon Foundation has traditionally been responsible for maintenance of the musical instrument. The limited funds available have allowed minor maintenance but have not been sufficient to complete the major work such as rehanging the bells and renovating the playing mechanism.

The university's current capital campaign, Partners in Prominence, has identified the Campanile and the Stanton Memorial Carillon as a possible project for which donations can be designated. The campaign has progressed

well and the university is now ready to begin a project for renovation of the Campanile and carillon.

This project will provide for the repair of the exterior envelope of the building (tuck pointing and roof repair), the repair or replacement of the clockworks, improvements to the playing cabin, and restoration and upgrading of the carillon.

University officials reported one new project with a budget of less than \$250,000 which was included in the university's quarterly report of anticipated capital projects. The title, source of funds and estimated budget for the project was listed in the register prepared by the university.

ARCHITECT/ENGINEER AGREEMENTS

Utilities--City of Ames Tie Line \$12,980
Kirkham, Michael and Associates, Urbandale, Iowa

This project will locate an electrical substation in a portion of an existing campus parking lot. This will necessitate modifications to the parking lot to replace the spaces lost to the substation. University officials requested approval of an agreement with Kirkham, Michael and Associates for design and project coordination services required for these modifications. The agreement provides for a fixed fee of \$12,980, including reimbursables.

Campanile Renovation--Feasibility Study \$7,750
Rietz Engineering Consultants, Ames, Iowa

University officials requested approval of an engineering agreement with Rietz Engineering Consultants to conduct a feasibility study for the Campanile Renovation project. The study will determine the detailed scope and cost estimate of the building repairs.

CONSTRUCTION CONTRACTS

Applied Sciences Center I--Renovation of Microelectronics \$160,780
Research Center
Award to: Harold Pike Construction Company, Inc., Ames, Iowa
(5 bids received)

Utilities--Increased Chilled Water Capacity--Phase I-- \$70,250
Mechanical Package No. 4
Award to: Proctor Mechanical Corporation, Des Moines, Iowa
(4 bids received)

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Varsity Track Resurfacing \$233,900
Award to: Balsam Corporation, St. Louis, MO
(3 bids received)

Utilities--Increased Chilled Water Capacity--Phase I--
Mechanical Package No. 5 \$68,630
Award to: Cunningham, Inc., Oskaloosa, Iowa
(2 bids received)

Utilities--Increased Chilled Water Capacity--Phase I--
Mechanical Package No. 6 \$29,800
Award to: Manning-Seivert Mechanical Contractors, Inc., Granger, Iowa
(3 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Fire Safety Improvements--FY 1991--College of Veterinary Medicine
Midwest Automatic Fire Sprinkler Company, Des Moines, Iowa

Fire Safety Improvements--FY 1991--Davidson Hall and Agriculture Engineering
Machine Shed
Woodruff-Evans Construction, Inc., Fort Dodge, Iowa

Molecular Biology Building--Bid Package No. 93A
HiMEC, Inc., Rochester, MN

FINAL REPORTS

Utilities--Replace Steam Generators No. 1 and 2 \$30,245,592.77

MOTION: Regent Tyrrell moved to approve the Register of Capital Improvement Business Transactions for Iowa State University. Regent Furgerson seconded the motion, and it carried unanimously.

APPROVAL OF LEASES. The Board Office recommended the Board approve leases, as follows:

With ROBERT FINCH for his use of approximately 105.9 acres of university farm land located in Story County, Iowa, for three years commencing upon notification of award to the operator through March 1, 1995, at an annual rate of \$12,972.75 (an average of \$122.50 per acre);

With DENNIS LYNCH for his use of approximately 72.1 acres of university farm land located in Story County, Iowa, for three years commencing upon

notification of award to the operator through March 1, 1995, at an annual rate of \$8,478.96 (an average of \$117.60 per acre);

With ADAPTECH for its use of 100 square feet of business incubator space in the Iowa State Innovation System, for a three-month period commencing January 1, 1992, through March 31, 1992, at a rate of \$100 per month;

With CIMTECHNOLOGIES CORPORATION for its use of 165 square feet of business incubator space in the Iowa State Innovation System, for a three-month period commencing December 7, 1991, through March 6, 1992, at a rate of \$250 per month;

With IMPEX INTERNATIONAL for its use of 250 square feet of business incubator space in the Iowa State Innovation System, for a three-month period commencing January 1, 1992, through March 31, 1992, at a rate of \$225 per month;

With LASER SCIENCE COMPANY for its use of 165 square feet of business incubator space in the Iowa State Innovation System, for a three-month period commencing December 1, 1991, through February 29, 1992, at a rate of \$230 per month;

With UNIVERSITY SYSTEMS TECHNOLOGY, INC., for its use of 514 square feet of business incubator space in the Iowa State Innovation System, for a six-month period commencing January 1, 1992, through June 30, 1992, at a rate of \$425 per month.

MOTION:

Regent Fitzgibbon moved to approve leases, as presented. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.

NAY: None.

ABSENT: Berenstein.

ISU BROADCASTING REVIEW AND REASSESSMENT. The Board Office recommended the Board (1) Authorize Iowa State University through ISU Equities Corporation to execute the Letter of Intent with the Iowa Television Group for the sale of WOI-TV and to prepare a Definitive Agreement consistent with the Letter of Intent, and complete the necessary agreements to consummate the closing of the sale of WOI-TV, (2) Direct Iowa State University through the ISU Equities Corporation to establish a trust fund creating an endowment for the benefit of Iowa State University utilizing the proceeds from the sale of WOI-TV, and (3) Receive the report.

In September of last year the Board of Regents directed Iowa State University through the Iowa State University Equities Corporation to invite proposals for

the purchase of the station and to submit in February of 1992 the best proposal received for consideration by the Board.

The Board directed Iowa State University through the ISU Equities Corporation to establish a trust fund creating an endowment with the proceeds from any sale for certain specified programs and university strategic planning initiatives.

The report to the Board in September noted continued concern about the financial performance of the television station noting that cash flow was less than projected and that the profit margin is significantly below the average of network-affiliate stations in similar markets.

The Board in September noted that privatization is an issue of increasing public concern and that university ownership of the station will continue to be questioned.

Iowa State University officials solicited bids with a deadline of February 2, 1992, for receipt of offers. The best bid was identified by the broker and negotiations began between the university, assisted by counsel, and by the broker, and the group making the best bid.

The Iowa State University administration recommended the sale of WOI-TV to the Iowa Television Group, Inc., for \$14 million.

The recommendation was based on two appraisals of WOI-TV:

Bortz and Company	\$13.5 - \$15.5 million
Kagan Media Appraisals, Inc.	\$12.3 million

The calculated present value of continued operation of WOI-TV is \$12.2 million.

The value of the best offer (by Iowa Television Group, Inc.) is \$14.0 million. The offer consists of the cash sale of \$12.5 million plus retention of \$1.5 million in accounts receivable, \$4.0 million in cash, ten-year promissory note of \$8.5 million bearing interest at no less than 9 percent with principal payable at the end of 10 years, university retention of ownership of the building housing the television and radio station operations, university retention of the transmitting facilities for FM radios, the university to have the advantage of continuation of a variety of cooperative educational arrangements with the station, and the purchase price is above the market value of recent sales of stations in "comparably-sized markets."

Collateral and assurances for the \$8.5 million note:

All of voting stock of the corporate general partner of buyer (no less than 60 percent of the equity interest of buyer) until the note is paid in full.

Buyer grants seller first and only security interest in all of buyer's broadcasting licenses and the ABC network affiliation contract . . .

Seller granted no less than a secondary interest in buyer's interest assets as defined in the letter of intent and in "all of buyer's after acquired assets,..."

Limits on management fees and on cash distributions to buyer's limited partnership interests.

Buyer's limited partners will not receive any return of their capital contributions to buyer until the promissory note is paid in full.

Broker's commissions as well as closing costs and other costs would be paid by Iowa State University Equities, Inc., and are estimated at \$500,000.

Competitive proposals to purchase WOI-TV are summarized:

	Present Value of Cash Flows (Millions)	Purchase Price (Millions)
Group A (Iowa Television Group)	\$13.5	\$14.0
Group B	\$13.3	\$13.75
Group C	\$11.2	\$13.5
Group D	\$11.9	\$13.0
Group E	\$ 8.3	\$ 9.0*
Group F	\$11.4	\$12.0

*Net after allowing \$2 million for move as required by buyer.

Through ISU Equities, Iowa State University will retain all proceeds and earnings from the sale.

The proceeds of the down payment and the retention of accounts payable, \$5.5 million, would be utilized as follows:

Biotechnology Endowment	\$2,500,000
Electronic and Media Endowment	\$1,000,000
Scholarship Endowment	<u>\$1,500,000</u>
TOTAL	\$5,000,000

The annual income from interest on the \$8.5 million promissory note would be utilized as follows:

Increase Endowment	\$ 320,000
Center for Teaching Excellence	\$ 100,000
Distant Learning and Technology Transfer	\$ <u>345,000</u>
TOTAL	\$ 765,000

The Board Office identified the following advantages of the proposed sale:

Proposed sale price is within appraised values and is substantially higher than the calculated present value of the station if retained.

The liquidity of converting the asset to cash and notes greatly improves the position of the endowment of the university for very high priority programs.

The issue of university ownership of a commercial television station will be laid to rest.

The Board and Iowa State University have assurances at this time from the Governor and legislative leaders that the proceeds of the sale will be retained by Iowa State University.

President Pomerantz stated, for the record, that he would not participate in this docket item and that he would ask Regent Furgerson to chair the meeting during discussion of this docket item. He would not participate in the discussion of the item and he would not vote. He stated that this subject was first discussed by the Board of Regents in 1985 before his tenure on the Board. He said he did not create the subject. The Minutes of previous meetings will reflect his position as chair of the Board of Regents regarding the subject of the Board in its entirety. He stands by those Minutes and is not going to change any view that is on the record.

Regent Furgerson assumed the chair. Chairwoman Furgerson asked that the Regents hold their comments until after the presentations. She recognized Executive Director Richey for his presentation.

Mr. Richey provided background on the consideration of this issue by the Board of Regents. He stated that more than 20 years ago the Board of Regents received an offer to purchase WOI-TV. The offer was substantial. The Board decided, at the strong recommendation of Iowa State University, that it not consider sale of the station. In mid-1985 the Board of Regents again turned its attention to the issue of WOI-TV. Until that time the station was working essentially on a break-even basis with no profit to the rest of the university, despite the fact that it was a commercial television station. The Board, in December 1985, directed Iowa State University to begin a study regarding the advantages and disadvantages of selling WOI-TV including an appraisal of the station.

The study plan was approved a couple months later by the Board. The study was to be completed in the summer of 1986. In December of 1986 the Board received the report and adopted the recommendations that WOI-TV not be sold at that time; that the station be spun off into a non-profit corporation to give it flexibility to operate in the mode of a commercial television station; and, to give it an opportunity to reach an acceptable profit level. It directed that more of the earnings of WOI-TV be directed toward research and agricultural biotechnology, that the station be re-evaluated in 3 years, and "if satisfactory financial management cannot be demonstrated under public ownership then the station could be sold". Mr. Richey said the Board further stated that it would review progress annually toward those profits goals. When the Board received the report on WOI-TV in December of 1986, it was estimated by the consultant employed by Iowa State University at that time that the value of WOI-TV was \$25 million if sold to an outside investor and \$20 million if kept by the university. The prediction by the consultant was that in 3 years the station could be worth \$30 million.

In April of 1987, before the terms commenced of any Regents now on the Board, the Board of Regents approved the reorganization of WOI-TV and to put it on the above-referenced program for the 3-year trial operation. The Board created affiliated organizations for the management and operation of WOI-TV in December 1986. Annual reports were received in 1988 and 1989. The annual report for 1990 was deferred until 1991 because of the transition in administration at Iowa State University. In August 1991 the Board of Regents requested that Iowa State University come forward with that report, which it did in September. The station had been given four full years to show what it could do under the reorganized management and structure.

At the September 1991 meeting the Board members expressed significant concerns about the financial performance of WOI-TV. Improvements in the cash flow of the station was less than one-half of what was projected. Projections were for 10.3 percent growth per annum but the station realized less than 5 percent growth. The new consultants that had been employed in 1991 by Iowa State University stated that the profitability of the station continued to be significantly below the average of network affiliate stations in similar markets. The Board directed last fall that Iowa State University assess the issue of continued ownership, get a second valuation of WOI-TV in terms of its market value, and invite proposals for the station's purchase. The Board also directed that a trust fund be created to utilize any proceeds from the sale of the station for the use and benefit of programs at Iowa State University. At the same time the Board recognized the increasing and more pressing issue relating to privatization of functions that were carried out by many state agencies. It directed Iowa State University to submit a report and best offer in February of 1992.

Mr. Richey stated that Iowa State University officials now brought that report to the Board with a recommendation that it be sold to the highest and best bidder, the Iowa Television Group. In his review of the proposal brought

forth by Iowa State University, Mr. Richey utilized the resources of Mr. Harry Slife, long-time president of Hawkeye Broadcast Corporation of Waterloo, and who was three years chair of the Iowa State University Broadcasting Corporation which operates WOI-TV. He stated that Mr. Slife made at least two presentations to the Board of Regents during his tenure. Mr. Slife, after reviewing the proposal at Mr. Richey's request, stated that the offer presented for WOI-TV was a very attractive one and that it was his conclusion that the Board of Regents and Iowa State University should proceed to sell WOI-TV.

Chairwoman Furgerson recognized President Jischke.

President Jischke stated that the report of the consultant, Bortz and Company of Denver, was waiting for him in June 1991 when he arrived at Iowa State University. University officials took a couple of months to review the report on campus and then reported to the Board of Regents in September. That report concluded that the station was not performing comparably with stations of similar size in similar markets. The report included a valuation which, until this meeting, had not been released. The valuation of the consultant ranged from \$13.5 million to \$15.5 million. Based on that valuation, Iowa State University officials reported to the Board that the university would have more funds to invest in its academic programs were it to sell the station at those values and use the income from an endowment created by the proceeds.

The Board in September authorized and directed Iowa State University officials to 1) engage a broker, 2) solicit through the broker bona fide offers for the purchase of the station, 3) to obtain a second valuation, and 4) return to this February meeting with the best offer received. President Jischke stated that university officials had done all of those things. They obtained a second valuation from Kagan Associates of California. Their estimate, which was valid near the end of 1991, was that the station was worth \$12.3 million. Iowa State University officials retained the services of Mr. Ted Hepburn of Hepburn and Associates, as well as Sandler Media Company, to act as brokers to assist university officials in soliciting offers. The brokers evaluated 60 to 65 potential buyers. All prospective buyers dealt only through the brokers in order to ensure that the playing field in this bidding was as level as possible. He stated that all prospective purchasers were treated the same and all were treated fairly.

President Jischke said that during the beginning of February the six offers received were presented by the broker to the university. The offers ranged from something less than \$8.3 million to approximately \$14 million. The best offer was identified by the broker as being that of the Iowa Television Group whose president is Des Moines lawyer David Belin. He said the university carried out an independent analysis of the offers and came to the same conclusion. A Letter of Intent was negotiated with Iowa Television Group by representatives of the university and outside legal counsel. That legal counsel included Bruce Campbell of the Davis Hockenberg firm of Des Moines,

and Joel Levy of Cohn and Marks in Washington D.C., a firm specializing in communications.

Under the terms of the Letter of Intent presented for the Board's approval at this meeting, Iowa State University would be paid \$12.5 million for the station, including \$4 million at closing, and an additional \$8.5 million which would be financed by an interest-bearing note held by the university for 10 years. President Jischke said the note would pay between 9 percent and 10 percent depending on prime rate. The funds used for the \$4 million payment at closure would be funds contributed to the corporation by its shareholders and would not be borrowed funds. The university would retain a security interest in the station until the note is paid. Because the university would retain in this offer all cash and accounts receivable, the total value of the offer is approximately \$14 million, which he noted was quite consistent with the appraisals although somewhat high given the range of the appraisals. Also, he said the university would retain ownership of the satellite uplink station which is worth approximately \$750,000. The university would continue to use the transmitting facilities now used for the university's FM radio station. The buyers would cooperate in the continued operation of the uplink and downlink for educational and distant learning activities.

President Jischke said he believed the major advantage of accepting the offer is the benefits that would derive from the funds made available to the university's academic programs. It would be his recommendation that the initial proceeds from the sale be used for the following high priorities of the university. First, \$2.5 million would be used to match a portion of the biotechnology endowment which was established by the lottery in 1987. That would complete the university's obligations for matching that endowment. Second, university officials would set aside a \$1.5 million endowment for scholarships for high achieving students. Third, the university would establish a \$1 million endowment to support the university's electronic media and journalism programs for scholarships, equipment, program development and support. In addition, the Iowa Television Group has indicated its intent to work with Iowa State University to provide broadcasting internship opportunities for students.

It was President Jischke's view that the internships coupled with \$1 million endowment could enhance the university's academic programs in electronic media studies. In addition, the interest from the \$8.5 million note, which would be at least \$765,000 a year, would be used in high priority initiatives in the university's strategic plan including distant learning and technology transfer programs as well as the proposed Center for Teaching Excellence. Finally, the sale would provide badly-needed space for academic programs including journalism and electronic media studies. President Jischke asked Mr. Hepburn to comment on the bidding process and the reasons behind his recommendation that the Iowa Television Group had submitted the best bid.

Mr. Hepburn stated that he has been active in the field of media brokerage, television and radio station sales, since 1969. His firm was directed by the university to make an effort to keep the competition to as level as possible a playing field and to make sure that all of the offers were reviewed by the two firms, Sandler Media and Ted Hepburn Company. The firms worked with a multitude of people over a period of about 2-1/2 months. He said the media itself publicized the sale. Several stories were written in Broadcasting Magazine which is read by almost everyone in the industry. There was also a story in a Sunday edition of the New York Times. Therefore, he said the availability of the station had excellent exposure.

The brokers informed all prospective bidders they spoke with that there was a fairly tight time frame. The university was interested in determining the best bid by the end of the third week in January in order to negotiate an agreement that could be brought to the Board of Regents by today. Many prospective bidders did not want to get involved in the purchase because they did not know which direction the television business was going. The brokers developed relationships with people interested in media that they have known over the years. They were totally fair with each of them and supplied them with whatever information they needed. Everyone had access to the station. Bob Helmers was most cooperative in allowing everyone to go through the station. He even changed his schedule on a couple of occasions to accommodate people who were coming in from out of town. It was Mr. Hepburn's opinion that there was a totally level playing field and that everyone had the same opportunity.

Mr. Hepburn said the brokers recommended the offer of Iowa Television Group because it was the best offer in terms of total dollars to the university. It was their recommendation that any offer that would be less than all-cash would have the pledge of stock of the company buying the station. The license itself would be tied up because that is the major asset being sold. It was his opinion that the university's position in the proposed note was a very strong and secure position. The amount of cash up front was important. All prospects were told that in this environment it would take about 30 percent to 35 percent equity. In the Iowa Television Group's bid that amounted to about \$4 million down at the time of closing. The money will be raised by the investors, not borrowed. The brokers were assured that the contract would carry with it certain bank letters showing the ability of the group to close after the contract is signed.

It was Mr. Hepburn's recommendation that the Iowa Television Group offer be considered.

Vice President Madden stated that university officials concluded, independently of the brokers' evaluation, that the Iowa Television Group proposal was the best offer. University officials performed a present value analysis which seemed to be the best way to evaluate all of the proposals. Upon the decision that the Iowa Television Group proposal was the best

proposal for further analysis, university officials entered into negotiations with the Iowa Television Group's representative. Negotiators for Iowa State University included Mr. Madden, the two brokers, lawyers from the Davis law firm in Des Moines, and Cohn and Marks of Washington, who specialize in the broadcasting area. Additionally, Iowa State University officials worked with the independent auditing firm of Deloitte Haskins and Sells for some of the financial accounting work in this process. In negotiating the Letter of Intent, Iowa State University representatives tried to build in all of the safeguards that could reasonably be done in this environment. Safeguards included placing in escrow \$500,000 in a bank account of the university's choosing. At the time of closing the buyer would be obligated to provide \$4 million in cash. No assets of the station would be committed or pledged against any of those funds. The buyer would be obligated to produce a Letter of Credit indicating that those funds would be forthcoming at the time of closing. The buyers have indicated they have the resources identified to meet that obligation.

Vice President Madden stated that when this process started university officials were interested in all-cash proposals. He said it was clear in this environment and for this kind of business that some debt financing is necessary in order to maximize the total. Iowa Television Group proposed an \$8.5 million note. The interest would be payable in the range of 9 percent to 10 percent, tied to prime. University officials and others believe that is a very good interest rate in this financial climate. The note itself includes some call provisions. University officials have indicated they would have no objection to the note being paid at any time during this 10-year period because they are interested in managing the endowment program President Jischke described. He said there are certain safeguards and triggers in the agreement addressing sound management. For example, if cash flow of the station gets to \$2.5 million there are certain call provisions which would require a portion of the note to be paid. At the point that cash flow reached \$3 million/year the total value would be paid. He had every reason to believe that if the buyers are as successful as they have outlined in negotiations, and in looking at the track record of some of the individuals who are involved in the Iowa Television Group, that they will reach their objective before the end of the ten-year period.

Mr. Madden said the buyers will be pledging to the university all of the voting stock of the Iowa Television Group corporation while the note is outstanding. The broadcast license and the ABC network affiliation contract must remain unencumbered; therefore, the university will have access to that as long as the note is outstanding. He said the buyers have indicated a desire to upgrade equipment. The agreement provides some incentives for them to do that. They would need to be able to borrow funds for facility improvements, modifications, relocations and working capital of the station. The Letter of Intent indicates that in the definitive agreement, which would be the next document developed, the university would agree to that kind of financing. The university would only give up its interest to the extent

required by the financial institution. University officials would have to approve the financial institution. Negotiations have not been completed on the ranges of borrowing. The items involved would be the construction acquisition of facilities, new equipment and working capital. He expected the range of borrowing would be between \$1.5 million and \$6 million depending upon the buyer's decisions regarding facilities. University officials will negotiate and provide adequate protection in that regard. He assured the Regents that those assets would remain with the station and would be used for its development. The university would have to approve everything as this process moves along.

Mr. Madden stated that he believes the financial provisions are reasonable and maximize the amount of money the university receives. The total proposal is \$14 million. At the time of closing the university would receive \$5.5 million in cash -- \$4 million from the Iowa Television Group that would not be debt financed and \$1.5 million in cash and accounts receivable of the station. Those funds will be invested as President Jischke outlined. He said the remaining \$8.5 million note would be secured by the existing assets of the station. At the present time those are approximately \$4.5 million and consist of the existing broadcast equipment located in the facility in Ames and some equipment in the Des Moines studio location, the station's interest in the tower and transmitter site, computer equipment and the broadcast program rights. The university will retain the uplink and downlink equipment which is critical to the university's distant learning program and educational activities. That equipment is worth about \$750,000. The buyer will be permitted to use the equipment for its commercial applications and the university would have the rights for all of the educational activities.

Iowa State University officials believe the proposal is reasonable. Mr. Hepburn and others have indicated that in the worst case situation, that the buyer did run into financial trouble, the university should be able to remarket the television license and the ABC network affiliation contract at a price equal to or in excess of the \$8.5 million note. Mr. Madden stated that in some respects university officials believe that with the proposed arrangement, funding flows that could come from difficulties would perhaps be greater than funding flows today if the license can be remarketed at a higher value. No one knows what television licenses will be worth some years in the future. It is clear that television stations are worth less today than they were in the 1980s. He reiterated that university officials believe they have structured adequate protection into the Letter of Intent. The definitive agreement would contain all of the provisions he described. He believes the Iowa Television Group proposal is a sound, secure proposal that provides the best total return to the university commensurate with the reasonable acceptance of risk.

President Jischke stated that university officials had presented what they believed was the best offer as far as the economic advantages, the benefits to the university's academic programs, and the preservation of the

telecommunication facilities for the university's programs. University officials requested authorization to proceed, that a trust be established in which to invest the funds, and that the Board receive the report. He added that this was all predicated on the university retaining the proceeds of the sale. He has been personally assured by the Governor that this is an asset of Iowa State University, is a decision for the Board of Regents to make, and that the benefits of the sale would remain with the university.

Mr. Richey stated that the four-year effort to bring the station into a high degree of profitability analogous to similar commercial enterprises under different management has failed. Based on that four-year effort, it appears that the present structure would make it very difficult, if not impossible, for the station to be brought into the kind of earnings situation that the Board desires. The proposed sale is within the appraised values. The cash flow from the proceeds of the sale will be greater by 50 percent than the current cash flow of the television station. The cash flow advantage of selling the station at the offer proposed here is very advantageous.

With regard to President Jischke's comment about Iowa State University retaining the proceeds from the sale of WOI-TV, Mr. Richey emphasized that they have a "window" in which it is pretty well assured that the university will retain the proceeds. That window is not going to last forever. He then pointed out that the issue of university ownership, even indirectly through a subsidiary corporation, is a continuing problem. It was for those reasons that Mr. Richey recommended the sale as proposed by the university. With regard to the issue of whether the sale would have to be approved by the State Executive Council because of the transfer of ownership of the university's one-third interest in the tall tower, he said that if it were owned directly by the university it would require Executive Council approval. However, since it is owned by the affiliated corporation it may not require State Executive Council approval. He hoped to have legal counsel opinion on that issue by tomorrow.

MOTION:

Regent Williams moved to (1) authorize Iowa State University through ISU Equities Corporation to execute the Letter of Intent with the Iowa Television Group for the sale of WOI-TV and to prepare a Definitive Agreement consistent with the Letter of Intent, and complete the necessary agreements to consummate the closing of the sale of WOI-TV, (2) direct Iowa State University through the ISU Equities Corporation to establish a trust fund creating an endowment for the benefit of Iowa State University utilizing the proceeds from the sale of WOI-TV, and (3) receive the report. Regent Fitzgibbon seconded the motion.

Regent Berenstein stated that he received a telephone call from President Jischke last Monday and that he subsequently received a copy of the agreement. He has no personal "ax to grind". He stated that the argument about a conflict of interest between David Belin and Marvin Pomerantz is an insult to their integrity, intelligence and veracity. Every time he reads the accusation in the newspaper it makes him angry that it is even being raised as an issue.

Regent Berenstein then stated that he received a letter yesterday from a lawyer in Ames named Don Payor that reflected Regent Berenstein's thoughts. He read the letter which is summarized as follows: Mr. Payor is very concerned about the sale of WOI. He feels strongly that it should not be voted on at this Board of Regents meeting. There should not be any rush to make this decision. Another month will not be harmful in order to give the public a better chance to know more about the bids and the bidders. He hoped the Board of Regents would not make a quick decision on such an important matter. Once it is done it is too late to review or change anything.

Regent Berenstein said he respected Mr. Payor's opinion. He feels this matter should not be voted on at the February meeting in order to give the public opportunity for a better understanding. He hoped the Board of Regents would not make such a quick decision.

With regard to the performance of WOI-TV, Regent Berenstein said he also was unhappy with the performance of the station. Something has to be done. They cannot keep it in its present form. However, the climate in the state of Iowa is not conducive to loaning anyone \$8.5 million. As quasi-public officials, the Regents have an obligation to make sure that there is no risk in this transaction. For that reason, he said he could not vote for the motion. In a perfect world he would have asked for a personal guarantee from the buyers of the station.

Regent Berenstein said he had reviewed the security provisions carefully. The Regents do not have a first lien. He said it was stated by President Jischke and Vice President Madden that the payment by the buyer would not be used in a first lien situation; however, he did not see that stated in the agreement. It was said that the \$4,000,000 down payment would not be borrowed; however, he did not see where that was stated, either. If they do not have a first lien position and the company goes "belly up", the State of Iowa might be out the entire amount. He believes there are other alternatives available.

Bids were submitted on January 28, 1992. A recommendation was made on January 30 to prepare a Letter of Intent. Regent Berenstein stated that in checking the Minutes of the September meeting the Regents were supposed to receive the best bid not necessarily a Letter of Intent negotiated by counsel for Iowa State University and the buyer. They were supposed to receive the best bid and he was not sure what was the best bid. The station should be sold but he

did not believe the Regents had enough information to make this determination now. Regent Berenstein received the Letter of Intent at 4:00 p.m. Thursday. He has not determined this is the best proposal for the people of Iowa. He suggested they not authorize Iowa State University to execute this Letter of Intent. He also asked that the Board of Regents be given authority to hire its own independent counsel to evaluate the Letter of Intent if Iowa Television Group's proposal is determined to be the best bid. Independent counsel would make a determination both as to the economics and to the legalistics, and advise the Regents whether or not they should proceed.

Regent Berenstein noted that Iowa State University was represented by the Davis law firm. Since the Davis firm participated in the preparation of the Letter of Intent it cannot advise the Regents as to whether it is a fair agreement. As a representative with a fiduciary obligation to the people of Iowa, he hoped they would have the opportunity to receive independent evaluation of the proposal.

Regent Dorr said he echoed Regent Berenstein's sentiments. He, too, had no opposition to selling the station; however, in this time of ethics concerns, including the Iowa Trust issue, it is only prudent to take a little more than 5 days for evaluation relative to the Board's fiduciary obligation. He felt that was being responsible and prudent. There was no doubt in his mind that the best of intent of all the parties involved was exercised. However, he felt it would be prudent to take more than a week to make a decision to sell an asset valued between \$9 million and \$15 million. He knew of no Iowa farmer who would buy an 80-acre farm based on 5 days of analysis. He hoped the Board would consider postponing this decision at least until they have an opportunity for outside counsel to review this matter as outlined by Regent Berenstein.

Regent Fitzgibbon said he had the same period of time in which to look at the proposal as his colleagues. He said the Regents have decided to sell the station. How much it is worth is to be determined by someone else. University officials have gone through the steps to make that determination. He assumed that they had the right legal and accounting expertise to help develop the figures. From the standpoint of a credit, he said this credit, as presented, is a logical and good credit. He was amazed that they could get 30 percent down. The only way they could be assured of no risk at all is an entirely cash deal. What was proposed as a cash deal was around \$8 million to \$9 million, much less than what was presented by Iowa Television Group. He said it was unusual to be allowed to retain accounts receivable of \$1.5 million. There are many positive items negotiated in this proposal. He felt that university officials had done a tremendous job. He had to believe they had the right expertise. They arranged for some things that would not normally be found in this kind of deal including the continuation of use of certain facilities and the retention of some facilities. The important thing in this credit is that there is a loan of \$8.5 million that needs to be secured. He felt that was what the Regents should be interested in -- whether

they are comfortable with the security. The university does not lose its collateral value. The offer falls within the guidelines. It is an excellent credit. It is an exceptionally good deal and should be accepted.

Regent Dorr said the key issue is the quality of the security. That can be resolved easily if they get another opinion. The quality of security as outlined in the Letter of Intent leaves him somewhat concerned. They can resolve that concern if their own legal counsel gives an opinion on the quality of security.

Regent Hatch stated that WOI-TV is an asset that belongs to all the people of Iowa. The Regents have not had a lot of time in which to consider the proposal. It is a very serious decision. If they feel they need an outside opinion by their own counsel to ensure the confidence of the people of Iowa that they have taken this seriously under consideration and are not selling this flippantly, she said she would support taking one more month to do so. This is not a matter that needs to be resolved today.

Regent Fitzgibbon stated that unless it is defined very clearly what they would have independent counsel do, they might have to make a decision to either accept or deny all of the proposals. They have to be careful how that is handled. He added that this Board deals in large figures quite often. They dealt with \$19+ million in bonds that morning. By delaying the decision on the proposal before them he did not think they accomplished much.

Regent Hatch stated that she was well acquainted with the bonding matter they addressed that morning. They took a year to deal with the \$19 million bonding issuance.

Regent Tyrrell said he found this matter very bewildering. He has "searched his soul" constantly and is still receiving additional information. He acknowledged that they deal in large figures. This is an asset they are disposing of. Each time he has his mind made up he receives more information that changes his mind. Five days has been a very short amount of time for him to try to make this decision.

Regent Williams asked for the type of information Regent Berenstein hopes to get from another outside look at this issue. She was not sure what piece they were missing in terms of the information they already have. Was he saying that the Regents need to get a better evaluation as to whether the proposed buyer will be able to make good on the credit aspect of this, or whether some of the other proposals were better?

Regent Berenstein said he would ask if the security was enough to protect the State of Iowa. It would also state that the Regents would have a lien on the corporate stock of the general partner; therefore, he said there must be a limited partnership created. Regent Berenstein had not seen the balance sheet of Iowa Television Group. He did not know whether they have \$5 in the bank or

they have \$500,000, whether they are going to borrow the down payment or whether they are going to borrow the \$4 million. He would like to have someone say to him, in his fiduciary capacity to the people of the state, that this is good security, at a fair price, and they should sell the station. An independent law firm may indicate there are certain points that have not been raised and certain questions should be asked. He then stated that \$14 million is a lot of money. He acknowledged that the Regents frequently deal with large amounts of money but he also takes pride in the fact that he knows enough about what he is doing to make an intelligent decision. At this point today he could not say that.

Regent Williams asked who would be able to do this kind of evaluation and how would the Regents be able to determine the viability of that security beyond what had already been presented? She was not sure what they would gain and who would do the kind of evaluation that was being suggested.

Regent Berenstein responded that there are many attorneys in the state of Iowa who could give an opinion on whether the security was adequate. He was not asking to reevaluate all the bids. He wanted the document reviewed by counsel that did not prepare the document, and an assurance that the State of Iowa is protected. He said he had an obligation to ask that question.

Mr. Richey said it sounded as if Regent Berenstein were actually suggesting a fairness opinion from an investment banker. Regent Berenstein responded that he did not ask for an opinion of an investment banker. He wants an opinion of a qualified lawyer on the legal document the Regents were being asked to authorize as to whether or not the people of Iowa are protected both as to economics and legalistics.

Mr. Richey said he thought Regent Berenstein was asking about the validity of the collateral and the value of the collateral. Regent Berenstein reiterated that he would like another lawyer who did not participate in the preparation of the document to say the people of Iowa are protected as to the security, and that it is a fair evaluation of what is being offered. He would want an opinion in writing that the Regents are protecting the people of Iowa.

Regent Dorr stated that one question he had concerning the Letter of Intent was the statement that the buyer shall grant sellers a first and only security interest in all buyer's broadcasting license and the ABC network affiliation contract to the extent which may be permitted by law and permitted by the terms of ABC. He questioned, if ABC has a vested interest in the license, what kind of security can be made available on that? He wants to know what level of security there is in the contract.

Regent Berenstein questioned whether or not the buyer has permission to borrow the \$4 million and use the assets as collateral. It does not say "no" in the document.

Regent Fitzgibbon said he would be surprised if they could get a statement from a law firm that the State is protected.

Regent Berenstein responded that the Davis firm had already said that. They prepared the document.

Regent Fitzgibbon noted that the Davis firm did not say the State is 100 percent covered. He felt that the risk was minimized to the place where it is a reasonable credit.

Chairwoman Furgerson noted that the question had been called.

VOTE ON CALLING THE QUESTION: Upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.
NAY: None.
ABSENT: None.

The Regents then turned their attention to the main motion.

VOTE ON THE MOTION: Upon the roll being called, the following voted:
AYE: Fitzgibbon, Furgerson, Williams.
NAY: Berenstein, Dorr, Hatch, Johnson, Tyrrell.
ABSTAIN: Pomerantz.

The motion was defeated.

MOTION: Regent Berenstein moved to hire independent counsel to evaluate the proposed Letter of Intent as presented to the Board today, and that the matter be ready for action at the March meeting. Regent Dorr seconded the motion.

President Pomerantz stated that on the issue of Board procedure he would not abstain. He then said the Regents could have the university attorney give them an opinion as to the validity of the documents. The law firm is then "on the hook" for the transaction. He said transactions of this type of high value when dealing in the public domain generally have an investment banker opinion as to the value of the asset being sold. If they are going to retain

outside authority to deal with an offer and to bring credibility to the offer, or if they want to establish a format and they are uncomfortable with the values or the process, then typically investment bankers and fairness opinions are brought in. He said one attorney after the other seems redundant when all they need from an attorney is an opinion that their documentation suits the needs of the situation.

Regent Hatch said she liked the idea of getting the investment banker opinion also on the economics of the offer; however, there are times when dealing in the public that it is wise for the Board to retain independent counsel.

President Pomerantz stated that if the Regents are going to retain outside consultants to deal with the general issue of the sale and the conditions by which it might be sold, then the investment banker is what they are looking for.

Regent Fitzgibbon said they must "spell out" what they are asking of a consultant. Secondly, if they do not meet the time schedules, what will they do then?

Regent Berenstein spoke to the attorney question. He said he was not asking for another opinion. The Regents cannot rely on the opinion of the Davis firm as to whether the document is correct because they prepared it.

President Pomerantz pointed out that as long as their opinion protects the State's interest the firm is "on the hook".

Regent Berenstein stated that the reason he asked for independent counsel is because they did not assist in the preparation. If others feel they should have an investment banker opinion as to the economics of the evaluation, he said he would go along with that. He would rather have "belt and suspenders" to ensure the people of Iowa are protected.

Regent Dorr stated it had been said that it was fairly typical to involve an investment banker in analysis of the fairness of these types of decisions. Why, then, was it not done? President Pomerantz responded that it is not always done. It can be done if there is concern about whether or not the offer is fair and whether or not the collateral is appropriate. They come back with their opinion as to the validity of the offer. He then noted that none of the proposed evaluations by outside consultants would be free. We are going to pay for it.

Regent Hatch called for the question.

VOTE ON CALLING THE QUESTION: Upon the roll being called, the following voted on the question to close debate:
AYE: Berenstein, Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz,

Tyrrell.
NAY: Williams.
ABSENT: None.

The motion carried. The Regents then turned their attention to Regent Berenstein's motion to hire independent counsel.

VOTE ON THE MOTION: Upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Hatch, Johnson, Tyrrell.
NAY: Fitzgibbon, Furgerson, Pomerantz, Williams.
ABSENT: None.

The motion carried.

Regent Hatch then asked that they determine whether or not they want an investment banker to evaluate the offers and give an opinion as to the economics. She would approve employing an investment banker to analyze the offers and give an opinion as to the economics of the offers.

President Pomerantz said they would want the investment banker to 1) evaluate the 6 firms and determine which offer turns out to be the best and 2) determine that the offer is a fair offer in the current market for the asset.

Regent Fitzgibbon asked for the deadline imposed upon the proposal.

Mr. Hepburn responded that there was no guarantee the proposals would be around in 2 weeks. He noted that the other offerors have been told that one offer had tentatively been accepted. All FCC licenses in the state of Iowa come up for renewal in July of this year. If the sale of WOI-TV is postponed for 60 days the Regents would then have to wait through the license renewal period. He said it would be literally impossible to get it closed this year. The difficulty is whether the offerors will be interested in "sticking around" for that period of time.

President Pomerantz noted that a Letter of Intent is not a definitive agreement. The Regents' concerns can be resolved in a definitive contract.

Regent Berenstein responded that the terms of the Letter of Intent is the basis upon which they chose one offer above the others. He then said that a condition of his motion is that the matter be ready for action at the March meeting.

President Pomerantz suggested that they instruct the Board counsel to draft a definitive contract and that the Board hire an investment banker for a fairness opinion. Counsel should draft a definitive contract so they do not

just waste money, then bring back to the Board whoever the successful bidder is in 30 to 60 days. He said the Board can meet with notice at any time. They would be moving forward in terms of drafting a definitive contract, having a fairness opinion and keeping the buyers in place. Then if the Board decides not to sell WOI-TV or not to sell at the price, terms or conditions offered, they always have the right to say they are not going to sell it. They would not just be wasting time if they chose to go forward by having a definitive contract drafted. He suggested they do so if they are serious about keeping the process moving. He had trouble with just another lawyer looking at a group of lawyers. No lawyer will take 100 percent of another lawyer's work and not criticize. If the Regents are going to hire a lawyer they should get a definitive contract. They should get an investment banker into the action. In the meantime anyone who wants to evaluate this on a more in-depth basis can do so.

Regent Hatch questioned whether they would need to have an investment banker's opinion before a lawyer can draft the definitive contract. President Pomerantz responded that the best kind of deals are cut when the contract is made and given to the buyer. They either accept the contract or they don't.

Chairwoman Furgerson said that what she heard was that they will make sure those items the Regents feel are important will be retained as part of the definitive contract.

Regent Berenstein stated the motion that was passed was to hire counsel to evaluate the Letter of Intent. He said it is not the prerogative of the lawyer to write the definitive agreement. That is not what his motion said.

President Pomerantz stated that Regent Berenstein's motion does not preclude another motion. He said he was suggesting it can be done the way he mentioned and it gets some value for the money they will be spending. The motion could be changed to draw a definitive contract either unilaterally or in consultation. They could also request a fairness letter from an independent investment banker.

Chairwoman Furgerson asked if someone wanted to make a motion to incorporate what President Pomerantz had just said.

Regent Hatch stated that the motion they passed to hire someone to evaluate the Letter of Intent is going to cost a certain amount of money. If they have someone also draw up the contract it is going to cost lots more money. She said she would feel very safe about having the Letter of Intent examined and an opinion given, then having the same Board attorney evaluate the contract when it comes to the Board. She felt that could be done expeditiously and at much less expense on the part of the Board of Regents.

President Jischke asked for clarification as to what the Regents would have Iowa State University officials do. Do the Regents wish them to keep the

prospective bidders interested? What should they tell the bidders and the employees of the station? There are contracts that have to be negotiated in this time frame and there are a number of day-to-day issues that must be dealt with.

Regent Berenstein questioned what would happen if independent counsel comes back and says the security is not adequate. He felt they have the prerogative to say they need more money to take more risk. He said his motion was to hire counsel to evaluate the Letter of Intent as to economics and to legalistics. The law firm could say if the offer does not contain adequate security or it is not worth the amount of money offered in the event of default.

President Pomerantz said an investment banker does just that.

Regent Hatch said that since the motion says economics and legalistics she felt a law firm, if it did not feel capable of evaluating the economics, could hire an investment banker.

Regent Dorr suggested he could make a motion that the Regents give latitude toward solving this problem and authorize the employment of investment banker if deemed necessary.

President Pomerantz suggested the Board authorize Mr. Richey to hire those professionals necessary to evaluate the offer and put the transaction into its proper perspective dealing with the issues that have been discussed here including collateral, fairness of the offer, what is appropriate with the ABC network, and in terms of collateral that supports the debt. Within 30 days the opinion would come back to the Board. He said that speaks to most of what Regent Berenstein was suggesting. What they need to get is a definitive contract negotiated and answer the issues that have been raised. He cautioned that they not get "stuck in the mud" because the buyers are going to go away. Regent Dorr asked if there was any reason why a motion could not be made that would authorize the Executive Director to employ those parties necessary to get a definitive agreement in conjunction with President Pomerantz appointing a committee to work with the Executive Director to get this resolved.

President Pomerantz stated that he would abstain from participation in the negotiations around the Iowa Television Group offer.

Regent Dorr said it was very difficult to differentiate at this point between process and offer. He felt the President could facilitate the process by appointing a committee to work with the Executive Director even in the event it would not involve the Iowa Television Group offer. The Regents need to authorize the use of the tools necessary to get this job done.

President Pomerantz said the Regents can all have access and input to Mr. Richey and let him go forward.

Regent Williams suggested the Regents should give the Executive Director their input right now and he should go forward. She said she was against a committee.

President Pomerantz stated that if someone was going to change what had already been passed then they needed to do that; otherwise, they are going to go with the motion that has already been passed.

MOTION:

Regent Dorr moved to authorize the Executive Director to seek counsel from an investment banker to analyze the fairness and economics of the offers in conjunction with the prior motion, by the next meeting. Regent Hatch seconded the motion.

Regent Hatch asked, in the context of this motion, does that imply that the 6 prospective buyers are to be told that their offers are being further analyzed?

President Pomerantz said that was an issue for President Jischke. The Regents are bringing an independent lawyer in to evaluate the legal documents. They are bringing an investment banker in to evaluate the fairness. The Board will act at its next meeting regarding this whole subject.

Regent Williams asked if that was in the substance of the motion. President Pomerantz responded affirmatively.

VOTE ON THE MOTION:

The motion carried unanimously.

President Jischke asked if it was the Board's intention that Iowa State University officials, to the extent they can, keep these offers alive.

The Regents responded affirmatively.

President Jischke asked if it was the Regents' position that once they have received this information there will be a reconsideration.

President Pomerantz responded that there would be consideration, not reconsideration. He then stated that the motion to accept the bid of the Iowa Television Group was defeated today for several reasons: the short time frame, the concern around the quality of the collateral, and the credit and the documentation supporting that. The Regents are moving to alleviate those concerns in the next 30 days. They wish to keep all active offers alive.

President Jischke said that would be their instruction to the broker.

President Pomerantz asked if the Board was comfortable with that instruction. The Regents responded affirmatively.

President Pomerantz asked if President Jischke was comfortable. President Jischke restated that the Board wanted to analyze the information given it by university officials and next month to consider further the issue of the sale of WOI-TV. Iowa State University officials will work with the broker to keep the offers alive.

President Pomerantz asked if the broker was comfortable. Mr. Hepburn said he would do his best. He added that he had done his best to bring the Board a legitimate offer. He brought them several legitimate offers and offers he thought were pretty good. He was pleased with the offers considering the cash flow of the station, the climate of the industry and the time frame under which they worked. Mr. Hepburn said he would do what he could between now and the next Board meeting.

President Pomerantz said the Regents' interest was not only to be completely fair with all the parties but to make this transaction stand on its own merits. There are people in the state who really are not happy to have the station sold at any price. There are other people in the state who would like to get the money to apply to the university's programs. When dealing in the public domain this is not an unusual happening. He then said he knew Mr. Hepburn would do an excellent job in keeping all the buyers interested.

President Pomerantz said the discussion was well done and spoke to some important issues.

President Pomerantz then asked Board members and institutional executives if there were any 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 19 and Thursday, February 20, 1992.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve personnel transactions, as follows:

Register of Personnel Changes for December 1991.

MOTION:

Regent Hatch moved to approve personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

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

University of Northern Iowa officials requested that the name of the Department of Home Economics be changed to the Department of Design, Family and Consumer Sciences.

This name change was requested because the current name perpetuates an incomplete and limited image of the program. The effectiveness and visibility of the department is hindered by stereotypes concerning home economics. The requested name describes the major program areas in the department more accurately than does the current name.

The proposed name may enhance the department's ability to attract more students, particularly males and students from culturally-diverse backgrounds.

ACTION:

This item was referred by consent.

ENROLLMENT GROWTH. The Board Office recommended the Board refer the proposed enrollment management mechanism to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

University of Northern Iowa officials requested authorization to develop an enrollment management plan that takes into consideration the university's strategic plan, available resources, and the financial obligations contained in bonding resolutions.

University officials indicated that the university has insufficient funds to provide each of its students with a high quality education.

The University of Northern Iowa Faculty Senate recommended that the university limit its enrollment until sufficient funding is appropriated.

The Board Office recommended that this request be referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendations, consistent with past practices for enrollment control mechanisms.

ACTION: This item was referred by consent.

FACULTY IMPROVEMENT/PROFESSIONAL DEVELOPMENT LEAVES. The Board Office recommended the Board approve the faculty development leaves for the University of Northern Iowa for the 1992-93 academic year.

University of Northern Iowa officials requested 22 faculty development leaves for the 1992-93 academic year.

The projected replacement cost for the faculty members on leave is \$181,000, an average of \$8,227 for each faculty member. The average replacement cost at the University of Northern Iowa is comparable with the estimated cost at Iowa State University and is higher than the average cost estimated for the University of Iowa. Higher average replacement costs at the University of Northern Iowa are influenced by the absence of graduate students as faculty replacements and by the longer leaves of some faculty.

Seventy-three percent of the recommended leaves are for male faculty members and 27 percent are for women faculty members. These percentages are in the midrange of percentages for the last five years.

Regent Hatch questioned the \$3,000 difference in replacement cost between the faculty improvement leaves approved for Iowa State University and the leaves approved for the University of Northern Iowa. Vice President Marlin responded that University of Northern Iowa has a higher replacement cost for temporary faculty.

MOTION: Regent Williams moved to approve the faculty development leaves for the University of Northern Iowa for the 1992-93 academic year. Regent Furgerson seconded the motion, and it carried unanimously.

PROFESSIONAL DEVELOPMENT REPORTS. The Board Office recommended the Board receive the report on faculty improvement leaves at the University of Northern Iowa during the 1990-91 academic year.

A total of 23 faculty members were on faculty development leaves at the University of Northern Iowa in 1990-91.

The average replacement cost of \$7,913 for each faculty member was lower than the projected average cost of \$7,944. The total replacement cost for the 23 faculty leaves was \$182,000, a five percent reduction from the 1989-90 cost of \$190,651.

ACTION: President Pomerantz stated the Board received the report, by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the Register of Capital Improvement Business Transactions as submitted by the University of Northern Iowa.

PROJECT DESCRIPTIONS AND BUDGETS

University officials presented revised budgets on the following projects.

<u>Maucker Union--Renovate University Hall</u>	Original Budget <u>\$285,000</u>
Source of Funds: Maucker Union Surplus Funds	Revised Budget <u>\$340,000</u>

Project Budget

	Original Budget <u>Sept. 1991</u>	Revised Budget <u>Feb. 1992</u>
Contract/Purchase Orders	\$ 248,000	\$ 306,000
Consultant and Design Services	24,800	19,750
Art Work	1,425	1,700
Contingency	<u>10,775</u>	<u>12,550</u>
TOTAL	\$ 285,000 -----	\$ 340,000 -----

University officials reported a revised project budget in the amount of \$340,000. The revised budget was approved by the Executive Director on January 29, 1992, to allow award of the construction contract.

The university received ten bids for this project. The low bid was approximately 14 percent above the initial project budget of \$285,000. Given the number of bidders and the close range of bids received, it was unlikely that re-bidding the project would result in more favorable bids. University officials requested Executive Director approval of the revised budget in order to allow timely commencement of the project.

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Residence Facility

Source of Funds: Dormitory Revenue Bonds

Original Budget \$8,350,000

Revised Budget \$9,145,000

Project Budget

	Original Budget May 1991	Revised Budget Feb. 1992
Contract/Purchase Orders	\$6,471,250	\$6,512,550
Consultant and Design Services	550,000	550,000
Furnishings and Equipment	887,000	887,000
Art Work	41,750	45,725
Miscellaneous	100,000	100,000
Bond Issuance Costs	0	60,000
Pre-Funded Bond Reserve Fund	0	689,725
Contingency	<u>300,000</u>	<u>300,000</u>
TOTAL	<u>\$8,350,000</u> =====	<u>\$9,145,000</u> =====

University officials requested approval of a revised project budget in the amount of \$9,145,000 to include two new line items for bond issuance costs (\$60,000) and pre-funding the bond reserve fund per the bond resolution (\$689,725). The remaining line items have been adjusted to reflect these additions. The bonds for this project were sold at the December 1991 Board meeting.

* * * * *

University officials reported three new projects with budgets of less than \$250,000 which were included in the university's quarterly report of anticipated capital projects. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

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ARCHITECT/ENGINEER AGREEMENTS

Russell Hall Improvements

\$42,210

Durrant Engineers, Dubuque, Iowa

Replace Electrical Porcelain Cutouts/Switch
(Phase II--Transformer Switch)

Replace Chiller

Fire Safety Improvements

University officials requested approval to enter into an agreement with Durrant Engineers to provide engineering services for the above improvement projects in Russell Hall. These projects are part of the 1991 deferred maintenance/utilities improvement bond authorization and fire safety improvements bond issue.

These projects involve major improvements in Russell Hall to address fire inspection citations. The existing deteriorated chiller will be replaced along with unsafe and hazardous electrical service equipment.

University officials requested approval of the selection of Durrant Engineers to provide engineering services for this project. The firm has satisfactorily completed several projects on campus and has the expertise to successfully complete this project. The agreement provides for a fee of \$42,210, including reimbursables.

Amendments:

Wright Hall Renovation \$774
Brooks, Borg and Skiles, Des Moines, Iowa

CONSTRUCTION CONTRACTS

Maucker Union--Renovate University Hall \$305,995
Award to: Lockard Construction, Waterloo, Iowa
(10 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Classroom-Office Building--Site Work \$107,984
Gilchrist-West Parking Lot
Rampart Corporation, Waterloo, Iowa

Road and Parking Lot Improvements--1991 \$589,502.35
Cunningham Construction Company, Inc., Cedar Falls, Iowa

Seerley Hall Renovation--Utilities and Utilities Improvement-- \$265,893.90
Sabin/Seerley/McCollum Science
Youngblut Contracting, Inc., Washburn, Iowa

Wright Hall Equipment--Classroom Furnishings, Division III \$32,709.94
Kirk Gross Company, Waterloo, Iowa

MOTION: Regent Furgerson moved to approve the university's capital register, as presented.

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Regent Tyrrell seconded the motion, and it
carried unanimously.

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 Wednesday, February 19 and Thursday, February 20, 1992.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve personnel transactions, as follows:

Register of Personnel Changes for December 1991 and January 1992 including the early retirement of:

WALTER HINES, Principal, effective January 17, 1992.

MOTION:

Regent Hatch moved to approve personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

REQUEST FOR APPROVAL OF MEDICATION POLICY. The Board Office recommended the Board approve the revision to the Medication Policy of the Iowa School for the Deaf.

Iowa School for the Deaf officials requested a revision to its Policy on Medication. A new policy regarding "going-home" weekends was proposed. This revision was recommended by the medical staff to provide provisions for the distribution of medications on "going-home" weekends.

The policy was reviewed by the Attorney General's Office.

MOTION:

Regent Williams moved to approve the revision to the Medication Policy of the Iowa School for the Deaf. Regent Furgerson seconded the motion, and it carried unanimously.

REQUEST FOR APPROVAL OF RESEARCH POLICY. The Board Office recommended the Board approve the Iowa School for the Deaf Research Policy effective immediately.

Iowa School for the Deaf officials proposed a policy to govern research undertaken in cooperation with colleges and universities. The policy requires that sponsoring colleges and universities be in full compliance with applicable regulations of the U. S. Department of Health and Human Services concerning regulation for the Protection of Human Research Subjects.

This policy was reviewed by the Iowa School for the Deaf Advisory Committee that included representatives from the Regent universities and the Attorney General's Office.

Regent Williams, noting that the students spend the majority of their days and nights on the campus, asked if there was any provision that prohibits involvement in research if it would adversely affect any part of a student's life. She wanted to make sure students are adequately protected.

Superintendent Johnson responded that the school has never been asked to be involved in a project that would involve health or medical issues. The university reviews take into consideration health and medical issues when the review committees assess proposed research projects. It is at that committee that it would be considered and then recommended to the superintendent.

MOTION:

Regent Furgerson moved to approve the Iowa School for the Deaf Research Policy effective immediately. Regent Tyrrell seconded the motion, and it carried unanimously.

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 Wednesday, February 19 and Thursday, February 20, 1992.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve personnel transactions, as follows:

Register of Personnel Changes for the period December 22, 1991, to January 19, 1992; and

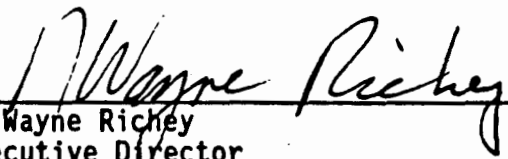
Reassignment of DIANNE UTSINGER to the position of Personnel Director/Information Coordinator with no change in budgeted salary.

MOTION:

Regent Hatch moved to approve personnel transactions, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

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

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 10:18 a.m., on Thursday, February 20, 1992.



R. Wayne Richey
Executive Director