

The State Board of Regents met electronically on Wednesday, January 19, 1994.
The following were in attendance:

January 19

Members of State Board of Regents

Mr. Berenstein, President	All sessions
Mr. Collins	All sessions
Mr. Dorr	All sessions
Ms. Furgerson	All sessions
Mrs. Hendricks	Excused
Mrs. Johnson-Matthews	Excused
Mr. Newlin	All sessions
Mrs. Pellett	All sessions
Dr. Tyrrell	All sessions

Office of the State Board of Regents

Executive Director Richey	All sessions
Director Specter	All sessions
Director Volm	All sessions
Associate Director Houseworth	All sessions
Associate Director Kominski	All sessions
Associate Director Racki	All sessions
Assistant Director Volm	All sessions
Minutes Secretary Briggie	All sessions

State University of Iowa

President Rawlings	All sessions
Provost Nathan	All sessions
Vice President Manasse	All sessions
Vice President Rhodes	All sessions
Vice President True	All sessions
Associate Provost Davis	All sessions
Associate Vice President Small	All sessions
General Counsel Schantz	All sessions

Iowa State University

President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Associate Provost Swan	All sessions
Assistant to President Bradley	All sessions
Director Jensen	All sessions

University of Northern Iowa

President Curris	All sessions
Provost Marlin	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Executive Asst. to President Stinchfield	All sessions
Director Chilcott	All sessions

Iowa School for the Deaf

Superintendent Johnson	All sessions
Director Minikus	All sessions
Interpreter Elker	All sessions
Interpreter Green	All sessions

Iowa Braille and Sight Saving School

Superintendent Thurman	All sessions
Director Hauser	All sessions

GENERAL

The State Board of Regents held an electronic Board meeting on Wednesday, January 19, 1994, commencing at 9:30 a.m., in accordance with Section 21.8 of the Code of Iowa. The meeting was not held in person because it was not practical to have the Regents assemble in one location for this brief meeting. Each Regent in attendance was at a separate remote location. Public access was provided at the following locations:

Board of Regents Office, conference room, Old Historical Building,
E. 12th and Grand, Des Moines
University of Iowa, Old Public Library conference room, Iowa City
Iowa State University, 117 Beardshear Hall conference room, Ames
University of Northern Iowa, Gilchrist Hall board room, Cedar Falls
Iowa School for the Deaf, Superintendent's office, Administration
Building, Council Bluffs
Iowa Braille and Sight Saving School, Superintendent's area, Main
Building, Vinton

The following business pertaining to general or miscellaneous business was transacted on Wednesday, January 19, 1994.

APPROVAL OF MINUTES OF BOARD MEETING, DECEMBER 15, 1993. The Board Office recommended the Board approve the Minutes, as written.

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

MOTION: Regent Tyrrell moved to approve the Minutes of the December 15, 1993, Board of Regents meeting, as written. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

CONSENT ITEMS. The Board Office recommended the Board approve the consent docket, as presented.

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

GENERAL
January 19, 1994

Receive the status report on the Board Office budget as of December 31, 1993;

Refer the Iowa State University post-audit report for the interdepartmental graduate major in Ecology and Evolutionary Biology to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the Iowa State University request for approval of the Iowa Manufacturing Technology Center to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the Iowa State University request for approval of the Iowa Pork Industry Center to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation; and

Receive the Registers of Capital Improvement Business Transactions for the two special schools.

President Jischke requested that the Board defer action on the Iowa Manufacturing Technology Center and the Iowa Pork Industry Center. He expressed his excitement about the proposed new centers at Iowa State University but noted that questions had arisen regarding details in the budgets. He felt it would be helpful to take some time to answer those questions.

President Berenstein stated the Board would defer action on those two centers unless there were objections. There were none.

President Jischke stated that he had been asked to describe the proposed Iowa Pork Industry Center to the Iowa Pork Producers who were meeting in Des Moines that afternoon. He stressed that he would present the center as a proposal and did not want any misunderstanding on the part of the Regents.

President Berenstein stated that he saw no problem with President Jischke doing so as long as it was made clear that the center had not been approved by the Board of Regents.

VOTE ON THE MOTION:

Motion carried with the understanding that the Board deferred action on the Iowa Manufacturing Technology Center and the Iowa Pork Industry Center proposed for Iowa State University.

ANNUAL REPORT ON FAMILY PRACTICE RESIDENCY PROGRAM. The Board Office recommended the Board receive the annual report on the Statewide Family Practice Training Program for 1992-93.

The legislature created a statewide network of community-based family practice training programs in 1973. The Code of Iowa assigns responsibility for program administration to the Dean of the College of Medicine at the University of Iowa. The College of Medicine provides educational and technical support to the individual residency programs formally affiliated with the University of Iowa.

Nine family practice programs are located in seven Iowa communities: Cedar Rapids, Davenport, Des Moines, Iowa City, Mason City, Sioux City, and Waterloo. Des Moines has three programs.

Enrollment in these programs is currently 149 and approximately 55 residents complete their residencies annually.

Fifty-nine percent (59%) of the 1993 residency graduates entered practice in Iowa. This percentage is the same as the long-term 19-year average for these programs. Nearly half of the graduates locating in Iowa have moved to communities with populations less than 10,000.

Since the program's inception, 786 of 799 graduates (98 percent) have been certified by the American Board of Family Practice.

Currently there are more than seven applicants for every position in the statewide program and 39 medical colleges are now represented.

During the past 19 years, 22 percent of the University of Iowa medical graduates have entered family practice, a rate twice the national average during the same period.

Aggregate costs of the Statewide Family Practice Training Program were \$24.11 million in 1992-93 of which the State appropriation was \$1.76 million (6 percent).

Annual patient visits to program sites totalled 219,000 in 1992-93.

President Rawlings stated that Richard Nelson, Assistant Dean, College of Medicine, and Roger Tracy, Assistant to the Dean, College of Medicine, were present to answer questions. He then introduced Vice President Manasse.

Vice President Manasse stated that the Regents had before them the annual report on the Family Practice Residency Program which he said reflected the commitment made 20 years ago by the State of Iowa to enhance the number of medical school graduates who practice community-based medicine. As a result of this commitment, a high proportion of graduates are staying in Iowa in communities throughout the state. The commitment continues at the College of Medicine. He expressed concern about the program's financing due to the continuous decrement of the State's financial commitment. More cost is being borne by the practice sites themselves. There will continue to be more financial pressures for the program.

Regent Furgerson asked if a new national health care program would create a greater emphasis on family practice. Mr. Nelson responded that they do not know what Congress will do. The Federal government provides incentives to medical schools more than states do. In President Clinton's proposal there would be great pressure on medical schools to increase the number of primary care and family practitioners. Congress is trying to shift the emphasis from specialty training to primary care training.

Regent Dorr asked Vice President Manasse when the Regents would be presented with an opportunity to discuss restructuring of financing. Vice President Manasse said he raised that issue in his opening remarks from the perspective that they have to be cognizant and keep their "finger" on the "pulse" of financing. He would like to reserve for a later meeting specific discussion of financing when they know better how the reimbursements will be financed.

Regent Dorr stated that reimbursement restructuring will affect the entire operation Vice President Manasse is responsible for. He asked whether before any restructuring of financing is taken, the Board would have an opportunity to review and discuss the matter.

Vice President Manasse responded affirmatively.

Regent Tyrrell noted that 41 percent of the program's financial support is provided by the community and asked about fiscal constraints on the program from that point of view. Mr. Tracy said the source of funding for the program comes from patient revenues generated in the family practice program. The community hospital source would be the funds the sponsoring 14 hospitals receive from Medicare and other payors and any additional dollars they provide to the program. He was concerned about the decline in reimbursements from the Federal government and the declining resources of all hospitals. The State share of support for the program declined from 15 percent to 6 percent of the total budget for the program. The decline in financing has a direct impact on the program's ability to provide more rural initiatives.

Regent Dorr asked if in light of the fact that all the revenue sources are declining, are they in the process of putting together new budgeting mechanisms whereby there is an assumption of declining sources of revenues?

Vice President Manasse responded that the nation is going to see in the next 1 to 2 years a clarification of where some of the restructuring and refinancing will come from. Since 1983 there has been a continuous decline in reimbursements to hospitals. Since 1990 there has been a complete restructuring of physician fees under Medicare. All of those are being monitored. He does not know exactly what direction the Federal or State government will take with regard to financing mechanisms and did not want to speculate until he has a firmer grasp on the policy direction. There will be some serious consequences on educational institutions with the burden to support all programmatic efforts. That is the policy question now being sorted out.

Regent Dorr asked when it would be appropriate for the Board or the university administration to begin reevaluation of the strategic plans of the university's medical programs.

Vice President Manasse responded that the natural cycle might be for this coming budget cycle. University officials have presented the Board with the decrements of Medicare reimbursement. Mr. Yerington has a very good handle on how the hospital is being impacted. He then referred to the Governor's 1987 blue ribbon commission on future financing of University of Iowa Hospitals and Clinics and said they need to reexamine the findings of the commission. There also needs to be an examination of what is happening to physician fees and how it is impacting the family practice plan. He concluded by stating that during the next budget cycle he should be prepared to lay this all out for the Board and discuss it at length with the Regents.

Mr. Richey asked if there was a total review of the College of Medicine in conjunction with the search for a new dean. President Rawlings said that search is moving right along. Mainly in the last 12 months there has been a curricular review in the College of Medicine. A total review of the College of Medicine would appropriately include the new dean. University officials will be coming to the Board in the near future with a plan for restructuring how they do business in the health sciences.

Regent Dorr said he was delighted to hear that. He hopes as these things evolve that the Regents are kept apprised and do not end up being presented with a proposal that is already pretty concrete at the time it is presented. The Regents must be kept apprised of significant changes.

President Berenstein stated that at the last meeting of the Board of Regents they discussed restructuring of the Office of the Vice President for Health Sciences. Part of his understanding was that the Board would be apprised of each step along the way in the restructuring. He considers this part of the

restructuring. It was his understanding from Vice President Manasse that the Board would be apprised at each step along the way and that the Board of Regents as the Board of Trustees for the University of Iowa Hospitals and Clinics will be an integral part of the planning process.

President Rawlings said that was certainly correct.

Regent Dorr stated there were very significant financial changes taking place.

Vice President Manasse stated that the Association of Academic Health Sciences Centers is extremely concerned about the political restructuring of our nation's health care system. Careful attention must be given to the proposed financing changes. President Clinton's proposal directs \$50 billion toward research and graduate medical education. From a lobbying point of view they are very concerned about that and believe it must be monitored carefully.

Regent Tyrrell stated that because of the rapidity and volatility of the change, the Regents need to be kept as informed and as up to date as possible. It is extremely important in this matter.

ACTION: President Berenstein stated the Board received the annual report on the Statewide Family Practice Training Program for 1992-93, by general consent.

REPORT ON INTERNATIONAL AGREEMENTS. The Board Office recommended the Board receive the Regent universities' annual reports on international agreements and programs.

International agreements and programs involve exchanges of faculty, staff, and students, as well as collaborative research, cooperative development of educational products and services, and exchanges of information.

The programs provide international educational opportunities for Regent students and broaden the cultural and ethnic diversity of the Regent universities by bringing international personnel to Regent campuses.

The international contacts and experiences that Regent faculty gain through the programs enrich and strengthen their teaching, research, and service activities at the Regent universities.

Some of the agreements involve modest university expenditures for faculty salaries, travel and living expenses, stipends, scholarships, and assistantships, though most are reported to involve no university expense.

A significant portion of funding for the programs is provided by outside organizations. For example, \$15,000 was expended by the University of Iowa to host a group of 8 Russian students and a leader and \$14,400 was returned to the university by the United States Information Agency.

Students pay a large part of their own expenses. Most agreements indicate that students pay tuition, room and board to their home institution and their own travel.

Though exact dollar amounts cannot be determined from the reports submitted, the provisions of the agreements appear to create roughly equal financial obligations between sending and receiving institutions.

The number of international agreements at all three universities increased in 1992-93, with the largest gain--from 73 to 93--occurring at Iowa State University. The total number of agreements at the Regent universities has increased from 131 in 1989-90 to 158 in 1992-93.

The total number of Regent and foreign faculty, staff, and students participating in programs under the agreements has increased from 493 in 1989-90 to 611 in 1992-93.

President Berenstein recognized Michael McNulty, Associate Provost for International Affairs, University of Iowa.

Provost Nathan stated that Associate Provost McNulty had just arrived back from 2 weeks in Nigeria. He was available to answer question but Provost Nathan would be happy to serve that purpose. With regard to their effort this year, University of Iowa officials have emphasized and involved themselves more in programs that in the past have had very active faculty and/or student exchange rather than broad coverage of areas and countries. The program is going very well. An experienced faculty person and Associate Provost McNulty are responsible for international programs. He said the programs are developing precisely as university officials would want them to.

Regent Tyrrell stated that he was distressed by the figures presented in the docket memorandum that indicated the number of University of Iowa students involved in international exchanges had gone from 82 in 1990-91 to 31 in 1992-93. He questioned how University of Iowa officials could explain those numbers in light of the very optimistic increase in numbers of student participants at Iowa State University and the University of Northern Iowa. Was there some reason which would make these figures logical?

Provost Nathan responded that the most important figures were difficult to reflect in sheer numbers. When he first looked at the number of students involved he was a bit daunted. However, the level of activity and the products of these relationships are the most important factors. The level

GENERAL
January 19, 1994

of meaningful relationships between the University of Iowa's faculty and the others' faculty has never been higher. He said there were a number of reasons why Regent students were less involved in international exchanges, mostly economics.

Regent Tyrrell questioned whether there was an economic factor at the University of Iowa that was not present at Iowa State University and the University of Northern Iowa.

Provost Nathan stated that he could not comment on the numbers from the other 2 universities. He said the number of agreements which stay active are quite variable over the years. He then offered to locate Associate Provost McNulty to respond to Regent Tyrrell's question.

President Berenstein recognized Dennis Peterson, Director of the Office of International Students and Services, Iowa State University.

Director Peterson stated that Iowa State University has had a long history of involvement with former states of the Soviet Union. He said that might be part of the reason there has been an increase in the exchange of Iowa State University faculty and students. Efforts to coordinate exchanges with the Soviet Union have been ongoing since the 1950s and were not final until 1988 or 1989. A lot of the activities are the result of many years of discussion. He noted there were other international activities taking place that were not identified in the docket memorandum. Iowa State University has been involved with China since the 1970s. Iowa State University faculty present papers and publish materials worldwide.

Regent Tyrrell suggested that perhaps Iowa State University had sources of funding because of the nature of their program. Director Peterson said that was true. He noted that expenses for the largest single program in 1993 which was between Iowa State University and the Czech and Slovak Republics involved no State funds.

Regent Dorr said he was somewhat familiar with many of Iowa State University's international programs which he said are quite outstanding. Acquaintances of Regent Dorr's have been involved with the programs. He complimented university officials on the international programs, particularly those with an agricultural purpose.

Provost Nathan stated that Associate Provost McNulty was present to respond to Regent Tyrrell's earlier question.

Associate Provost McNulty said it was his understanding that the discussion was about the number of students participating abroad. He said University of Iowa officials have concentrated on 1 or 2 programs in areas which and with universities that they have had positive experiences. He noted that the economics of travel were affecting the numbers, as well. University

officials seek opportunities other than the formal exchange programs and were particularly supportive of foreign field site experiences for many of the students. Those types of programs accounted for approximately 20 students. The numbers of students involved in international programs would actually be higher than what showed up in the exchange figures presented in the docket memorandum. They have also increased the number of foreign faculty and staff who visit the University of Iowa for short periods.

Regent Tyrrell said it distressed him to see that the other 2 universities had so many more exchanges in 1992-93. If alternate experiences accounted for the difference in numbers, he said that would make some sense.

Associate Provost McNulty stated that University of Iowa officials were trying to increase the number of students who are involved with really fine programs. He hopes to increase the number of students participating while ensuring the quality of the experience is first rate.

Provost Marlin provided highlights of the University of Northern Iowa's program with Russia which is funded through a formal exchange program. She said some Russian graduate students stay on the University of Northern Iowa campus for 2 to 3 years and receive their entire degree at UNI. There is a large presence of Russian students in classes and dormitories. In the past, University of Northern Iowa students have stayed in Russia for the summer session but increasingly those terms are extending to a full semester. Exchanges of faculty also take place.

Provost Marlin stated that the figures provided in the docket memorandum's table were somewhat misleading because they only reflected the formal exchange agreements. She said 400 students are participating in international-type programs. For example, students are teaching internationally. A group just left for Japan to teach a semester. There are language programs for teachers of languages. Students work on military bases throughout the world.

ACTION: President Berenstein stated the Board received the Regent universities' annual reports on international agreements and programs, by general consent.

REPORT ON GOVERNOR'S BUDGET AND LEGISLATIVE ACTIVITIES. The Board Office recommended the Board receive information on the Governor's FY 1995 budget recommendations and the Regents 1994 legislative program.

The Governor recommended \$20.42 million in incremental appropriations (an increase of 5.23 percent) for the Regent institutions in FY 1995 after adjustments for non-recurring salary expenditures in FY 1994.

The Governor supports future tuition replacement appropriations to fund debt service on bonds to be issued for new projects in FY 1995. None of the tuition replacement increase in FY 1995 is necessary for debt service on \$28.75 million in proposed bonding. Approximately \$1.4 million incremental tuition replacement is needed in FY 1996.

LEGISLATIVE ISSUES:

Iowa Communications Network (ICN). There are several issues which concern the continued development and control of the ICN. Among these are governance structure, program scheduling and development of additional capacity on the network.

Flood Damage. Requests for funds for otherwise unreimbursed flood damage to academic facilities.

South Africa Investing. The Board requested amendment to Chapter 12A, Code of Iowa which prohibits the Board from investing in corporations which make loans to or conduct business with or in the Republic of South Africa. A number of events have occurred in that country which are requisite for the potential lifting of sanctions, including a schedule for free elections in April 1994 and establishment of a multiparty transitional government council. The African National Congress and the South African Council of Churches have prepared guidelines for companies which are re-entering South Africa. The guidelines emphasize equal opportunity employment, basic worker rights, community relations, etc.

The United States and other nations are abolishing restrictions on investing in South Africa, and individual states are following suit. The Iowa Senate State Government Committee voted unanimously on the opening day of the legislative session to repeal the 1985 law which restricts such investing. In its current form, the bill is anticipated to pass quickly. Cambridge Associates, investment advisor to the Board, has identified 18 universities or other not-for-profit institutions which have reinvested in South Africa or are considering so doing.

Mr. Richey stated that the Governor's budget recommendation was the major occurrence in legislative activities since the last meeting of the Board. He said the Governor recommended very attractive budgets for the Regents for 1995. However, many things believed to be seriously needed were not requested. The Board kept its budget request conservative due to the flood experienced in the state over the summer.

Mr. Richey said the Governor's recommendation was an \$18.4 million increase over the adjusted base for the current year. There was a base reduction of \$7.43 million in the current year for non-recurring salaries. The Governor recommended \$3.6 million for agricultural research. Enrollment growth for the University of Northern Iowa was recommended to be funded as well as a

recommendation of \$350,000 for health insurance for graduate assistants at the University of Iowa. Funding for price inflation for libraries and primary health care program and health science research was recommended. He said \$1,025,000 for fire safety plus a \$75,000 capital program for Iowa School for the Deaf fire safety program was recommended. The fire safety recommendations were an attempt by the Governor to meet some of the program proposed by the Board of Regents when it allocated \$2 million last fall to building maintenance from the tuition increase. The Governor recommended \$95,000 for capital improvements at the special schools.

With regard to capital projects included in the Governor's recommendation, Mr. Richey said those included the Wellness Center and Price Laboratory at the University of Northern Iowa, Schaeffer Hall at the University of Iowa, the planning phase of the major Livestock Research Center and livestock units renovation at Iowa State University. He said bonding authority for capital projects at the three universities included:

UNI Wellness Center	\$12,280,000
UNI Price Lab Fieldhouse	2,670,000
ISU Livestock Units - Phase 1	3,180,000
ISU Intensive Livestock Research Facility - Planning	2,120,000
SUI Schaeffer Hall Remodeling	8,500,000
Total	<u>\$28,750,000</u>

Mr. Richey stated that overall he was very pleased with the Governor's recommendation and said staff would work with the General Assembly to get the recommendations enacted.

Regent Tyrrell asked about deferred maintenance projects.

Mr. Richey said the Governor's recommendation included operating funds of \$1.125 million per year for fire safety and deferred maintenance. Two million dollars (\$2 million) from tuition proceeds are targeted for these purposes on a recurring basis. He said those funds would make a major dent in deferred maintenance resolution. He noted that Schaeffer Hall was entirely a deferred maintenance project.

President Curris stated that he had one concern. The Governor recommended recurring funding for deferred maintenance for both the University of Iowa and Iowa State University but made no recommendation for any kind of continuing deferred maintenance funding for the University of Northern Iowa. He questioned whether that might have been an oversight and said he welcomed an opportunity to be provided with additional deferred maintenance funding on a recurring basis so the university does not again begin accumulating deferred maintenance.

GENERAL
January 19, 1994

Mr. Richey said it appeared that the Governor's recommendations related to fire safety issues and the University of Northern Iowa was in good condition in that regard.

Regent Dorr asked if there was any way to make an adjustment so this oversight did not develop into a precedent. Mr. Richey responded that the recommendations for each of the universities were fairly well balanced. Officials of each of the institutions could pick an item for which they did not do as well as their colleagues. Iowa State University received the largest share (over \$4 million) due to its agricultural research program. He noted that fiscal year 1995 was the last year of that effort. After that commitment is satisfied, things will come more into balance. He stated that everything President Curris said was true but cautioned that it was misleading to concentrate on one item.

Regent Dorr asked to make it a matter of record for the fiscal year 1996 budget year that funding for fire safety and deferred maintenance should include all of the institutions including the two special schools.

Mr. Richey acknowledged that President Curris had an excellent program in addressing fire safety and deferred maintenance.

Mr. Richey stated that tomorrow he would be appearing before the Legislative Joint Subcommittee on Educational Appropriations to answer questions regarding salaries, accounting systems, etc. He noted that the Regents had seen some of the publicity in the newspapers. Mr. Richey will get the facts out and answer questions about the way the budgets are constructed. He assured the Regents that the salary numbers are very hard numbers.

Regent Tyrrell stated there was a perception that large amounts of money allocated for salaries were subsequently reallocated to other areas.

Mr. Richey responded that the University of Iowa had massive reallocations from its salary line item to equipment and building repairs. The university has a large number of faculty and others who are successful in getting federal grants and contracts. Salaries of those faculty and staff are paid from those sources. The practice had been that those salary funds were left in the general fund budget to ensure that faculty were not giving up "hard" money for "soft" money and would not lose in future years when grants are terminated. Now university officials budget where they actually expect the funds to be spent. University officials will shift those funds back to the salaries line item which will eliminate this issue with the General Assembly. He said the magnitude of the shift was about \$7 million.

Regent Tyrrell said he hoped that Mr. Richey would very carefully explain that reasoning to legislators and the press; that it is good management and good entrepreneurship.

Mr. Richey stated that in the past funds that were saved in the salary budget were utilized for non-recurring purposes such as building repairs and equipment. He said the controversy was destructive and that university officials shifted those funds from the salary budget. He noted that the problem should be eliminated in the future due to permanent budget reallocations from salaries to other expenditure categories, chief among them building repair.

Regent Dorr stated that a concern was raised last year about the format of budget information. He complimented whoever put the presentations together for this meeting, stating that they were the easiest budget reports to understand with which he had ever been presented.

Mr. Richey stated that the information was prepared primarily by Director Specter and his staff.

Regent Furgerson also thanked the Board Office for the presentation of the budget information and said it was understandable.

ACTION: President Berenstein stated the Board received information on the Governor's FY 1995 budget recommendations and the Regents 1994 legislative program, by general consent.

FINAL APPROVAL OF FEES, MISCELLANEOUS CHARGES AND PART-TIME TUITION. The Board Office recommended the Board approve proposed 1994-95 miscellaneous fees and charges as presented.

The Board Office submitted for approval all proposed miscellaneous fees.

In December the Board received proposals from the universities for a number of miscellaneous fees that are largely dependent on individual student choices and circumstances. The Board was scheduled to vote on these proposals in January after the required thirty-day notice and waiting period.

Miscellaneous fees are distinguished from Regent-wide mandatory fees and fees which pay for student activities recommended by representatives of the students and approved by the Board in May.

In January 1991 the Board requested greater uniformity in fees and titles for various services at the three Regent universities. Many changes in fees effected in 1993-94 were designed to bring about greater consistency among the three universities.

A number of miscellaneous fees are tuition-related and proposed increases in these fees are generally in accord with approved increases in full-time tuition rates.

University of Iowa

University officials proposed initiation of the following new fees:

1. A deferred administrative billing fee of \$15 per year for students who elect to pay their tuition, mandatory fees, and room and board charges in installments.
2. A fee of \$5 for students who request that their CLEP scores be sent to other institutions.

For dental students the university proposed a \$400 increase (6.1 percent) to \$7,000 for its three-year instrument management fee and a \$50 increase (5.6 percent) per year in its laboratory supplies fee. Dental fee increases are designed to cover increased costs.

Other requested non-tuition-related increases were 1) a rise in the Student Resume Fee from \$16 to \$20 to cover an increase in vendor costs to the Business and Liberal Arts Placement Office, 2) an increase from \$2 to \$3 in the charge for providing additional transcripts, and 3) an increase from \$15 to \$16 in the monthly fee for basic entertainment service on the Campus Video System.

All other University of Iowa proposed fee increases were tuition-related.

Iowa State University

Iowa State University officials proposed a new account review fee of \$10 per hour and a new fee for additional billing statements of \$5 per semester. The account review fee pays for an official university statement of account for previous semesters printed on university letterhead and signed by the Receivable Manager.

The additional billing statement fee covers the regular mailing upon request of five monthly bills per semester to parents or a second address.

University officials have stated that these fees pay for services requested by students and parents and that these services are above and beyond those provided by the other two Regent institutions. The other two universities provide xeroxes of current and past bills upon request but do not offer an optional duplicate monthly billing service or certified statements of account.

The proposed Iowa State University fees will be waived if the reason for them is caused by a) an administrative error or omission by the university or b) circumstances beyond the control of the individual making the request.

Iowa State University officials requested an increase from \$10 to \$15 in its deferred administrative billing fee and an increase from \$2 to \$3 in the price charged for additional transcripts.

All other proposed fee increases are tuition-related.

University of Northern Iowa

For 1994-95 University of Northern Iowa officials proposed increases in music fees for private lessons to bring its charges in accord with those at the other two Regent universities.

The University of Northern Iowa will no longer conduct summer session at the Price Laboratory Summer School and thus proposed to eliminate this fee. University officials proposed to eliminate the Writing Competency Exam fee because of a lack of a demand for this examination over the last several years.

All other proposed fee increases were tuition-related.

President Berenstein noted that the 30-day notice had been observed.

MOTION: Regent Newlin moved to approve proposed 1994-95 miscellaneous fees and charges as presented. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

MEMORANDA OF AGREEMENT FOR THE IOWA COMMUNICATIONS NETWORK CONSTRUCTION, ONGOING MAINTENANCE, AND EQUIPMENT PLACEMENT. The Board Office recommended the Board approve a Memorandum of Understanding for Construction and Ongoing Maintenance and Memorandum of Understanding for Equipment Placement related to the Iowa Communications Network System ("ICN") between the Iowa Board of Regents and the Iowa Department of General Services.

At the May 1993 Board meeting, the Board approved a 28E Agreement (intergovernmental agency agreement) for Utilization of the Iowa Communications Network System ("ICN") between the Board and the Iowa Department of General Services. The Regent institutions will use the state-owned Iowa Communications Network for intra-state telephone service, data transmission, and video traffic.

The 28E agreement set forth operating principles related to ICN rates and services for the Regent institutions. At that time, it was discussed that

GENERAL
January 19, 1994

more detailed operating agreements within the general principles outlined in the 28E agreement would be developed later.

The Construction and Ongoing Maintenance Agreement sets conditions under which the Iowa Department of General Services will construct, operate and maintain fiber optic transmission lines on university property for the exclusive purpose of connecting the three universities to the ICN. The universities have final authority over the location of the system and all associated elements.

General Services shall carry on construction, operation and maintenance with serious regard to safety and minimal disruption to public and adjacent property owners.

The Equipment Placement Agreement defines the respective rights, authority, and obligations concerning the installation, placement, operation, and maintenance of equipment and facilities necessary for the ICN on the university campuses. General Services shall be allowed to construct, operate and maintain certain facilities and equipment necessary for the operation of the ICN.

Prior to the installation of any facilities or equipment, General Services will coordinate their location with the universities and the universities will have final approval of the location of the ICN and all associated elements.

General Services shall be solely responsible for all costs associated with the procurement and installation of the ICN facilities and equipment located on university property. General Services shall be solely responsible for the maintenance, upkeep, and testing for all ICN facilities located on university property.

The Attorney General's staff reviewed and approved the agreements.

Copies of the Memoranda of Agreement were provided to the Regents.

Director Specter reviewed with the Regents what had taken place to this point in time concerning 28E agreements for the Iowa Communications Network. Staff was in the process of preparing a number of agreements, two of which were before the Regents at this meeting.

Regent Dorr asked if everyone was comfortable that these agreements are ultimately good for the Regent institutions and that they are cost effective.

Mr. Richey stated that one of the underlying provisions that Regent representatives have maintained in the negotiations is that the rates be cost competitive with the private sector. He said that clause is written in

"hard" language throughout the agreements. As long as that is observed, he thinks the agreements are good for the State in helping maintain and finance the network.

Regent Dorr asked whether the 30-day termination works both ways. Mr. Richey responded that it did and said he was as comfortable as he could be knowing the legislature can mandate at any time that they be a captive of the system since the system is part of State government.

Regent Dorr said that assuming the cost competitive rates continue, the Regents, as users of the system, would help provide resources for future updates of the system as they have in the past. He asked if the wording would preclude the ability to replace resources as needed.

Mr. Richey responded that it would not in the way the agreements are written.

MOTION: Regent Furgerson moved to approve a Memorandum of Understanding for Construction and Ongoing Maintenance and Memorandum of Understanding for Equipment Placement related to the Iowa Communications Network System ("ICN") between the Iowa Board of Regents and the Iowa Department of General Services. Regent Newlin seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office indicated that it had no transactions to report this month.

STATUS REPORT ON THE BOARD OFFICE BUDGET FOR FISCAL YEAR 1994. The Board Office recommended the Board receive the report.

The Board Office budget is in balance with estimated resources for fiscal year 1994. Estimated increases of \$20,000 in expenditures above projected budget were offset by an estimated similar amount in additional miscellaneous receipts and billings. Travel expenses for Board members are expected to be about \$15,000 above budget projections, offset by reimbursements. These additional expenditures are accounted for by greater activity of Board members in traveling to and from meetings.

Expenditures for office equipment were greater than budgeted. The proposed budget contained a minimum of \$2,000 for the entire year. The necessity to purchase replacement equipment for fax machines and lap top computer items accounted for most of the increase.

The budget for salaries for the fiscal year is in line with projections including the amount of estimated salary savings. Turnover savings in fringe benefits are estimated to be adequate to cover the projected salary savings for the year.

ACTION: The report on the Board Office budget was received by consent.

BOARD MEETINGS SCHEDULE. The Board Office recommended the Board approve the Board Meetings Schedule.

February 16-17	University of Iowa	Iowa City
March 16-17	To Be Determined	Sioux City
April 20-21	Iowa Braille and Sight Saving School	Vinton
May 18-19	University of Northern Iowa	Cedar Falls
June 14-15	University of Iowa	Iowa City
July 20-21	Iowa State University	Ames
September 20-21	University of Northern Iowa	Cedar Falls
October 19-20	University of Iowa	Iowa City
November 16-17	Iowa State University	Ames
December 14-15	Marriott Hotel	Des Moines
January 18, 1995	Telephonic	
February 15-16	University of Northern Iowa	Cedar Falls
March 15-16	Iowa State University	Ames
April 19-20	Iowa School for the Deaf	Council Bluffs
May 17-18	University of Iowa	Iowa City
June 21-22	University of Northern Iowa	Cedar Falls

ACTION: President Berenstein stated the Board approved the Board Meetings Schedule, by general consent.

President Berenstein then asked Board members and institutional officials 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, January 19, 1994.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office reported that the Register of Personnel Changes had not been received and would be reported on at next month's meeting.

POLICY ON NOTIFICATION OF STUDENTS ON CLASS CONTENT. The Board Office recommended the Board accept the University of Iowa's proposed policy on notification of students in lieu of the interim policy adopted by the Board of Regents at its October 13, 1993, meeting.

At the February 1993 meeting of the Board of Regents, the Board requested that each of the three universities develop a policy on notification of students regarding class content. In October, the Board received the policies from Iowa State University and the University of Northern Iowa. At that time, the faculty at the University of Iowa had not completed deliberations on this request. In the absence of a policy at the University of Iowa, the Board of Regents adopted a policy of its own. This policy was to remain in effect until such time as the Board accepted a policy from the University of Iowa.

University of Iowa officials proposed that its Operations Manual section on "Responsibilities to Students" (20.292) be amended to address the concern of the Board of Regents. Below is the proposal of the Faculty Senate as recommended by the university administration. The clause added by the university administration is shown in italics.

10.292 Responsibilities to Students

New Subsection (b)

It is also the faculty member's responsibility to provide students and prospective students with adequate knowledgeable choices about whether to enroll. This information may be provided by course syllabi, lists of readings and other course materials, or other appropriate instructional aids. These informative materials, as appropriately supplemented by class discussion and announcements, should also be used to provide appropriate contexts for individual class sessions *and to give students adequate indication of any unusual or unexpected class presentations or*

materials. Faculty should respect reasonable decisions by students not to attend a part or all of a particular class session; students remain responsible for learning class material and completion of course requirements. (New language emphasized.)

University officials indicated that the policy differs from that adopted by the university Faculty Senate at its November 16, 1993, meeting by the addition of the words "and to give students adequate indication of any unusual or unexpected class presentations or materials," at the end of the third sentence of the policy. The Faculty Senate has manifested its agreement with the proposition that a pedagogically-based notification policy is educationally appropriate.

The Board has expressed on several occasions that its concern is not with course content, but rather with appropriate pedagogy. The new language provides additional clarity concerning the occasions for use of informative materials and is believed by the university to be the most appropriate means of balancing the various interests and concerns that have emerged over the months during which this issue has been explored, while responding to concerns of the Board.

The Board Office reported that this recommendation by the University of Iowa strikes an appropriate balance between the rights of students and the issues related to academic freedom. The Board Office recommended that the Board accept this policy in lieu of that adopted by the Board of Regents in October.

President Rawlings stated that everyone was familiar with the history of this policy development. He said the policy presented this month was in essence the policy passed by the Faculty Senate at its November meeting with the following addition:

...and to give students adequate indication of any unusual or unexpected class presentations or materials.

President Rawlings said he inserted the additional language. He discussed the additional language with approximately 20 members of the Faculty Council and Faculty Senate. In general, they were supportive. He noted that Professor Schnoor, President of the Faculty Senate, was present. Also, a student was prepared to speak on this matter. Josianne Peltier would speak in lieu of Susan Wolf, representing the Campaign for Academic Freedom.

President Berenstein noted that the proposed policy was a compromise position from the policy that was presented and defeated last month. He asked if the additional language was another way of saying that students will be warned prior to the time materials will be presented.

President Rawlings responded affirmatively, stating that the additional language provided for advance notice.

President Berenstein recognized Josianne Peltier, graduate student.

Ms. Peltier summarized a meeting of the Campaign for Academic Freedom which was held the day before this meeting. She said they were a bit surprised upon returning from Christmas vacation to discover there was a new text being developed for presentation to the Regents. They were a bit dismayed also at the content of the text which addresses "unusual and unexpected" material.

Ms. Peltier expressed her interest in the Regents' earlier discussion about attracting more graduate students from foreign countries to the University of Iowa. She said she is a foreign student and foreign students already think the United States has problems with sexual material, in general. She thinks the policy is not going to help attract new foreign students. Most foreign students, she said, find this policy simply appalling.

Ms. Peltier said the Campaign for Academic Freedom firmly continues to oppose this policy. They feel it goes against the democratic process since the policy was written during the break and that the Faculty Senate had not voted on it. She said the text was in no way a compromise but was rather a complete kowtowing to the authority and morality demands of the Regents. She said the same people who are supposed to protect academic freedom are asking for its "head". The problems the Campaign encountered when discussing previous proposals were present again. Were "adequate notification" and "unusual and unexpected class presentation" just new terms to cover homophobia or alternative modes of thinking? Shouldn't education present unusual and unexpected material since education is about discovering new grounds?

Ms. Peltier questioned how students can remain responsible for learning class material if they are allowed to skip classes and not see certain documents. She said the University of Iowa community is in a state of fear. Almost any body of knowledge is now introduced as unusual and unfamiliar even in the most inconspicuous classes. Professors have issued warnings on films which never had warnings before. She said she found it particularly ironic that during Martin Luther King week on campus while they promote the idea of diversity, the university is promoting a reactionary, bigoted, offensive policy which it intends to gag diversity and which serves to terrorize instructors.

Ms. Peltier said the opposition to the proposed policy was overwhelming, much greater than that of the few conservative students who feel threatened by anything that does not fit their limited view of life. She questioned why the Regents choose to defend those few students and to sacrifice everyone else at the university?

President Rawlings stated that Ms. Peltier was expressing views of which he had heard before. What he presented was a policy that made sense from a teaching point of view rather than content which he said had been the primary concern of faculty all along.

President Berenstein said it was his understanding that if this policy is not accepted by the Faculty Senate, the university administration will adopt it on its own behalf. President Rawlings stated that the university administration brought this policy to the Regents. Lengthy discussion took place earlier. It will be a discussion item only for the Faculty Senate.

President Berenstein stated that he would vote in favor of the proposed policy with the understanding that if there was any discussion concerning the validity of this motion because it was presented by the university and not by the faculty, he would do his best to see that the policy as passed by the Regents in October was adopted for the University of Iowa in lieu of the one being voted on now. The motion in October was limited to explicit sexual material and it was his understanding that was not acceptable to the faculty. He stated that he totally expected this policy would be enforced by the university administration because it was their policy. Was it also the university's understanding that the policy would be enforced?

President Rawlings responded affirmatively, stated that the policy would enter the Operations Manual of the university and would be implemented as such.

MOTION:

Regent Furgerson moved to accept the University of Iowa's proposed policy on notification of students in lieu of the interim policy adopted by the Board of Regents at its October 13, 1993, meeting. Regent Newlin seconded the motion. MOTION 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 five new projects for approval by the Board.

University Hospitals and Clinics--Mechanical Head End Equipment Replacement \$796,365

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 647,450
Architectural/Engineering Support	51,745
Planning and Supervision	32,375
Contingency	<u>64,795</u>
TOTAL	<u>\$ 796,365</u>

University officials requested approval of a project description and budget for replacement of mechanical equipment systems. The installation of these systems will facilitate the phased development and occupancy of levels six and seven of the Boyd Tower, which will be used for clinical support functions. Specific work will include the replacement of a 17-year-old air handling unit, general exhaust fan, air compressor and electrical motor controls. A heat recovery system will also be installed.

University Hospitals and Clinics--South Pavilion \$780,395

Telecommunications Switchroom Development

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 642,300
Architectural/Engineering Support	41,750
Planning and Supervision	32,115
Contingency	<u>64,230</u>
TOTAL	<u>\$ 780,395</u>

University officials requested approval of a project description and budget to complete approximately 3,300 gross square feet of shell space of the South Pavilion mezzanine level for a telecommunications switchroom and support facilities. The project will also install duct banks and conduit to link the South Pavilion switchroom cable vault to the Colloton and Pappajohn Pavilions and to a U.S. West cable vault on the south side of the South Pavilion. The switchroom will be large enough to support the future telecommunications requirements of the South Pavilion.

University Hospitals and Clinics--Neuroangiography Unit and \$495,665

CT Scanner Replacement

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 396,540
Architectural/Engineering Support	39,650
Planning and Supervision	19,825
Contingency	<u>39,650</u>
TOTAL	<u>\$ 495,665</u>

University officials requested approval of a project description and budget to renovate two diagnostic radiology patient procedure rooms and adjoining control and computer rooms on the third level of Colloton Pavilion. The work is required to support the installation of a new biplane neuroangiography x-ray unit and new spiral CT scanner to replace two technologically and operationally outmoded units. Work to be accomplished includes demolition, installation of walls, door frames and doors, casework, new finish materials, and modification to existing mechanical and electrical systems.

Slater Hall--Replace Windows \$610,700
Source of Funds: Dormitory Improvement Reserves

Preliminary Budget

Construction	\$ 522,500
Design, Inspection and Administration	
Consultants	16,000
Architectural/Engineering Services	19,900
Contingencies	<u>52,300</u>
TOTAL	<u>\$ 610,700</u>

University officials requested approval of a project description and budget to replace 14 bays of 22 windows each on the north and south elevations of Slater Residence Hall. Included are student rooms, rest rooms, and stairway windows. New aluminum frame insulated glass windows will be installed and sealant replaced. Some sealant will also be replaced on the west elevation.

Burge Hall--Replace Windows--First and Fourth Houses \$302,500
Source of Funds: Dormitory Improvement Reserves

Preliminary Budget

Construction	\$ 262,000
Design, Inspection and Administration	14,300
Contingency	<u>26,200</u>
TOTAL	<u>\$ 302,500</u>

University officials requested approval of a project description and budget to replace 279 windows in the first and fourth houses of Burge Residence Hall. This project will complete the replacement of the existing obsolete windows in the building. New windows were installed in the second and third houses of the building in the summer of 1993. The replacement windows will have aluminum frames and will be equipped with screens and insulating glass. University-furnished window air conditioners will be installed in those windows with existing air conditioning units.

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University officials reported seven new projects with budgets of less than \$250,000. 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

<u>Kinnick Stadium--Press Box Fourth Floor Addition</u>	<u>\$72,000</u>
RDG Bussard Dikis, Des Moines, Iowa	

University officials requested approval of the negotiated agreement in the amount of \$72,000, which includes basic services plus reimbursables.

The university is proceeding toward its goal of completing the project by the fall of 1994. University officials will return to the Board in February for approval of the project description and budget. The project has an estimated budget of \$900,000, which will be funded entirely by gifts to the Men's Athletic Department.

Amendments:

<u>Steam Distribution System Improvements--Power Plant to South Grand Avenue</u>	<u>\$10,460</u>
Stanley Consultants, Inc., Muscatine, Iowa	

University officials requested approval of Amendment No. 6 in the amount of \$10,460 to the agreement with Stanley Consultants for project supervision services for an additional four- to six-week period. The project is proceeding on an extremely tight schedule in order to complete the concrete work, condensate return main, and one of the 14 inch steam mains.

Amendment No. 6 will not result in an increase in the total project budget.

CONSTRUCTION CONTRACTS

Lindquist Center to Bowen Science Building--Install Communication Ducts \$694,400

Award to: Hurst and Sons Contractors, Inc., Waterloo, Iowa
(5 bids received)

Biology Building--Animal Quarters Renovation \$387,745

Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(5 bids received)

University Hospitals and Clinics--Shipping and Receiving Facility Office and Mechanical/Electrical Systems Development \$321,669

Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(7 bids received)

University Hospitals and Clinics--Replacement of Obsolete Boyd Tower Switchgear--Phase A \$267,127

Award to: Gerard Electric, Inc., Iowa City, Iowa
(2 bids received)

University Hospitals and Clinics--Patient Fiscal and Admitting Service Expansion \$205,900

Award to: O. F. Paulson Construction Company, Cedar Rapids, Iowa
(10 bids received)

Medical Education Building--Construct Undergraduate Teaching Laboratory--Rest room Package \$110,977

Award to: Anestad Construction, Coralville, Iowa
(5 bids received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

North Capitol Improvements Change Order #4 Deduct \$88,000
Suburban Contractors, Inc., Cedar Rapids, Iowa Change Order #5 Add \$37,807

University officials requested approval of Change Orders #4 and #5 to the initial agreement with Suburban Contractors. Change Order #4 reflects the deletion of a portion of the work which existed prior to the change in scope to elevate the pavement. This includes underground electrical and plumbing ducts, concrete planters, and landscape accessories.

Change Order #5 is for the placement of crushed rock to replace on-site construction materials for concrete and pavement walkways which were damaged by the summer rains. Use of the replacement materials allowed the project to proceed this summer and provided access to the John Pappajohn Business Administration Building for fall classes.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

West Campus Chilled Water Plant Expansion--Ceramic Cooling Tower
Tower Engineering, Inc., Fort Worth, TX

Burge Hall--Replace Piping--Second and Third Houses
Modern Piping, Inc., Cedar Rapids, Iowa

University Hospitals and Clinics--Development of Radiology Faculty Offices
Merit Construction Company, Cedar Rapids, Iowa

North Campus Chilled Water Plant--Chilled Water Expansion
Quad City Boiler, Inc., Davenport, Iowa

MOTION: Regent Pellett moved to approve the university's Capital Register, as presented. Regent Collins seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF LEASE. The Board Office recommended the Board approve the following lease:

With IOTECH, Inc., for the renewal of its lease for 308 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus (Room 211) at the rate of \$154 per month for the period commencing January 1, 1994, through December 31, 1994.

MOTION: Regent Dorr moved to approve the lease, as presented. Regent Newlin seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Collins, Dorr, Furgerson, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: Hendricks, Johnson-Matthews.

MOTION CARRIED UNANIMOUSLY.

President Berenstein then asked Board members and institutional officials 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, January 19, 1994.

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

Register of Personnel Changes for December 1993 which included five requests for early retirement.

Provided for the Board's information was the appointment of DR. CHARLES M. DOBBS as Executive Assistant to the President effective February 1, 1994.

MOTION: Regent Dorr moved to approve the university's personnel transactions, as presented. Regent Tyrrell seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ACCEPTANCE OF POST-AUDIT REPORT. The Board Office recommended the Board refer the post-audit report to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University officials, consistent with Board policy, submitted a post-audit report five years after the initial approval of an interdepartmental graduate major in Ecology and Evolutionary Biology.

The comprehensive post-audit submitted by the university appeared to demonstrate that the program has been successful in achieving its original objectives.

1. Enrollment has exceeded expectations.
2. Costs are as projected.
3. Graduates have found relevant employment.
4. The program is non-duplicative.

ACTION: This matter was referred by consent.

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

Iowa State University officials proposed an Iowa Manufacturing Technology Center. The purpose of the Center is to serve rural manufacturers in Iowa

with: (1) technical assistance; (2) on-site assistance; (3) development of new technologies, and (4) information and education.

The projected budget for the Center is \$2-3 million a year with matching institutional and State resources.

ACTION: By general consent, the Board deferred action on this matter.

APPROVAL OF REORGANIZATION. The Board Office recommended that the Board approve the proposed reorganization that would place the Iowa State University legal services unit in the Office of the President.

Internal legal services at Iowa State University were provided by Reid Crawford when he was Executive Assistant to the President. Mr. Crawford continued to provide those services on a temporary basis after he was appointed Vice President for External Affairs.

University officials are conducting a search for a Director of Legal Services whose office they proposed would again be part of the Office of the President.

The Board of Regents Procedural Guide section 4.05E states that changes proposed in the organizational structure of an institution shall be presented to the Board for its approval, if they are significant.

MOTION: Regent Furgerson moved to approve the proposed reorganization that would place the Iowa State University legal services unit in the Office of the President. Regent Newlin seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF CENTER. The Board Office recommended the Board refer the university's request to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Iowa State University officials proposed establishment of the Iowa Pork Industry Center. The primary objectives of the Center are:

1. To maintain and expand Iowa's leadership role and competitiveness in national pork production.
2. To assist the pork industry in the evaluation of emerging technologies and to implement those technologies applicable to Iowa conditions.
3. To assist the pork industry in assessing the impact of consumer, environmental, marketing, and regulatory trends on pork production.

4. To assist the Iowa pork industry in maintaining national leadership as a low-cost source of high quality pork in environmentally- and animal-friendly production systems.

Sufficient funding would be provided to develop and maintain an effective educational and demonstration program through ISU Extension, State and Federal and industry grants, and other support sources.

ACTION: By general consent, the Board deferred action on this matter.

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

PROJECT DESCRIPTIONS AND BUDGETS

University officials reported two new projects with budgets of less than \$250,000. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

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CONSTRUCTION CONTRACTS

Applied Science Center--Office Building--Phase 2 \$703,700
Award to: Woodruff Construction, Fort Dodge, Iowa
(6 bids received)

Energy Management System Modernization and Upgrade--Phase 2--
Northwest Campus \$77,260
Award to: L. A. Fulton and Sons, Inc., Des Moines, Iowa
(2 bids received)

Utilities--Increased Chilled Water Capacity--Phase 1--
Mechanical Package No. 9 \$34,700
Award to: Manning-Seivert Mechanical Contractors, Inc., Granger, Iowa
(3 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Iowa School for the Deaf--Deaerator Replacement
R. W. Rice Company, Inc., Sioux City, Iowa

MOTION: Regent Tyrrell moved to approve the Iowa State University capital register, as presented. Regent Pellett seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF LEASE. The Board Office recommended the Board approve the following lease:

With HEARTLAND BIOTECHNOLOGIES for its use of 800 square feet of office and laboratory space at the College of Veterinary Medicine (Room 2035) at the rate of \$1,675 per month for the period commencing January 20, 1994, through January 19, 1995.

MOTION:

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

AYE: Berenstein, Collins, Dorr, Furgerson, Newlin, Pellett, Tyrrell.

NAY: None.

ABSENT: Hendricks, Johnson-Matthews.

MOTION CARRIED UNANIMOUSLY.

IOWA STATE CENTER ANNUAL REPORT. The Board Office recommended the Board receive a report on the operation of the Iowa State Center for the year ended June 30, 1993.

Iowa State University contracted with Ogden Entertainment Services (OES) for the operation of the Iowa State Center on February 1, 1988.

In January 1993, the Board approved extension of the contract for an additional three-year period through June 30, 1996. The primary objectives of the agreement are to achieve improved financial operations of the Center and increase the number, profitability, and diversity of programs at the Center.

The total university allocation provided to the Center for FY 1993 was \$1,150,767. The subsidy consists of general operating and utilities components, and is net of rent grants:

	<u>FY 1993</u>	<u>FY 1992</u>	<u>FY 1991</u>	<u>FY 1990</u>	<u>FY 1989</u>
Gen. alloc.	\$ 419,509	415,165	519,398	618,509	698,509
Utilities adj.	706,858	706,858	636,858	636,991	671,107
Rent grants	(50,600)	(53,400)	(53,060)	(63,800)	(60,345)
Alloc. adj.	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u> </u>
Adj. alloc.	<u>\$1,150,767</u>	<u>1,143,623</u>	<u>1,178,196</u>	<u>1,266,700</u>	<u>1,309,271</u>

Ogden is responsible for reducing the university's general operating portion of the subsidy on a progressive basis over the contractual period. The subsidy has been reduced by \$300,000 since FY 1987.

Total attendance at the Iowa State Center (including Brunnier Gallery and Farmhouse Museum) for FY 1993 was 972,858, an increase of 8.5 percent over FY 1987.

Ogden Entertainment Services is responsible for concession stands, novelty sales and beverage sales at the Center. Net return to the university on these activities during the contract compare very favorably to pre-contract FY 1987:

FY 1993	\$430,852	43.7%
FY 1992	\$401,524	47.2%
FY 1991	433,938	47.0%
FY 1990	331,233	44.4%
FY 1989	234,099	38.0%
FY 1988	221,193	29.0%
FY 1987	118,897	27.0%

The positions of Director of Marketing and Promotions and Director of Business and Finance were filled early in FY 1993.

On July 9 and 10, 1993, the Center, in particular the James H. Hilton Coliseum and Scheman Continuing Education Building, received an estimated \$2.5 million and \$1.2 million in flood-related damages respectively.

A major fund-raising campaign by the ISU Foundation to renovate various Center facilities includes the basketball addition to Hilton Coliseum, fire safety improvements, renovations in the Scheman Building, Fisher Theater, and C.Y. Stephens Auditorium.

ACTION: President Berenstein stated the Board received a report on the operation of the Iowa State Center for the year ended June 30, 1993, by general consent.

President Berenstein then asked Board members and institutional officials if there were additional items for discussion pertaining to Iowa State University. There were none.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, January 19, 1994.

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

Register of Personnel Changes for December 1993.

Provided for the Board's information was the appointment of RICHARD VARN as Director of Telecommunications, effective March 1, 1994, at an annual salary of \$60,000.

President Berenstein asked when Richard Varn would resign from the Iowa Senate. President Curris said it was his understanding that the resignation would be effective at the end of January.

President Berenstein asked if Senator Varn's resignation would dovetail with the commencement of his employment at the university. President Curris said it was his understanding that for a period of time after resigning from the Senate, Mr. Varn will be working on a book that he is under contract to write. The expectation is that after he finishes work on the book he will report to the university but no later than March 1. President Curris stressed that Senator Varn will not be an employee of the university at any time that he is still in the legislature.

MOTION: Regent Dorr moved to ratify the university's personnel transactions, as presented. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

PROJECT DESCRIPTIONS AND BUDGETS

<u>Electrical Distribution System--Nebraska and 27th Street Loops</u>	<u>\$450,000</u>
Source of Funds: 1992 Academic Building Revenue Bonds	

Preliminary Budget

Contract/Purchase Orders	\$ 393,000
Consultant and Design Services	38,000
Contingencies	<u>19,000</u>
TOTAL	<u>\$ 450,000</u>

This project will provide for the installation of two loops within the 12,470 volt primary electrical distribution system. The associated duct and vaults will be installed by a contractor and the electrical cable will be installed with in-house labor.

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University officials reported six new projects with budgets of less than \$250,000. 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

Electrical Distribution System--Nebraska and 27th Street Loops \$37,120
Kirkham Michael and Associates, Cedar Falls and West Des Moines, IA

University officials requested approval to enter into an agreement with Kirkham Michael and Associates to provide engineering services for the project. They recommended the selection of the firm based on its successful experience with similar projects at the university. The firm has a local office which will provide coordination and observation of the field work. The university believes the negotiated amount of \$37,120 is reasonable for a project of this nature.

FINAL REPORTS

Latham Hall Renovation \$3,000,000

MOTION: Regent Furgerson moved to approve the university's capital register, as presented. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

RAZE HOUSES AT 1204 AND 1210 WEST 22ND STREET. The Board Office recommended the Board authorize the University of Northern Iowa to raze two houses located at 1204 and 1210 West 22nd Street, Cedar Falls, Iowa.

University of Northern Iowa officials requested approval to raze two houses located at 1204 and 1210 West 22nd Street in Cedar Falls, Iowa. The houses are located north of Bartlett Hall near the Commons parking lot on two tracts of university property totaling 13,992 square feet.

Following demolition of the houses, the land will be utilized for expansion of the Commons parking lot.

The razing of the structures was included in the project description and budget for the Commons Parking--Northeast Expansion project which was included in the university's January capital register.

The project budget in the amount of \$61,000 will be funded by parking operations.

Vice President Conner stated that the properties are next door to each other and are contiguous to part of the Commons parking lot. University officials intend to extend parking to where there is a critical need for parking.

MOTION:

Regent Tyrrell moved to authorize the University of Northern Iowa to raze two houses located at 1204 and 1210 West 22nd Street, Cedar Falls, Iowa. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Collins, Dorr, Furgerson, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: Hendricks, Johnson-Matthews.

MOTION CARRIED UNANIMOUSLY.

LEASE OF PROPERTY - BUTLER COUNTY RADIO TOWER. The Board Office recommended the Board defer action on this matter, which it did.

President Berenstein then asked Board members and institutional officials 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, January 19, 1994.

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

Register of Personnel Changes for December 1993 which included one request for early retirement.

MOTION: Regent Dorr moved to approve the personnel transactions, as presented. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office stated that Iowa School for the Deaf officials reported no transactions on its Capital Register.

President Berenstein then asked Board members and institutional officials 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, January 19, 1994.

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

Register of Personnel Changes for November 21 through December 22, 1993.

MOTION: Regent Dorr moved to approve personnel transactions, as presented. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office stated that Iowa Braille and Sight Saving School officials reported no transactions on its Capital Register.

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

ADJOURNMENT. The electronic meeting of the State Board of Regents adjourned at 10:45 a.m., on Wednesday, January 19, 1994.



R. Wayne Richey
Executive Director