

The State Board of Regents met on Wednesday, July 17, and Thursday, July 18, 1991, at the University Park Holiday Inn, West Des Moines, Iowa. The following were in attendance:

	<u>July 17</u>	<u>July 18</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Berenstein	All sessions	All sessions
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
Mr. 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	All sessions
Associate Director Hollins	All sessions	Excused at 10:35 a.m.
Assistant Director Hudson	All sessions	Excused at 10:35 a.m.
Assistant Director Peters	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Rawlings	All sessions	Excused at 10:00 a.m.
Vice President Nathan	All sessions	All sessions
Vice President Phillips	All sessions	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	Excused at 10:35 a.m.
Provost Glick	All sessions	Excused at 10:35 a.m.
Vice Provost Swan	All sessions	Excused at 10:35 a.m.
Vice President Madden	All sessions	Excused at 10:35 a.m.
Interim Vice President Crawford	All sessions	Excused at 10:35 a.m.
Associate to the President Adams	All sessions	Excused at 10:35 a.m.
Treasurer Thompson	All sessions	Excused at 10:35 a.m.
Assistant to President Bradley	All sessions	Excused at 10:35 a.m.
Director Jensen	All sessions	Excused at 10:35 a.m.
<u>University of Northern Iowa</u>		
President Curris	All sessions	Excused
Vice President Conner	All sessions	Excused at 10:35 a.m.
Vice President Follon	All sessions	Excused at 10:35 a.m.
Exec. Ass't. to Pres. Stinchfield	All sessions	Excused at 10:35 a.m.
Assistant to President Gadelmann	All sessions	Excused at 10:35 a.m.
Director Chilcott	All sessions	Excused at 10:35 a.m.
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused
Assistant Superintendent Balk	All sessions	Excused
Business Manager Nelson	All sessions	Excused
Interpreter Cool	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	Excused at 10:35 a.m.
Director Hauser	All sessions	Excused at 10:35 a.m.

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The following business pertaining to general or miscellaneous business was transacted on Wednesday, July 17-18, 1991.

APPROVAL OF MINUTES OF BOARD MEETING, JUNE 19, 1991. Mr. Richey stated that a request was received to correct a typographical error in the June 19, 1991, Minutes; therefore, the Board should approve the Minutes, as corrected.

ACTION: President Pomerantz stated the Board approved the Minutes of the June 19, 1991, meeting, as corrected, by general consent.

CONSENT ITEMS. President Pomerantz asked if there were any questions about any items on the consent docket. He pointed out that the Next Meetings Schedule shown on the consent docket reflected two additional meetings which would be held telephonically:

August 20, 1991, 2:30 p.m. to conduct a bond sale for the benefit of Iowa State University, and

August 29, 1991, 9:00 a.m. to conduct regular business of the Board of Regents.

With respect to parking fees at Iowa State University, as included on the consent docket, President Pomerantz noted that he had received several letters regarding parking fee increases. He asked if it was appropriate, in university officials' view, given the freeze in salaries and the state's economic dilemma, to increase parking costs to Regent employees.

Vice President Madden said there was no increase in the general parking permit rates. The rate increase was in the reserved spaces. People who do not wish to pay the increased fee for reserved spaces can purchase general parking permits.

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

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Approve the change in the name of the graduate major in the Department of Food Science and Human Nutrition at Iowa State University from Food Science to Food Science and Technology, effective immediately;

Approve the recommended appointments to the Iowa Braille and Sight Saving School Advisory Committee and the Iowa School for the Deaf Advisory Committee;

Approve the Next Meetings Schedule;

Refer the University of Iowa proposed course changes to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Approve the renaming of the Psychiatric Hospital at the University of Iowa to the Medical Education Building, effective immediately;

Refer the Iowa State University request for suspension of enrollment in leisure studies and in occupational safety in the College of Education to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Approve the change of the name of the Iowa State University College of Business Administration to the College of Business, effective August 1, 1991; and

Approve Iowa State University parking rates and fees for violations for faculty, students and staff, as outlined.

The motion carried unanimously.

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Iowa Transportation Center - Iowa State University. The Board Office recommended the Board approve the Iowa Transportation Center at Iowa State University, effective immediately.

Iowa State University officials proposed an Iowa Transportation Center that provides continuing education and information to local, regional, and state

governmental transportation workers. Services will include training programs, a lending library, referral services, a newsletter, and specialized technical assistance.

Estimates indicate that current contracts with governmental agencies provide about \$368,024 annually and that Iowa State University Extension provides approximately \$26,500 for a portion of the administrative salary.

Regent Dorr asked for the difference between the proposed Iowa Transportation Center at Iowa State University and the Driving Simulator at the University of Iowa. He was concerned about duplication.

Vice President Nathan responded that the driving simulator project conducts research of some magnitude to study the impact of a whole variety of environmental factors. The Iowa State University proposal for a Transportation Center is an entirely different kind of operation. It is not a research operation but rather an extension function to provide specialized training.

MOTION:

Regent Williams moved to approve the Iowa Transportation Center at Iowa State University, effective immediately. Regent Furgerson seconded the motion, and it carried with Regent Dorr opposed.

(b) Iowa Space Grant College Consortium - Iowa State University. The Board Office recommended the Board approve the Iowa Space Grant College Consortium, effective immediately.

Officials of the three Regent universities requested approval of an Iowa Space Grant Consortium with Iowa State University acting as the lead. This organizational structure will enable the universities to obtain funding through the National Aeronautics and Space Administration (NASA) for space related science and mathematics activities.

This consortium is the result of a program developed by the National Aeronautics and Space Administration in 1989. The ultimate goal of the national program is to have a space grant presence in each of the states. The Iowa consortium fulfilled the eligibility requirements and competed successfully with the award as a Space Grant College Consortium in February 1990.

The basic purpose of the consortium is to: (1) improve cooperation among universities, government, and industry in space-related fields; (2) increase the awareness and interest in science, technology, and engineering within the universities, the schools systems, and the public, through space, particularly among women and minorities; and (3) support the development of a strong science and mathematics base in the K-12 program.

Three hundred thousand dollars in NASA funds will be the primary financial support for the consortium. Iowa State University and the University of Iowa will contribute \$50,000 each and the University of Northern Iowa will contribute \$25,000.

Vice President Nathan stated this was one of 14 federally-funded space consortiums.

Regent Dorr spoke in opposition to this proposal. He said he was not sure it is the Regent institutions' responsibility to be advocates for NASA. If the K-12 systems are not strong enough on their own then that issue should be addressed separately.

Regent Williams said the responsibility for mathematics and science is not restricted to the K-12 system. The Regents have a responsibility in the governance of Iowa's state universities to advance the knowledge and make sure it is offered to the K-12 system with equal exchanges back and forth. The Regent institutions have an opportunity to take a leading role. She said for that reason alone she supports this proposal.

MOTION: Regent Furgerson moved to approve the Iowa Space Grant College Consortium, effective immediately. Regent Williams seconded the motion, and it carried with Regent Dorr opposed.

(c) Change in Name of Graduate Major at Iowa State University. The Board Office recommended the Board approve the change in the name of the graduate major in the Department of Food Science and Human Nutrition at Iowa State University from Food Science to Food Science and Technology, effective immediately.

Iowa State University officials requested a change in the name of the graduate major in Food Science to Food Science and Technology. The change is related to a departmental change that was approved by the Board last year. There are no programmatic or budgetary implications to this change.

The Interinstitutional Committee and the Board Office reviewed this request and recommended approval.

ACTION: This matter was approved by consent.

(d) Merge of Departments at the University of Northern Iowa. The Board Office recommended the Board (1) approve the merger of the Departments of Library Science and Curriculum and Instruction at the University of Northern Iowa, effective immediately and (2) request that the University of Northern Iowa include the "Library Science" program in its next round of program reviews and

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that this review include special consideration of the viability of the Masters program.

University of Northern Iowa officials requested approval to merge the Departments of Library Science and Curriculum and Instruction. A recent retirement made the proposed merger feasible.

The Board Office recommended that the viability of the Library Science program be the focus of a review of the "Library Science" program to ensure that there is a critical mass of faculty and students involved with the program.

Savings resulting from the merger will be reallocated to another area.

MOTION: Regent Hatch moved to (1) approve the merger of the Departments of Library Science and Curriculum and Instruction at the University of Northern Iowa, effective immediately, and (2) request that the University of Northern Iowa include the "Library Science" program in its next round of program reviews and that this review include special consideration of the viability of the Masters program. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(e) Establishment of New Department at Iowa State University. The Board Office recommended the Board approve the establishment of a new Department of Microbiology, Immunology and Preventive Medicine at Iowa State University effective immediately.

Iowa State University officials requested approval of a new Department of Microbiology, Immunology and Preventive Medicine. The proposed unit would bring together programs and faculty with similar academic missions.

A focus of the unit is on veterinary preventative medicine so no duplication of primary functions with the University of Iowa College of Medicine is anticipated. There are no major programmatic implications to this change.

The Interinstitutional Committee on Educational Coordination and the Board Office recommended approval.

Regent Fitzgibbon asked for the university's current position on the veterinary medicine school. Are they admitting more students? Provost Glick stated the Board previously approved a reduction in class size to 76. He said that recognizing the importance of veterinary medicine to Iowa as well as a rekindled interest in veterinary medicine, university officials asked college officials to carefully review whether they could go somewhat beyond the 76 class size. The class sizes have ranged in the 72 to 85 size. He noted that

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the College of Veterinary Medicine received full accreditation 2 years ago. It has a new dean who is well respected nationally.

Regent Fitzgibbon said Iowa State University used to be a leading veterinary medicine school in the country. He hopes they will reestablish that same level of quality.

President Pomerantz asked what kind of correlation there might be between the veterinary research this program suggests and the human research at the University of Iowa. Vice President Nathan said there is considerable overlap in certain human and animal models. Pigs' and humans' cardiovascular systems are similar. In general the animal diseases are not diseases which for the most part the University of Iowa College of Medicine is concerned.

President Pomerantz asked for the opportunities to collaborate and what is being done to set up such a structure. Vice President Nathan said he asked the Dean of the University of Iowa College of Medicine that question. It was his sense that there is not an enormous amount of interest because the interest in diseases is quite different.

President Jischke said he knew of one example where the work being done at Iowa State University has to do with immuno deficiency which he hopes will inform the human question.

Regent Hatch said Lyme Disease was another example.

President Pomerantz said it may be difficult as a matter of policy to impose this on the institutions. He sensed there could be closer cooperation and transfer of information. He asked if university officials would be willing to collaborate more and have appropriate levels of interinstitutional coordination and activity. Vice President Nathan responded that university officials would be willing to look into it.

MOTION:

Regent Berenstein moved to approve the establishment of a new Department of Microbiology, Immunology and Preventive Medicine at Iowa State University effective immediately. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(f) Post-Audit Report for Bachelor of Science in Genetics at Iowa State University. The Board Office recommended the Board receive the post-audit report for the Bachelor of Science in Genetics at Iowa State University and approve continuance of the program.

Iowa State University officials submitted a post-audit report on the Bachelor of Science in Genetics program five years after its initial approval by the

Board of Regents. The program appears to have achieved all of its original objectives.

The Interinstitutional Committee on Educational Coordination and the Board Office recommended continuation of the program.

MOTION: Regent Berenstein moved to receive the post-audit report for the Bachelor of Science in Genetics at Iowa State University and approve continuance of the program. Regent Furgerson seconded the motion, and it carried unanimously.

ACCREDITATION REPORTS. (a) Accreditation of Doctoral Program in Counseling Psychology. The Board Office recommended the Board receive the report on the accreditation of the doctoral program in Counseling Psychology at Iowa State University.

The American Psychological Association granted accreditation to the doctoral program in Counseling Psychology for five years in May 1991. The Committee on Accreditation indicated that the curriculum, faculty, and students were substantial in quality. Students appear to identify strongly with professional organizations and activities of counseling psychologists and compete favorably for internships nationally.

Issues for future attention included sensitivity to gender issues and retention of women faculty, faculty workload and student ratio, and financial support for students. The next accreditation site visit will occur in the 1995-96 academic year.

Provost Glick stated that in its most recent accreditation prior to this one university officials were asked to address several concerns. During this evaluation the accreditors stated that the concerns had been addressed in exemplary fashion.

ACTION: President Pomerantz stated the Board received the report on the accreditation of the doctoral program in Counseling Psychology at Iowa State University by general consent.

(b) Reaccreditation of the Baccalaureate Program in Social Work. The Board Office recommended the Board receive the report on the reaccreditation of the baccalaureate program in Social Work at the University of Northern Iowa.

The Council on Social Work Education Commission on Accreditation reaffirmed the accreditation of the baccalaureate program in Social Work at the University of Northern Iowa for seven years in February 1991. The Commission

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on Accreditation commended the program in its ability to meet the accreditation standards.

Five areas of concern that were identified by the Commission include clearer educational outcome statements, student knowledge of the affect of human behavior on relationships, quality of field practice, large enrollments in practice theory and field practicum courses, and diversity in faculty and students. The Commission requested an interim report in December 1991 on the five areas of concern.

ACTION: President Pomerantz stated the Board received the report on the reaccreditation of the baccalaureate program in Social Work at the University of Northern Iowa by general consent.

(c) Reaccreditation of Baccalaureate Program in Chemistry. The Board Office recommended the Board receive the report on the reaccreditation of the baccalaureate program in Chemistry at the University of Northern Iowa.

The American Chemical Society Committee on Professional Training continued the accreditation of the baccalaureate program in Chemistry at the University of Northern Iowa for five years in June 1991. The accredited program leads to the Bachelor of Science Degree and prepares students for careers as professional chemists.

The Committee on Professional Training commended the Department of Chemistry on its acquisitions of instruments during the past five years. The accreditation extends through 1995.

Regent Williams asked why the social work program had been accredited for 7 years while the chemistry program was accredited for only 5 years. Assistant Vice President Means responded that the difference was in the accrediting agencies.

ACTION: President Pomerantz stated the Board received the report on the reaccreditation of the baccalaureate program in Chemistry at the University of Northern Iowa by general consent.

STRATEGIC PLANNING. The Board Office recommended the Board receive the annual reports assessing progress made in attaining the goals and strategies of institutional strategic plans.

This presentation to the Board was the first annual report on the implementation of the strategic plans of each of the Regent institutions. The

report describes the progress made during the year in achieving the goals and strategies outlined in institutional strategic plans.

The evaluative reports assess the success of the strategic planning process highlighting the institutional impact, ongoing efforts, and needed changes or adjustments. Problems encountered in attaining desired objectives, the steps taken to resolve problems, and/or needs that must be met in order to resolve problems were identified.

The reports point to areas that will receive greater emphasis during the 1991-92 academic year. New, emerging, or changing internal and external environmental issues which can potentially impact the attainment of strategic goals were analyzed.

President Rawlings said the strategic plan has been built into the University of Iowa's systems so the academic priorities drive the budgets rather than the other way around. University officials base their budgets on academic considerations. He singled out Vice Presidents Nathan and Phillips for designing the system to make this work. He said faculty helped lead the way by designing a plan that can help drive the budget. This will be even more true in the next couple of years as they incorporate more of the budget decision making into strategic planning. The strategic plan is driving budgetary decisions. University officials are now confronting a year where state funding has diminished. They will not abandon the strategic plan but will use it even more closely to make the decisions that need to be made. That process will continue through this fall.

Vice President Nathan said the strategic plan has had a marked impact on the university during 1990-91. Progress was made at every level in implementing the plan and preparing for it to make an even greater impact. He said the strategic plan helped determine which departments would be permitted to hire new faculty and fill vacancies. Budgetary adjustments were made due to enrollment reductions. They used the plan to inform them on those units and colleges that would be required to increase their salary lapses and provide the university with funds to revert back to the State. They also made every effort to assign greater lapses to the nonacademic university services. The academic side of the university needed to be protected from the financial conflicts. He said that when university officials began budget planning for 1991-92 the strategic plan fully informed the budget planning process. Support for the university's administrative infrastructure was permitted further decline. They will preserve the commitment to education for as wide as possible a group of students from Iowa. The budget process protected the university's ability to attract and recruit undergraduate students.

Vice President Nathan stated that in November 1990 the Board Office directed the university to assign costs to collegiate strategic plans and to couple budget askings over the next several years to the overall strategic plan. He said that if the State of Iowa is able to respond to the university's request

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of \$117 million to implement the University of Iowa strategic plan over the next 7 years then the university's capability to achieve the Regents' goal that it become one of the ten best public universities in the country will be realized.

Vice President Nathan addressed university officials' development of a process to implement the strategic plan. President Rawlings appointed a steering committee. The steering committee will begin deliberations on program enhancements and cuts. He said two major changes in the University of Iowa strategic plan necessary at this time relate to environmental assumptions. He said the efforts of Regent Fitzgibbon to enable the University of Iowa to focus more on marketing turned out to be a successful effort to deal with the enrollment decline. The university has experienced a marked reduction in state funding. He then turned to the question of the level of institutional integration. The steering committee and strategic planning group are working on implementation of the strategic plan which will be carried out with full knowledge of persons whose commitment is institution-wide.

Vice President Nathan said marked progress toward the goals of the strategic plan was made in the year just past. For example, with regard to the goal of comprehensive strength in undergraduate programs, general education courses and majors of choice are now available to students. However, the reduction in appropriation is causing university officials to slow down and even stop faculty hiring and recruitment of visiting faculty. Implementation of this key goal for the time being has been slowed markedly. The College of Medicine and the College of Law are now nationally prominent. The University of Iowa has one of the top 5 dental schools in the country. The university has added a very strong graduate dean. The faculty salary increases of the past 4 years have facilitated the university's efforts to recruit and retain faculty of national distinction. The necessity to curtail hiring makes further progress toward this goal impossible.

Vice President Nathan said university officials have made considerable progress toward achieving a diverse academic community, a community far more diverse than the state of Iowa itself. Greg Williams, newly-appointed Director of Opportunity at Iowa, will further facilitate their efforts to recruit top minority graduate students and minority faculty. They have hired eight new minority faculty in the College of Liberal Arts. Strong ties with external constituencies continue to be developed.

With regard to the goal to promote a safe and stimulating working environment, Vice President Nathan said the \$8 million in bonding authority for deferred maintenance will greatly assist in addressing that need. He said gains in student services have been achieved such as the distribution of financial aid checks. The university has developed a new system for student organization accounting. The Iowa Memorial Union has realized increased income. He said the areas of the strategic plan to receive emphasis are all 6 areas emphasized during the preceding year.

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Regent Fitzgibbon referred to the utilization of teaching assistants and asked if financial constraints will necessitate an increase in the number of teaching assistants teaching undergraduates. Vice President Nathan said university officials have by design reduced by over 10 percent the number of teaching assistants at the University of Iowa. Teaching assistants have been replaced with permanent tenure-track faculty. To meet budgetary problems university officials have decreased modestly the size of quite a number of graduate programs. They have had to make difficult decisions among graduate programs.

Regent Williams asked what will happen this year as people retire. Will they be replaced with teaching assistants or other faculty? Vice President Nathan responded that university officials are redirecting, to the extent possible, the resources available to maintain and enhance undergraduate education.

Regent Williams asked if freshmen and sophomores will see a marked change in their class sizes this year. Vice President Nathan responded that there will be a reduction in certain courses but Dean Loewenberg assured him that students will have full schedules and will be able to enroll in broad course areas although they may not, in every case, be able to enroll in the precise course they desire. The university will provide a comprehensive course offering.

Regent Furgerson expressed concern about the reduction in hours for the library. She said it affects both students and faculty. Vice President Nathan stated that students will have less access to the library and fewer students will be employed in the library. University officials have reduced library staffing a bit as well as the budget for acquisitions. Although they had to make reductions university officials feel they have been able to protect the holdings of the library so that as the state economic situation improves they will be able to further increase their holdings. However, he said he shared Regent Furgerson's concern. University officials have "nibbled at the edges".

President Rawlings said it was clear that the Regents want to know if services to students will be reduced as a result of these budget cuts. He said university officials are trying to mitigate the reductions as much as they can. They went through three budget cuts last year and the very major cut already in this year's budget. That cannot happen without reductions in services to Iowans; however, they are trying to protect undergraduate education.

Regent Dorr stated that university officials had said they based the budget on academic considerations not budget considerations. He said he was not sure it should not be based somewhat on budgetary considerations. He said that in looking at the budget information it would appear that faculty and Professional and Scientific salaries are up 12 percent. With enrollments

declining he felt the last place they should cut services is in the area of student services. He hopes they will not do anything to alienate the taxpayers.

Vice President Nathan said he hoped his presentation would make clear that university officials are doing everything they can to maintain and enhance university services. He joined Regent Dorr in believing this should be their primary aim.

President Pomerantz emphasized that the Board of Regents can control the number of students that will enroll. Increased marketing activity is a significant piece of this. When enrollments decrease university officials have to shrink costs. Even though there is a significant level of fixed cost, he said fixed costs can be cut. It is not acceptable that undergraduate education progress be slowed. It is an academic issue but certainly under the leadership of the Regents. With regard to the issue of faculty workload, President Pomerantz said it may be necessary for faculty to teach more courses. The point needs to be made that it is not the Regents' responsibility to allocate faculty workload. He said it is not beyond good policy to ask everyone to do something beyond the normal call of duty in this difficult time. With reference to the issue of decreased State funding, he pointed out that the Regents have had significant success in the last several years in garnering funding from the State. If in fact they have implemented their strategic plans they should be making reductions in non-strategic areas. The Regent institutions cannot be all things to all people. Areas of excellence will be defined by the strategic plans. Those areas need to be the benefactors of the funding that is available. He said they do not know what the total reduction in funding will be for this fiscal year. At this time it is 3.25 percent. If they factor in the deferred maintenance bonding that is going to be part of this year's expenditures the number of dollars available increases although it will be in different packages.

Vice President Phillips stated that the University of Iowa's funding for the general university for 1992 will be 5 percent lower than the beginning 1991 budget. She noted that the 3.25 percent was listed as one lump amount and had not been distributed to the various categories.

President Pomerantz said a component of the overall strategic direction of the Regents which had not been addressed was economic development.

President Rawlings said a component in the strategic plan which is hard to measure is quality. Vice President Nathan mentioned particularly the University of Iowa's Colleges of Medicine and Law which are a real tribute to Iowans' support and Regents support. Those areas of excellence in turn have immediate impact upon economic development. Grants and contracts have brought in millions of dollars to this state. The university set a record this year in that area. In terms of employment, he said a great bulk of the money faculty wins goes to employing people in very good jobs and to employing

undergraduate Iowans. This past year \$140 million in external funds came into the University of Iowa. A second implication for economic development is that it is far more likely that companies will want to locate next to top research universities especially where there is a research park. He said the comments made by the Regents are all apt. He pointed out that the Regents gave University of Iowa officials a strategic objective to become one of the top 10 public institutions in the nation. He said they will get there but the budget cuts have implications for the timing of accomplishing that goal.

President Pomerantz noted that in a year where there is concern about the budget, the University of Iowa is offering new courses. He said it seems there have been very few courses eliminated and a great number added. President Rawlings responded that the majority of new courses are offered to be more attractive to new freshmen and sophomores which he said is crucial to retention. University officials asked the College of Liberal Arts to design new courses to reach that group of students. Vice President Nathan stated that in virtually every instance graduate programs are reducing the scope of their programs to allow faculty to teach the new undergraduate courses.

Regent Williams said she was glad to hear the comments made by university officials with regard to the emphasis on undergraduate education. The majority of Iowans who come into contact with the Regent universities do so in the context of the undergraduate experience. The Regents receive the majority of comments about the quality of education based on the experience of students in their first 2 years. She said the emphasis on marketing is important but the maintenance of those students in the institutions should also be a high priority. She hopes that by this time next year there will be a much different feeling around the state about the quality of undergraduate education at the Regent universities. She said that is how they will be judged.

President Jischke discussed the progress made at Iowa State University over the last year in addressing its five goals. He said they have just concluded a year-long celebration of diversity honoring the graduation of George Washington Carver from Iowa State University. In a recent publication of colleges, Iowa State University students were cited as having a high involvement in the campus. The university's business program recently received accreditation. University officials have developed a new training workshop for graduate teaching assistants. This past year the university saw a record enrollment at the graduate level. He said the outreach department is in the process of redefining the focus of the university's extension program to make it more client driven. Outreach has been greatly expanded especially among Soviets. Project Vincent is another effort at the university. They are also making progress in the area of electronics in the university library system. He said they have established linkages between planning and budgeting. The strategic plan will drive decisions and the budget. The collegiate strategic plans include assessment of student outcomes and

learning. They have used the strategic plan for developing the physical master plan for the campus.

With regard to planning for the coming year, President Jischke said this has been a stressful budget exercise. University officials have, in fact, taken more money in reallocation than the budget requires in order to fund the strategic objectives. There are a number of sources of funding for the campus besides state appropriations. The university had a record year in terms of sponsored funding. They achieved \$42 million in private funding last year for the university. Where they are able to have direct impact on funding they have done so. If the stresses on the budget continue the time scale for achieving their aspirations will be lengthened. Overall, he said they have made significant progress and remain committed to the aspiration of Iowa State University becoming the best land grant university in the country.

Regent Dorr asked, if the budget difficulties continue, at what point is it prudent to reevaluate the strategic plan? President Jischke stated that to become the best land grant university in the nation is probably a 5- to 10-year time scale. President Pomerantz stated that in difficult times it is important get a fix of where you are. The Regents have achieved 3 to 4 years of exemplary funding. If they have a mediocre year they are not relegated to impoverished status because of that. He said that to question how this one year of inadequate funding affects their strategic goals is, at best, premature. They should be doing what they are compelled to do this year. With regard to the ability to take this situation and go forward he said it may be well to make "lemonade" from the "lemons".

President Jischke emphasized that there are a number of sources of income for the university and in those ways university officials can affect their destiny. There is a lot of pride at Iowa State University. The university will continue to make progress. The issue now is the rate of progress that will be made.

President Curris stated that Executive Assistant to the President Stinchfield has the responsibility at University of Northern Iowa of coordinating the strategic planning efforts. He said university officials view the strategic plan as a guide in both good and difficult times.

Executive Assistant to the President Stinchfield stated that changing major institutions requires time. He said the University of Northern Iowa strategic plan should be recognized as building upon its predecessor plan. The plan adopted in 1984 resulted in significant changes at University of Northern Iowa. It created a great consensus upon the campus of what the University of Northern Iowa is all about. The plan provided to the Regents is the result of a strategic planning faculty committee. Mr. Stinchfield then pointed out changes that need made in the environmental assessment. With regard to enrollment levels, a faculty committee previously looked at this issue and wanted to be conservative in estimating enrollments. The committee did feel

that given experience in the recent past they could anticipate an enrollment growth of 2 percent/year. The university could expect a student body of 15,400 students in the year 2000. He recognized the Board's admonition of maximum student enrollment of 14,000 students. Therefore, within the coming year university officials will have to look at the effect of enrollment very carefully. Another change in the environmental assessment is the assumption made in terms of the factors that will likely affect programs and the kinds of interests of students. The faculty committee believes that universities will have to be responsible for persons trained in the environment. He said one other revision to the environmental assessment was the possibility of a change in the resource allocation of sectors of higher education.

Mr. Stinchfield then discussed some of the fruits of planning. In terms of their first goal, he said one of the great accomplishments of the university is the vigorous general education program. Significant reallocation was made to achieve this success. The general education program was a major step forward when considering the enrollment growth. The university enrolled 1,000 additional students in a 2-year period. He noted that the general education changes come from the first strategic plan of the university. He then addressed the university's second goal. One effort is the Regents Center for Early Developmental Education which represents a fundamental change in the way they are doing student teaching. They are bringing teachers who are currently teaching in schools to the campus to participate in planning student teaching. He pointed out that they had made some progress at the community colleges with the signing of agreements with 5 community colleges. Other negotiations are going on as well. He said their fourth goal revolves around faculty. The university has hired a lot of good faculty in the last year. This was a major improvement since a university must rely on its faculty. He said the Minorities in Teaching program is beginning to come into its own and is graduating its first 2 students this year. With regard to international programs, Mr. Stinchfield said there has been growth in diversity activity. Diversity has increased at all levels. In the area of the sixth goal, some real progress has been made toward technology. With regard to the seventh goal, he said the graduate college this year did a truly major review of graduate programs.

As university officials look forward to next year, Mr. Stinchfield said there will not be any major changes in the strategic plan. With regard to the first goal, general education, they will be changing emphasis somewhat regarding majors. They will continue on the second goal along the lines set out and increase consolidation. They are experiencing a lot of momentum with regard to the third goal, and he expects to see more of that. The initiative of quality faculty will be hampered by the hiring freeze. They will have less support for faculty. With regard to diversity, the university will experience continued progress in terms of students. As far as diversity in personnel, he said that area will suffer because of the hiring freeze. With regard to information systems and technology he said the university will have a banner year because of the computer fee.

Regent Berenstein said the university's report indicated possible negative factors due to restricted capacity in the residence halls. He asked what capacity had been determined regarding the new dormitory at University of Northern Iowa.

Mr. Stinchfield responded that tripling had occurred in the residence halls the last few years. The new residence hall would house 300 to 400 students. He said that even when the new residence hall is built there will still be hundreds of students in tripled rooms.

Superintendent Johnson stated that the Iowa School for the Deaf strategic plan started several years ago with the Peat Marwick Main study. Out of that initial review school officials determined to focus on ensuring optimal efficiency of the operation of the institution and expanding its services, programs and initiatives. Since that time they have reduced staff by 10 percent. The school is serving approximately twice the number of students as it did 4 years ago. He believes the strategic plan developed two years ago is still an effective document to guide the school into the future. School officials will continue the approaches of the last several years although administration will have to be somewhat creative.

Assistant Superintendent Balk stated that the Board Office had provided a fine summary of the school's accomplishments in the docket memorandum. He focused his comments on the important aspects of how the strategic plan effected the climate and the people of Iowa School for the Deaf. A week-long retreat was held to address planning issues. He noted that one of the environmental challenges is the financial situation in the state. In addressing that issue school officials will use the strategic plan to work with them.

Superintendent Thurman discussed what is happening at Iowa Braille and Sight Saving School with the strategic plan. He said the school is becoming more and more involved in the statewide delivery system including placement and outreach. They have now invested over \$300,000 in that effort. They receive requests constantly for increased services including orientation and mobility training and pre-school services. He fears for those outreach efforts because school officials are not able to find the staff to function in that capacity. The school may have to turn back \$100,000 it was granted for that effort because they are not able to get the staff. He said strategic planning is creating a sense that they are going some place and are valuable to the people they serve. They have been able to bring together many constituencies, and created a stronger sense of the school being viable and needed in the state. He acknowledged that there are a lot of problems ahead. As far as the impact on the students this year, he said they may have to make critical decisions about how to serve students. The school cannot lose any more money without affecting services to students. Their strategic planning process created a strategic plan and detailed departmental plans. He said those departmental plans will be sent to the Regents some time during the summer.

President Pomerantz said the reports had been very worthwhile. Although they devoted a lot of time to the presentations, they only touched in a very brief way on some of the highlights. The Regents recognize that the plans are dynamic and not static. They are living plans that will enable the institutions to become more efficient and focused. He noted that the institutions cannot be all things to all people.

ACTION: President Pomerantz stated the Board received the annual reports assessing progress made in attaining the goals and strategies of institutional strategic plans by general consent.

RECOGNITION OF THE CONTRIBUTIONS OF DOCTOR MILTON GLICK. President Pomerantz recognized that this is the last Iowa Regents meeting for Dr. Milton Glick. He said Provost Glick is about to go to Arizona State University. He wanted Dr. Glick to know how much his monumental efforts on behalf of Iowa State University are appreciated. On behalf of the Board of Regents and the entire State of Iowa, he expressed sincere appreciation and profound thanks to Dr. Glick and wished him and his family the best as they go forward.

REVISED PRELIMINARY BUDGETS FOR FISCAL YEAR 1992. The Board Office recommended the Board (1) approve the revised preliminary fiscal year 1992 operating budgets and planning processes to effect the 3.25 percent state appropriation reduction for the University of Iowa, Iowa State University, and the University of Northern Iowa; (2) authorize continuation of operations for the Regent institutions at the fiscal year 1991 budget level as adjusted by revisions in appropriations and other income; (3) approve the revised preliminary fiscal year 1992 operating budget, including results of planning to effect the 3.25 percent state appropriation reduction for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School; and (4) approve the final fiscal year 1992 budget for the following special purpose appropriations:

University of Iowa	
Center for Biocatalysis and Bioprocessing	\$290,250
Agricultural Health and Safety	238,095
State Tumor Registry	181,591
Substance Abuse	58,050
Iowa State University	
Small Business Development Center	\$1,151,325
Fire Service Institute	397,484
Agriculture Research	290,250
Leopold Center	572,977
Institute for Physical Research and Technology	290,250

On July 1, 1991, the Governor announced a reduction in state appropriations of 3.25 percent applicable to Regent institutions.

The Board directed each institution to institute an intensive and comprehensive review of its programs and services designed to increase efficiencies and to adjust those services and programs to the level of available funding. The recommended actions shall be presented to the Board of Regents by March 1, 1992. The institutions shall use to the fullest extent possible the review mechanisms established by the Board as a result of the organizational audits by Peat Marwick Main, Inc.

The Iowa School for the Deaf and the Iowa Braille and Sight Saving School have addressed all immediate budget planning requirements associated with the 3.25 percent reduction in state appropriations.

The Regent universities have not yet developed budget policies required by the 3.25 percent appropriation reductions. The Regent universities' decisional processes require extensive collaboration with faculty and students in order to develop or implement reduction plans of this magnitude.

The Regent universities have established strategic and tactical planning processes comprehensively to address the major effects of fiscal year 1991 and fiscal year 1992 reductions in state appropriations.

Appropriations for general operations of the institutions for fiscal year 1992 are \$458.7 million, \$17.1 million below fiscal year 1991 after all deappropriations, but unadjusted for accounting changes for the University of Iowa Hospitals and Clinics and the University of Northern Iowa. After allowing for accounting changes, the appropriation is \$19.2 million or 4.0 percent below the adjusted fiscal year 1991 amount.

Academic Revenue Bond authority of \$20.0 million was authorized for deferred maintenance, equipment, and safety projects providing substantial relief to the operating budgets for these purposes.

Supplemental appropriations of \$2.1 million will be requested for increased costs in health insurance for employees.

Income gains from increases in rates of tuition and fees are heavily offset by losses in enrollment at the University of Iowa and Iowa State University. Tuition income at the University of Northern Iowa is up 7 percent, significantly in excess of the 3.8 percent growth in rates for resident undergraduates. Additional income of approximately \$1.2 million from higher student health fees will benefit the general university budgets to a significant extent. Additional funding of \$60,000 was provided to each university for improved child care services.

Before effecting the 3.25 percent additional budget reduction, the Regent universities have reallocated funds of approximately \$11.0 million to provide for salary annualization, operation of new buildings and facilities and to offset for price inflation.

- * Costs of salary annualization and other mandated increases of \$4.5 million, exclusive of University of Iowa Hospitals and Clinics, are funded by reallocations.
- * Operating costs for new and remodeled facilities of approximately \$1.9 million are funded by reallocations and other sources.
- * Price inflation costs (excluding University Hospitals) of at least \$4.6 million for supplies and services, library materials, and utilities are absorbed by reallocation or reduction in purchasing in fiscal year 1992.
- * The institutions have absorbed the additional cost of \$2 million to \$3 million for increased health insurance premiums.

Prior to effecting the 3.25 percent budget reduction, significant reductions were proposed in full-time equivalent positions:

- * University of Iowa -- 40 positions in Physical Plant and 48 faculty positions.
- * Iowa State University -- 80 faculty and 40 general service staff.
- * University of Northern Iowa -- due to heavy enrollment growth the number of positions is not reduced but workloads of existing staff are increased.

Salary policies are consistent with state policies. No increases are provided except for promotions, mandated costs of fringe benefits and increases in the statutory minimum wage.

Substantial reductions below the average of fiscal year 1990 and original fiscal year 1991 in the operating budgets for equipment and building repairs were proposed:

	<u>Equipment</u>	<u>Building Repairs</u>
University of Iowa		
General University	\$1,000,000	\$1,000,000
Iowa State University	1,000,000	1,100,000
Univ. of Northern Iowa	450,000	300,000

(These reductions are offset by \$5,000,000 in non-recurring bonding authority provided specifically for this purpose.)

President Pomerantz stated that the second round of preliminary budget policies were before the Regents for consideration. Since the last Board meeting, Governor Branstad has issued a directive requiring a 3.25 percent cutback in state appropriations. The institutions were proposing that the Board approve the processes that they are instituting to do the necessary review between now and mid-August to prepare detailed budget proposals for fiscal year 1992 for Board consideration in late-August. He said the budgets in June were based on lower appropriations than the previous year and, with the further reduction of 3.25 percent, the institutions are faced with further and substantial adjustment to their programs and services.

President Pomerantz stated that the Board in June adopted a resolution setting forth the process for comprehensive reviews of programs and services to make the necessary long-term adjustments to bring programs and services within available resources. The institutions have shown every indication of working very diligently toward this end. The budgets for fiscal year 1992 still have a major unknown factor which is the issue of state salary policy. The Regents will be addressing this issue over the next several months.

President Pomerantz said times like these demand outstanding leadership skills in order to cause what appears to be serious problems and setbacks to, in fact, be turned into major advantages and stepping stones to excellence. Although there is some trauma involved in the effect of budget cutbacks upon people, it does represent a significant opportunity to position the Regent institutions to attain the strategic goals for excellence that have been laid out for them. It is necessary to become more efficient and effective in the administration and delivery of programs and services in order to have the confidence of the public, the General Assembly and the Governor so the necessary resources to attain the goals will be provided. With careful planning, the institutions can emerge stronger, more focused and more directed than they are now. There is a very strong commitment to excellence in the Regent institutions from which they will not deviate or be circumvented.

The Regents realize, President Pomerantz stated, that the attainment of their goals depends upon the talents and hard work of the faculty, professional and scientific employees, and the general service staffs of the institutions led by the presidents and superintendents. He said the Board has a strong and continuing commitment to see that they have appropriate conditions in which to work, full opportunity to utilize their talents, and that they are adequately compensated. The current difficulties in the financial affairs of the state should not and can not be allowed to distract from awareness of this fundamental and continuing support on the part of the Board. President Pomerantz urged everyone to realize that this is a significant opportunity to position themselves to achieve the strategic goals of excellence for the institutions. The Board will continue its support to achieve the necessary funding for the programs of these institutions.

Regent Fitzgibbon asked that when the Regents are provided with additional information prior to the August telephonic meeting that the differences between this budget and that one be highlighted. He also asked that they indicate any changes in programs and changes in staffing. Since they would be asked in August to vote by telephone on something of this magnitude, he asked that they have ample time to review the information.

Mr. Richey stated that by mid-August university officials will have their policies in place in terms of what they want to propose to the Regents. The information should be received in the Board Office around August 12 and will be out to the Regents by August 21.

Regent Furgerson said time to review all the information is very important to her. She hopes the universities live up to the time schedule.

Regent Berenstein noted that allocations by all three universities had not been made by line item in addressing the additional 3.25 percent reduction. He asked if in August the Regents will be presented with how the universities will internally allocate the additional reduction. Mr. Richey stated that in August the Regents will be presented with the fiscal year 1992 final line item budgets and the fiscal years 1993 and 1994 appropriations requests. He noted that they may have to revise the fiscal year 1992 budgets in September.

President Pomerantz cautioned that they should keep in mind that the salary issue is not resolved, and it is not known if and when it will be resolved. That issue will have an impact on the fiscal year 1992 budgets.

Vice President Phillips stated that the University of Iowa budget presented this month was not massively different than what was presented in June. She then highlighted the differences. The university did not receive appropriations to fund increases in health insurance premium costs. She referred the Regents to the docket memorandum's detail of the effects by college of the various cuts. She then described how university officials would go about the 3.25 percent cuts. All vice presidents and deans have been asked to identify how they would make cuts of up to 5 percent and to prioritize their needs using the strategic plan. They were advised to protect the strongest graduate and professional programs. What was before the Regents at this meeting was a menu of various potential cuts and the kinds of things university officials are looking at. She stated that, as Mr. Richey had mentioned, university budgets are due in the Board Office by mid-August which means they have to have decisions made in 7 to 10 days. She said that more than one-half of the cuts will be coming from units other than colleges and supporting services. University of Iowa officials will come back in August with detailed recommendations on how to go about the 3.25 percent cut.

Regent Berenstein asked how University of Iowa officials intend to implement the salary reduction, if and when they decide how it is mandated to them, if they are required to give salary increases to certain groups of employees.

President Pomerantz said Regent Berenstein was right on the edge of a significant policy decision. They may determine it is not acceptable to increase one group and not another.

Regent Fitzgibbon asked about the University of Iowa decision to increase class size and what that does to the number of personnel. Vice President Nathan stated that essentially a faculty member will be teaching more students and grading more papers and, in that way, becoming more cost effective as an individual.

Regent Fitzgibbon asked how many people that will affect. Vice President Nathan responded that he could not say at this point how many will be affected. There will be a 5 percent to 10 percent increase in the size of classes.

Regent Dorr said a large number of students are not graduating for at least 5 years. As many as 60 percent may be taking more than 4 years to graduate. He expressed concern about the university's operating expenses for that student. He questioned whether university officials could establish an institutional policy urging students to complete in 4 years instead of 5.

President Rawlings responded that university officials have done studies. The reason students are taking longer is because they are working. Many of their "part-time" jobs are closer to full time. A second unstated reason may also be that they are desirous of staying on to enjoy the Iowa City community. The difficulty students had several years ago of not getting all their courses at the time they wanted them is no longer much of a problem.

President Pomerantz said it may not be as clear cut as taxpayers subsidizing students' extended educational needs. There are certain fixed costs. Very little of the fixed costs will go away. If more students can get college educated by working part-time throughout their college career that would be positive. There are so many different reasons why students take longer to complete their coursework. The non-traditional component is another aspect. Regent Fitzgibbon stated that unless they are careful all they will do is educate those whose parents are wealthy.

President Pomerantz said another point was whether to have larger classes or even smaller classes and more of them. He said these comments are appropriate to all the Regent institutions.

President Curris addressed the differences between the preliminary budget and the budget presented this month. He said the major difference is the 3.25 percent reduction. Over 80 percent of the budget is tied up in personnel and fringe benefits. The 3.25 percent totals approximately \$2 million. University of Northern Iowa officials have further tightened down certain areas such as building repairs and equipment. He said the most effective way to cope with the cut is with a hiring freeze. The small exception to the

freeze will be emergency needs and critical instruction needs. He does not know how many positions will be affected. He hopes most of the \$2 million can be covered by the hiring freeze. He hopes that next month they will have greater detail of how to cover the 3.25 percent reduction. He said there is a happenstance nature as to how these reductions come. Serious planning is being done by each of the units.

Regent Furgerson asked if University of Northern Iowa officials had any idea what their student enrollment will be in the fall. President Curris responded that university officials projected in the budget an enrollment of approximately 12,900. They will not be able to serve students as well as they would like to. He said faculty has a very strong commitment not to serve students if they cannot serve them well.

Regent Furgerson asked if University of Northern Iowa officials have any idea of the need for faculty and support staff. Will they, in doing the revisions, give some figures not only on how it impacts the students but also the faculty. President Curris stated it will impact non-faculty more than faculty. They are trying to have involvement on the part of individuals who will be affected.

President Jischke said the story at Iowa State University is quite similar. They have to internally fund the increased cost of fringe benefits. They are now in the process of developing such a plan. A task force to address these matters is to have a report on his desk by July 19. A week from then final decisions will be made, and university officials will have the budget assembled and to the Board Office.

Superintendent Johnson stated that Iowa School for the Deaf officials incorporated the 3.25 percent cut in the budget presented this month. They reverted non-salary items back to fiscal year 1990 level.

Superintendent Thurman stated that Iowa Braille and Sight Saving School officials are waiting to fill certain positions.

Regent Fitzgibbon referred to the quality of education and stated that Regent institution officials should cut back in non-academic areas such as outreach before doing anything that would lessen the quality of education.

Superintendent Thurman pointed out that the cut in Iowa Braille and Sight Saving School's budget is not 3.25 percent but is actually 5.63 percent when considering the deappropriations. The cuts amount to \$190,000 total from the school's budget. He noted that page 5 of the school's exhibit lists how they will get to that \$190,000 figure. He then addressed Regent Fitzgibbon's concern about quality of education by saying that school officials tried to retain their personnel who are responsible for teaching. However, he said the school is not big enough that the cuts will not have an impact on the quality of education. He expressed great concern about where they are now because

there is nothing left. Any further cuts will directly impact the students. They will have to reject students with special needs that the school can no longer address.

Mr. Richey stated that the Board Office budget reflects the 3.25 percent reduction. One person will be laid off in September. The Director of Planning position will remain temporarily unfilled. He pointed out the areas where there could be some problems in the coming year.

Regent Berenstein asked how Mr. Richey arrived at the figure of 16.7 Board Office employees. Mr. Richey responded that the .7 is the part-time account specialist.

Regent Williams said the 3.25 percent cut was visited upon the institutions at the last minute. They need to learn from this. Dealing with the cuts by attrition is the least superficially damaging. All the efforts put into planning for the future are "down the tubes". She hopes this will stimulate them to carry out planning in a more meaningful way. To continually handle budget reversions by attrition will surely damage the institutions.

President Jischke said the strategic plan is not a short-term planning instrument.

Vice President Phillips said the University of Iowa has short-term and long-term plans for dealing with the cuts. In the short term they will handle it through attrition. Some things will be somewhat temporary. The measures being taken are reflective of an overall process.

MOTION:

Regent Hatch moved to (1) approve the revised preliminary fiscal year 1992 operating budgets and planning processes to effect the 3.25 percent state appropriation reduction for the University of Iowa, Iowa State University, and the University of Northern Iowa; (2) authorize continuation of operations for the Regent institutions at the fiscal year 1991 budget level as adjusted by revisions in appropriations and other income; (3) approve the revised preliminary fiscal year 1992 operating budget, including results of planning to effect the 3.25 percent state appropriation reduction for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School; and (4) approve the final fiscal year 1992 budget for special purpose appropriations, as presented. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(a) University of Iowa. The Board Office recommended the Board (1) approve the revised fiscal year 1992 preliminary budgets for the following budget units at the University of Iowa (incorporates 3.25 percent reduction in appropriations):

General Fund	\$259,495,594
Hospitals and Clinics	286,108,628
Psychiatric Hospital	12,420,759
Hospital School	6,696,219
Oakdale Campus	3,363,987
Hygienic Laboratory	4,245,955
Specialized Child Health Services	617,508

(2) approve the final residence system budget of \$18,502,410; and (3) approve the final athletic budget for fiscal year 1992 of \$16,485,887.

General University Operating Fund

The revised preliminary general university operating budget of \$259.5 million represents a decrease of 2.68 percent from the fiscal year 1991 revised budget. This equates to a dollar reduction of \$7.1 million from the fiscal year 1991 revised budget. The 3.25 percent appropriation reduction and nonfunding of health insurance premiums accounts for \$6.5 million of the decrease.

The original preliminary budget was based on health insurance rate increases for general service staff of 7.7 percent. Actual rates range from 11.5 percent to 12.3 percent. The higher-than-expected increase in rates will require additional funding of \$115,157 at the University of Iowa.

The budget totals presented by University of Iowa officials did not incorporate the 3.25 percent reduction. The Board Office recommendations include the correct figures.

University officials have instituted the following process to identify adjustments required by the 3.25 percent appropriation reduction:

- * A Task Force on Strategic Planning Implementation and Process was appointed by the president last year to develop a process and set of procedures to implement the strategic plan.
- * After the task force process was set, a steering committee was formed. The steering committee is meeting with deans and unit directors to identify strengths and weaknesses.

- * From the discussion and consultation with deans and unit leaders, the steering committee will identify programmatic and service areas to be impacted by the 3.25 percent appropriation reduction.
- * The steering committee's final action on the 3.25 percent appropriation reduction will be reported to the Board Office by August 12 for presentation to the Board on August 29.

University of Iowa officials, in June, indicated a reduction of 150 positions with a concentration of remaining faculty and staff on the core responsibilities of the university defined in the strategic plan.

The key areas protected in the fiscal year 1992 budget include:

- * Undergraduate offerings
- * Strongest graduate and professional programs
- * Diversity initiatives
- * Sponsored program capabilities.

Despite the focus on core responsibilities, university officials will reduce teaching and research assistant appointments, which is likely to impair graduate programs permanently and affect the attainment of strategic goals if these positions are not restored next year.

University of Iowa officials are reallocating funds to the Sponsored Programs Office to minimize the impact on this program so that faculty will receive assistance in seeking grants and contracts from external sources. University officials will reallocate funds for support staff that work with faculty and for equipment funds for matching grants.

University of Iowa officials noted concern about the reliance on extramural earnings as a result of declining state appropriations mainly in the College of Medicine.

University officials stress that, of the reductions made or to be made for the 3.25 percent appropriation reduction, the majority are of a temporary nature and will be altered over time as a result of the strategic planning review process adopted by the Board and the university.

Programmatic and Administrative Unit Impacts

The College of Liberal Arts will implement the following cuts:

- * Reductions in teaching assistant positions
- * Reductions in visiting faculty positions
- * Reduction in number of courses offered

- * Reduction in sections of courses offered which will result in larger class size
- * Reductions in equipment funding.

The College of Business Administration will implement the following reductions:

- * Reductions in teaching assistant positions
- * Reductions in sections offered resulting in larger classes
- * Reduction in summer school offerings
- * Limitations on courses available to students majoring in business.

The College of Dentistry program impacts due to budget reductions are as follows:

- * Position reductions to be accomplished by attrition
- * Increase reliance on extramural earnings which incrementally affects the ability of faculty to fulfill educational and research responsibilities.

The College of Education will implement its program impacts as follows:

- * Reduce course offerings
- * Reduce faculty advising
- * Delay computerization of certain operations.

The College of Engineering has the following program impacts:

- * Reduce teaching assistant and research assistant positions
- * Scale down mechanical shop operations.

The College of Medicine will incur the following program impacts:

- * Increase reliance on practice earnings which will reduce the ability of faculty to effect their educational and research programs
- * Delays in recruiting senior faculty
- * Diversion of practice earnings and gift support from research equipment and related support to utilities, custodial services and maintenance of new space.

The College of Nursing will implement the following program impacts:

- * Eliminate lecturers
- * Divert faculty from research and grant proposals to teaching responsibilities
- * Reduce course offerings and offer some courses only once every several years
- * Reduce instructional support materials.

The College of Pharmacy will incur the following program impact:

- * Increase reliance on extramural earnings which will divert faculty from educational responsibilities.

The Library will implement the following program impacts to address budget reductions:

- * Reduce hours
- * Reduce staffing which may impair such library services as shelving and general monitoring of library use
- * Reduce reserve services
- * Reduce selected equipment maintenance contracts.

The administrative and support units have implemented the following program impacts due to budgetary reductions:

- * Implemented hiring freeze and left vacant positions open
- * Limited hiring of graduate and other student assistants
- * Implemented travel restrictions for all personnel
- * Reduced support services to core functions only
- * Reduced computer analysis of budget and personnel to minimize administrative data processing charges
- * Displaced building repair and operating budgets with nonrecurring bond proceeds
- * Reduced utility usage by curtailment of building hours, building access limitations, and air conditioning cycling
- * Concentrated custodial services in public areas
- * Reduced office cleaning to once a month
- * Consolidated service maintenance calls
- * Eliminated painting, tile replacement and sidewalk replacement
- * Diverted staff away from implementing management financial information system due to more immediate needs.

The university's preliminary process of addressing the 3.25 percent appropriation reduction with campus administrators identified the following areas as possible program impacts that may be presented in August:

- * Reduced course offerings and sections
- * Leave vacant positions open
- * Increase class size
- * Implement additional layoffs
- * Increase reliance on extramural earnings
- * Reduce library acquisitions
- * Reduce equipment purchases
- * Temporary building closings
- * Closing or reducing service units not part of a central teaching or research activity

- * Reduce building maintenance
- * Reduce student service programs.

University officials stressed that the above-mentioned programmatic impacts are suggestions received that will be reviewed and possibly implemented by August. A final report will be presented in August.

Special Purpose Appropriations

The university received state appropriations for the following special purpose appropriations adjusted by the 3.25 percent appropriation reduction:

State Tumor Registry	\$181,591
Center for Biocatalysis and Bioprocessing	290,250
Center for Agricultural Safety & Health	238,095
Substance Abuse	58,050

Residence System

In March the Board approved the preliminary Residence System budget subject to further review and action when the university operating budgets are approved for fiscal year 1992. The University of Iowa has incorporated the following changes from the preliminary residence hall budget.

* Decrease in salaries and wages	\$(163,758)
* Decrease in repairs and maintenance	(18,756)
* Increase utilities	79,547
* Increase in other expenditures	56,071

The net result is a reduction of \$46,896 in expenditures. The Board Office recommended approval of the revised final budget of \$18,502,410.

Athletic Budgets

University of Iowa officials submitted its final athletic budget with revenues of \$16,536,400 and expenditures of \$16,485,887. The revenue sources are detailed as follows:

Men's Athletics	\$7,879,700	47.7 percent
Women's Athletics	94,500	.5 percent
Athletic Conference	4,216,800	25.5 percent
Student Activity Fees	675,000	4.1 percent
General Fund Support	457,252	2.8 percent
Interest	500,000	3.0 percent
Alumni/Foundation Support	592,648	3.6 percent
Novelties/Bookstore	500,000	3.0 percent
Radio Contracts	100,000	.6 percent
Other Income	970,500	5.9 percent
Golf Course Operations	550,000	3.3 percent
TOTAL	16,536,400	100 percent

The expenditures of the athletic program are as follows:

Men's Athletics	\$4,649,615	28.2 percent
Women's Athletics	2,794,479	17.0 percent
Administration and General	3,358,162	20.4 percent
Building and Grounds	2,811,036	17.1 percent
Debt Retirement	1,329,050	8.1 percent
Academic Counseling	765,245	4.6 percent
Men's Training Room	560,000	3.4 percent
Men's and Women's Sports Info	128,300	.8 percent
Fifth Year Scholarship	90,000	.4 percent
TOTAL	16,485,887	100 percent

The athletic budget for fiscal year 1992 results in a net increase to the operating balance of \$50,513.

University of Iowa Hospitals and Clinics

The revised preliminary operating budget for the University of Iowa Hospitals and Clinics for fiscal year 1992 is \$286,108,628. This represents an increase of 3.4 percent over the fiscal year 1991 revised budget. The revised preliminary budget is reduced \$1,024,389 by the 3.25 percent appropriation reduction and the nonfunding of health insurance increases.

The University of Iowa Hospitals and Clinics revised preliminary budget funds salary annualization and health insurance and fringe benefit increases. The original budget was calculated using insurance increases of 7.7 percent for general service staff. Actual figures amounted to 11.5 to 12.3 percent.

The University of Iowa Hospitals and Clinics will fund the increase in health insurance costs from salary lapses (vacancy factor).

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The University of Iowa Hospitals and Clinics will provide a report in August addressing the 3.25 percent appropriation reduction.

University of Iowa Hospitals and Clinics officials stated that limited staff reductions will be used as a last resort if alternative funding sources cannot be identified for the 3.25 percent appropriation reduction. It is the intent of the University of Iowa Hospitals and Clinics to maintain patient and other services to the fullest extent possible within available resources.

ACTION: Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

(b) Iowa State University. The Board Office recommended the Board (1) approve the Iowa State University general university revised preliminary operating budget for fiscal year 1992 of \$208,199,874 (incorporates 3.25 percent reduction in appropriations); (2) approve the Iowa State University Agriculture and Home Economics Experiment Station revised preliminary operating budget for fiscal year 1992 of \$24,696,072 (incorporates 3.25 percent reduction in appropriations); (3) approve the Iowa State University Cooperative Extension Service revised preliminary operating budget for fiscal year 1992 of \$23,835,979 (incorporates 3.25 percent reduction in appropriations); (4) approve the final residence system budget of \$24,639,692; and (5) approve the final athletic budget of \$11,187,730.

The revised preliminary general university operating budget of \$208.2 million for fiscal year 1992 represents a decrease of approximately 2.5 percent from the fiscal year 1991 revised budget. This equates to a dollar reduction of \$5.3 million from the fiscal year 1991 revised budget.

The budget adjustment due to the 3.25 percent appropriation reduction and nonfunding of health insurance premiums accounts for \$5,277,049 of the reduction.

The original preliminary budget was based on health insurance rate increases for general service employees of 7.5 percent. The actual rate now ranges from 11.5 percent to 12.3 percent. This has increased health insurance costs by an additional \$152,000 which is being reallocated from supplies and services.

The university experienced a 7 percent increase for the "Principal" medical health plans for faculty and professional and scientific staff.

The budget totals presented by Iowa State University did not incorporate the 3.25 percent cut. The Board Office recommendations include the correct figures.

University officials have instituted the following process to identify adjustments required by the 3.25 percent appropriation reduction:

- * President Jischke has established a task force on budgetary priorities.
- * This task force will develop principles and priorities to be used to implement the 3.25 percent reduction and will forward these suggestions to President Jischke by July 19.
- * President Jischke will review the task force principals and priorities with the provosts and vice presidents. Final decisions will be made by July 27, 1991.
- * The provosts and vice presidents will implement the reductions in their respective units and will report to the president by August 5 of the programmatic impact in specific areas affected.
- * The president's office will prepare a report on the reductions to be submitted to the Board Office by August 12 for presentation to the Board at its August 29 special meeting.

Other revenue sources from non-state funds have been adjusted downward by \$267,331. Material adjustments include:

Tuition	(\$250,000)
Sales and Services	(240,000)
Other Income	258,000

University officials have already reduced or reallocated \$8 million prior to the 3.25 percent appropriation reduction. After the 3.25 percent across-the-board reduction is implemented through the process outlined above, total adjustments will be in excess of \$12 million.

Due to the magnitude of the appropriation reductions, revenue shortfalls, and unavoidable cost increases, only essential programmatic allocations consistent with and intended to help implement the university's strategic plan have been made in the revised preliminary fiscal year 1992 budget.

The following allocations are due to Strategic Plan implementations:

Admissions and Student Recruitment	\$600,000
Undergraduate Scholarships	500,000
Graduate Scholarships	150,000
Minority Employment	150,000
Opening of Research Facilities	332,000

The academic units have average reductions of 3.5 percent and the administrative units had averaged 4.5 percent.

University officials stress that, of the reductions made to date, the majority are of a temporary nature and will be altered over time based on the strategic plan and procedures adopted by the Board of Regents and the university.

In preparing the fiscal year 1992 revised preliminary budget, university officials took into consideration the priorities outlined in House File 479 (Fiscal Year 1992 Education Appropriation Bill).

In preparing class schedules for school year 1992, university officials reduced elective course offerings. Core course offerings comparable to previous years will be provided for freshmen and sophomores.

Programmatic and Administrative Unit Impact
Before the 3.25% Appropriation Reduction

The Agriculture College will reduce expenditures through:

- * Vacant faculty positions
- * Vacant graduate assistantships
- * Reductions in equipment and supplies.

The Business Administration College reduced graduate student support. This reduction will impact on the college's strategic goal of strengthening its graduate program.

The College of Design will implement reductions amounting to \$185,000. The reductions outlined by the college include:

- * Reductions in personnel in all programs in the college
- * Reduce bachelor of architecture (professional) program sophomore class from 80 students to 64 students
- * Reduce graduate level studio program from four sections to three
- * Reduce upper division elective course choices in architecture by four courses
- * Reduce the number of appointments for adjunct faculty
- * Reduce lower and upper division course options in art and design
- * Eliminate the practitioner base studio in community and regional planning
- * Reduce the graduate student assistantship support in landscape architecture
- * Reduce the graduate student assistantship support in the design studies program
- * Reduce core curriculum resulting in some reduction of introductory course selections
- * Delay appointment of permanent department chairs in art and design and landscape architecture by one year.

The College of Education has implemented reductions as follows:

- * Reduce positions in every academic and service unit
- * Reduce course and program offerings
- * Reduce faculty research efforts
- * Reduce instructional equipment purchases
- * Reduce outreach courses and service activities.

The College of Engineering will experience a budget reduction of \$947,000. The reduction will be implemented by:

- * Eliminating several open faculty positions
- * Restricting supplemental teaching appointments
- * Reducing support for new faculty recruitment
- * Severely cutting equipment purchases for teaching needs and laboratory updates
- * Additional savings will be experienced through attrition.

The College of Family and Consumer Science will implement its mandated budget reductions by:

- * Eliminating 1.6 faculty positions and 1.75 merit staff positions
- * Eliminating 1 graduate assistant
- * Holding 2.1 faculty positions open
- * Holding 1.0 graduate assistant position open
- * Downsizing one associate professor position to professional and scientific
- * Downsizing one professional and scientific position to two graduate assistants
- * Filling two positions starting in the spring instead of fall
- * Reducing salary expenditures due to downsizing positions and hiring faculty at lower salaries than incumbents received.

The College of Liberal Arts and Science reduced its budget by \$1,560,000 for fiscal year 1992. The reductions put in place include:

- * Reductions in personnel lines
 - 15 temporary faculty positions
 - 25 tenure track faculty positions
- * Reduction of 180 class sections
- * Reduction in access to courses
- * Reduction in professional development expenditures
- * Reduction in instructional equipment purchases.

The College of Veterinary Medicine has eliminated six faculty positions. Processing time at the veterinary diagnostic laboratory will increase due to these reductions.

Parks Library reductions will be experienced in non-acquisition areas through the elimination of a department head and five other positions during the first half of the fiscal year.

The Facilities, Planning and Management area will reduce expenditures by:

- * Reducing custodial functions
- * Reducing the frequency of classroom cleaning
- * Reducing maintenance expenses
- * Reducing campus service by one equipment operator and most summer hourly help
- * Reducing mowing and landscape maintenance activities
- * Reducing staff will be achieved through attrition and transfer
- * Maintaining utilities at levels dictated by campus usage.

The Business and Finance unit will implement reductions by:

- * Eliminating three clerical positions in accounting
- * Eliminating a budget analyst in the vice president's office
- * Eliminating two positions in health and safety
- * Implementing various measures to reduce data processing and postage expenses
- * Moving salary support for telecommunications administration to self-supporting accounts
- * Reducing safety inspections to the minimum required by law
- * Delivering payroll statements distribution on campus rather than to home addresses.

The Student Affairs division will implement its reductions by:

- * Eliminating 6.5 positions in student affairs including two counselors
- * Reducing response time to students requests
- * Eliminating a full position in student financial aid
- * Eliminating a full position in the registrar's office

The Executive Vice President will reduce equipment and supplemental salary lines by \$65,000. The following reductions will be implemented in fiscal year 1992:

- * Three professional and scientific sports information positions will be moved from University Relations to Athletics
- * Line item budget positions will be funded fully by revolving funds
- * Increased cost to users of photo services and publications.

The Research Administration Unit will implement the following reductions:

- * Four currently unfilled positions in the Research Administration and Graduate College budgets will be unfilled.
- * A vacant specialist position will be eliminated.
- * Two editorial positions will be eliminated.

- * Slower response time will be experienced in applications for external funding.

The Computations Center will implement reductions by:

- * Discontinuing key entry services
- * Terminating two long-term employees
- * Reassigning a faculty member assisting with Project Vincent to the instructional budget
- * Leaving two vacant positions unfilled.
- * Utilizing the difference between the director's full time salary and the acting director's half-time salary.

Agriculture and Home Economics Experiment Station

The revised preliminary operating budget for the Agriculture and Home Economic Experiment Station for fiscal year 1992 is \$24.7 million. The Agriculture Experiment Station experienced a reduction in state appropriations of \$781,374 due to health insurance premiums not being funded and the 3.25 percent across-the-board reduction.

The budget presented by the Agriculture Experiment Station did not incorporate the 3.25 percent appropriation reduction. These adjustments will be presented in August.

Due to the decrease in the budget for fiscal year 1992, the Agriculture Experiment Station has identified the following equipment and renovation issues for postponement:

- * Renovation and upgrading of greenhouse environmental controls
- * Replacement of outdated and unsafe autoclaves
- * Repair and replacement of wood conditioning rooms
- * Renovation of the laboratory for transgenic animal research
- * Renovation of the water quality laboratory
- * Replacement of hoods with inadequate safety features

In addition to reducing renovation and equipment purchases, the Agriculture Experiment Station will renegotiate start-up packages to be provided to new investigators who are just initiating their programs of research in selected areas.

Due to budget restraints the Agriculture Experiment Station will also reduce faculty, professional and scientific and merit positions. The following positions will remain vacant for fiscal year 1992:

- * 18 faculty
- * 7 professional and scientific
- * 4 merit

By not filling vacant positions, the Experiment Station will implement the following reductions in programs:

- * Reduction of the soybean plant breeding program
- * Delay filling the forage crop research position
- * Delay filling in plant environmental stress physiology
- * Delay hiring faculty in animal ecology in the area of landscape ecology
- * Delay filling critical meat microbiology position.

The Experiment Station will fill only those positions deemed critical after establishing a priority setting process.

Cooperative Extension Service

The Cooperative Extension Service revised preliminary budget for fiscal year 1992 is \$23.8 million. This includes a reduction to appropriations of \$623,834 due to the 3.25 percent across-the-board cut and nonfunding of health insurance premium increases.

The budget presented by the Cooperative Extension Service did not incorporate adjustments for the 3.25 percent appropriation reduction. These adjustments will be presented in August.

Due to the budgetary reductions being imposed on the Cooperative Extension Service, the following cuts are being put into place:

- * Eliminate six faculty positions
- * Eliminate 1.5 graduate assistants
- * Eliminate 8 professional and scientific positions
- * Eliminate 0.5 merit positions
- * Reduce response time to the citizens of Iowa
- * Decrease the ability to deliver programs on risk management to Iowa farm operations
- * Decrease the ability to give child care, gerontology and parent education assistance to Iowans
- * Decrease the ability to give dairy production information to farmers in 13 counties in northeast Iowa
- * Decrease the ability to give assistance on parenting, child care and other family-related issues in 31 counties in north central and southeast Iowa
- * Decrease the ability to give economic/community development assistance to communities and citizens in 13 counties in northeast Iowa.

The Cooperative Extension Service will continue its policy of only filling critical positions during fiscal year 1992. The Extension Service will need to address reducing staff by 8 to 10 employees either through attrition or layoffs.

Due to the significant need for electronic technology, the Cooperative Extension Service has internally reallocated \$250,000 for computers and video equipment.

Special Purpose Appropriations

The special purpose appropriations for Iowa State University for fiscal year 1992 include the following:

Fire Service Institute	\$397,484
Leopold Center	572,977
Institute for Physical Research and Tech.	290,250
Agricultural Research	290,250
Small Business Development Center	1,151,325

These amounts incorporate the 3.25 percent across-the-board reduction.

Previously the Iowa State Innovation Systems and the Research Park had been included as special purpose appropriations. Due to funding for these programs being transferred to the Wallace Technology Transfer Foundation they will be accounted for as gifts, grants and contracts.

Due to the reduction in funding for the Small Business Development Center of \$160,000 prior to the 3.25 percent cut, the following reductions are being implemented:

- * Closing of the Marshalltown Subcenter
- * Reduced service to other regional centers.

Residence Halls

In March the Board approved the preliminary Residence System budget subject to further review and action when the university operating budgets are approved for fiscal year 1992. Iowa State University has incorporated the following changes from the preliminary residence hall budget:

Increase in other operating expenses	\$6,901
Decrease in food costs	(50,000)
Decrease in salaries, wages, benefits	(25,319)

The net result is a reduction of \$68,418 in expenditures. The Board Office recommended approval of the revised final budget of \$24,639,692.

Athletic Budget

Iowa State University officials submitted its final athletic budget with revenues of \$11,205,500 and expenditures of \$11,187,730. The revenue sources are detailed as follows:

Men's Athletics	\$5,643,000	50.4 percent
Women's Athletics	13,000	0.1 percent
Student Activity Fee	520,000	4.6 percent
Athletic Conference	1,500,000	13.4 percent
General Fund Support	1,164,500	10.4 percent
Interest	50,000	0.4 percent
Novelties	15,000	0.1 percent
Royalties	30,000	0.3 percent
NCAA Broadcasting Rights	20,000	0.3 percent
Physical Therapy	50,000	0.4 percent
Athletic Development	2,200,000	19.6 percent
TOTAL	11,205,500	100 percent

The expenditures of the athletic programs are as follows:

Men's Athletics	\$4,907,241	43.9 percent
Women's Athletics	1,693,489	15.1 percent
General	1,293,000	11.6 percent
Development & Promotion	642,000	5.7 percent
Academic Services	618,150	5.5 percent
Rec. Bldg.-Debt Service	441,000	3.9 percent
Building & Grounds	428,200	3.8 percent
Training--Men's	341,500	3.1 percent
Projects	275,000	2.5 percent
Media Relations	225,000	2.0 percent
Rec. Bldg.-Utilities	150,000	1.3 percent
Training--Women's	147,650	1.3 percent
Physical Therapy	25,000	0.3 percent
TOTAL	11,187,730	100 percent

The athletic budget for fiscal year 1992 results in a net increase to the operating balance of \$17,770.

Restricted Funds

University officials estimate fiscal year 1992 restricted funds of approximately \$242.2 million. This compares to fiscal year 1991 restricted funds of \$237.3 million or an increase of approximately 2 percent. Restricted funds include federal funds, non-federal gifts and grants, sales and services, other income (including auxiliary enterprises) and bond revenue proceeds. Restricted fund revenues are summarized in the following table:

Restricted Funds

<u>Resource Category</u>	<u>FY 91 Current Budget</u>	<u>FY 92 Proposed Budget</u>
Appropriations	\$ 0	\$ 100,000
Federal Funds	77,660,000	79,213,200
Interest	2,600,000	2,652,000
Tuition & Fees	0	0
Reimb. Indirect Costs	0	0
Sales and Services	11,193,850	11,417,727
Other Income	17,341,183	17,688,007
Gifts, Grants	20,344,329	20,751,215
Endowment Inc.	113,730	116,005
Auxiliary Ent.	63,222,574	64,487,025
Ind. Operations	24,115,983	24,598,303
Reserves	0	0
Plant Fund Res.	7,221,053	7,365,474
Net Transfers	13,500,000	13,770,000
TOTAL EXPENDITURES	\$237,312,702	\$242,158,956
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ACTION:

Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

(c) University of Northern Iowa. The Board Office recommended the Board (1) approve the University of Northern Iowa general university revised preliminary operating budget for fiscal year 1992 of \$80,741,815 (incorporates 3.25 percent reduction in appropriations); (2) approve the final Residence System budget of \$12,870,178; and (3) approve the final athletic budget of \$3,537,818.

The revised preliminary general university operating budget of \$80.7 million for fiscal year 1992 represents a decrease of approximately .9 percent from the fiscal year 1991 revised budget. This equates to a dollar reduction of approximately \$762,000 from the fiscal year 1991 revised budget.

The adjustment due to the 3.25 percent appropriation reduction and nonfunding of health insurance premiums accounts for \$2,131,105. The original preliminary budget prepared by the University of Northern Iowa was for \$82,872,920.

The original preliminary budget was based on health insurance rate increases for general service employees of 7.5 percent. The actual rate ranges from

11.5 to 12.3 percent. Increased health insurance costs will be funded through internal reallocations.

The budget totals presented by University of Northern Iowa officials incorporate the 3.25 percent appropriation reduction. University officials did not have time to incorporate these cuts in detail. University officials established a reversion, unfunded account.

University of Northern Iowa officials established the following process to identify detailed adjustments required by the 3.25 percent appropriation reduction.

- * Each vice president will form an ad hoc budget planning council to identify and evaluate budget reduction opportunities.
- * The ad hoc committees will evaluate the impact of various alternatives and determine which programs, services and staffing will be reduced and/or eliminated.
- * Criteria used in evaluation will include program quality, faculty teaching and research productivity, enrollment demands, university mission, strategic plan, and overall potential cost savings or avoidance.

University officials stress that, of the reductions made to date and those to be made for the 3.25 percent appropriation reduction, the majority are of a temporary nature and will be altered over time based on the strategic planning procedures adopted by the Board of Regents and the university.

University officials made reductions prior to the 3.25 percent reduction in supplies and services and equipment budgets. These reductions will impact on the quality of instruction, student services, academic support and institutional support.

The library acquisition budget has been reduced by 3 percent prior to the 3.25 percent appropriation reduction at a time when cost of materials is increasing by 14 percent. Further impacts in the library acquisitions budget are expected due to the 3.25 percent appropriation reduction.

University of Northern Iowa officials project enrollment increases in fiscal year 1992 of 300 students over fiscal year 1991. Increases in tuition revenues will be devoted to faculty staffing.

Even with increased tuition revenues, the University of Northern Iowa will not be able to adequately staff classes to provide for student demands. The university will offer fewer classes, increase class size, and depend heavily upon adjunct faculty.

The university, prior to the 3.25 percent appropriation reduction, eliminated support staff positions with the workload being shifted to remaining employees. In some cases, staff reductions required reduced services as the only feasible solution.

The university had previously received funds for special purpose areas of Applied Technology and the Decision Making Institute. These programs have been included in the university's general fund and are funded as follows:

Applied Technology	\$250,000
Institute for Decision Making	550,000

Due to reductions in funding of these two special purpose appropriations in the general fund, reductions will be implemented in the services provided by these two programs.

University of Northern Iowa officials, in its review process to identify budget adjustments due to the 3.25 percent appropriation reduction, will identify detailed programmatic impacts to be submitted to the Board Office by August 12 for presentation at the August 29 Board meeting.

Residence System

In March the Board approved the preliminary Residence System budget subject to further review and action when the university operating budgets are approved for fiscal year 1992. University of Northern Iowa officials have not adjusted its preliminary budget of \$12,870,178. The Board Office recommended approval of the Residence System final budget.

Athletic Budget

University of Northern Iowa officials submitted its final athletic budget with revenues of \$3,618,818 and expenditures of \$3,537,818.

The revenue sources are detailed as follows:

Men's Athletics	\$ 553,790	15.3 percent
Women's Athletics	11,500	.3 percent
Student Activity Fees	509,730	14.1 percent
Athletic Conference	167,000	4.6 percent
General Fund Support	1,685,163	46.6 percent
Interest	0	0.0 percent
Foundation/Alumni	446,870	12.3 percent
Novelties	0	0.0 percent
Radio	0	0.0 percent
Other Income	244,765	6.8 percent
TOTAL	\$3,618,818	100 percent

The expenditures for the athletic programs are as follows:

Men's Athletics	\$2,041,213	57.7 percent
Women's Athletics	672,052	19.0 percent
Training Room	132,052	3.7 percent
Admin. & General	644,652	18.2 percent
Academic & Counseling	47,849	1.4 percent
TOTAL	\$3,537,818	100 percent

The Athletic budget for fiscal year 1992 results in a net increase to the operating balance of \$81,000.

Restricted Funds

University officials estimate fiscal year 1992 restricted funds of approximately \$63.2 million. Restricted funds include federal funds, non-federal gifts and grants, sales and services, other income including auxiliary enterprises, and bond revenue proceeds. Restricted fund revenues are summarized in the following table:

<u>Resource Category</u>	<u>FY 92 Proposed Budget</u>
Appropriations	\$ 3,100,000
Federal Funds-Res.	7,328,000
Federal Funds-Std. Aid	5,100,000
Interest	2,485,000
Tuition & Fees	3,000,000
Reimb. Indirect Costs	0
Sales and Services	3,100,000
Other Income	18,835,000
Gifts, Grants	2,200,000
Endowment Inc.	0
Auxiliary Ent.	18,100,000
Ind. Operations	0
Reserves	0
TOTAL EXPENDITURES	\$ 63,248,000
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ACTION:

Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

(d) Iowa School for the Deaf. The Board Office recommended the Board approve the fiscal year 1992 revised preliminary budget of \$6,081,152.

Iowa School for the Deaf officials proposed a revised preliminary budget for fiscal year 1992 of \$6,081,152. This budget incorporates the 3.25 percent across-the-board appropriation reduction and the nonfunding of health insurance premium increases which amounts in total to \$224,555.

The additional reductions being implemented at the Iowa School for the Deaf require a hiring freeze for fiscal year 1992. This will leave vacant positions in administration, faculty and the dormitories. Nine positions that were vacated in fiscal year 1991 will remain vacant during fiscal year 1992. These vacancies were accomplished by retirements, attrition and the reduction of one faculty employee from full-time to half-time.

The strategic plan, as highlighted last month, will be negatively impacted. The areas of impact include:

- * Quality of education;
- * Outreach services; and
- * Resource Center services.

The Home Economics program has been deleted as a direct instructional program at the Iowa School for the Deaf. Alternative programming will be made available through the Lewis Central school district for those choosing home economics courses.

All deappropriations, salary annualization, and increases for health and dental insurance were absorbed by salary savings. If additional appropriation reductions are experienced within fiscal year 1992, further negative impacts will be incurred on the educational program at the Iowa School for the Deaf.

ACTION: Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

(e) Iowa Braille and Sight Saving School. The Board Office recommended the Board approve the fiscal year 1992 revised preliminary budget of \$3,464,964 for the Iowa Braille and Sight Saving School.

Iowa Braille and Sight Saving School officials proposed a budget for fiscal year 1992 of \$3,464,964. The revised figure for fiscal year 1992 represents a decrease of 3.41 percent (\$122,340) from the fiscal year 1991 revised budget. The Governor's 3.25 percent across-the-board reduction impacted the Iowa Braille and Sight Saving School's state appropriation by \$108,910. Additional reductions were due to health insurance premiums not being funded which impacted the school's appropriations by \$18,786. The total appropriation reduction from the original preliminary budget amounts to \$127,696.

Iowa Braille and Sight Saving School officials will not award any salary increases except for salary annualization, degree advancements and health insurance and fringe benefit increases. These items will be funded through internal reallocations.

The Iowa Braille and Sight Saving School will receive \$166,774 from federal support which is considered restricted funds. This represents a decrease of 8.6 percent from restricted fund revenues from fiscal year 1991.

In the event of further appropriation reductions, facility maintenance and casual employee line items will need to be adjusted downward. Additional reductions in appropriations will have a substantial negative effect on educational programs.

Iowa Braille and Sight Saving School officials followed the school's strategic plans and goals in developing this budget. Strategic planning objectives affected include Educational/Residential Programs

- * By an inability to increase the LPN Service in the Health Center and
- * An inability to furnish selected residential areas.

Key areas of the school's budget impacted due to the 3.25 percent across-the-board reduction included:

- * Supplies and Services;
- * Summer Instructional Program Improvements;
- * Facility Maintenance; and
- * Salaries.

ACTION: Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

(f) Board of Regents Office. The Board Office recommended the Board approve the budget of the office of the Board of Regents for fiscal year 1992 in the amount of \$1,095,686.

The proposed budget of \$1,095,686 includes the 3.25 percent (\$36,134) reversion in appropriations as mandated by Governor Branstad.

The staffing complement for the office of 16.7 FTE positions for fiscal year 1992 is a reduction of 3 FTE positions from fiscal year 1990.

The employee in the position of Assistant Director of Academic Affairs will be laid off effective September 30, 1991.

GENERAL
July 17-18, 1991

No provision is made for coordination of legal affairs and risk prevention except as that function can be handled by the Executive Director and Deputy Executive Director. Effort will be made to recruit a person to the Director of Planning position, which is currently vacant, that can handle a large number of responsibilities including risk prevention.

Estimated expenditures for operations other than salaries are about \$10,000 below fiscal year 1990.

Receipts for the Title II program for science and math are estimated to continue at the approximate level of fiscal year 1991 and will be utilized for that restricted purpose program.

The proposed budget for other operating expenditures would provide the approximate level of expenditures actually experienced in fiscal year 1991 less the amounts for office equipment. Expenditures for maintenance contracts and repairs to office equipment are a concern. The budget for office supplies and printing costs assumes that the effects of price inflation will be offset by reduction in volume. The amount budgeted for travel by the Board of Regents reflects the altered travel patterns caused by changes in Board membership.

ACTION: Action on this matter was taken under G.D. 6, Revised Preliminary Budgets for Fiscal Year 1992.

REPORT OF THE KNIGHT FOUNDATION COMMISSION ON INTERCOLLEGIATE ATHLETICS. The Board Office recommended the Board adopt the Statement of Principles recommended in the report of the Knight Commission on Intercollegiate Athletics recognizing that full implementation by the universities will take place over time because of outstanding contracts.

The Regent Priority Study Group on Intercollegiate Athletics has reviewed the Knight Foundation Commission Report on Intercollegiate Athletics. The Knight Commission Report recommends a new model approach to intercollegiate athletics known as "one-plus-three." The one-plus-three consists of the "one" -- presidential control directed toward the "three" -- academic integrity, financial integrity, and accountability through certification.

The Knight Report represents a firm basis upon which other needed reforms and changes in intercollegiate athletics can take place. Other reforms are being studied by the National Collegiate Athletic Association (NCAA) and its Presidents Commission.

Adoption of this step by the Board of Regents will signal a strong positive direction for the athletic programs at the Regent universities.

Regent Berenstein stated that the Priority Study Committee on Intercollegiate Athletics met that morning and discussed the Knight Commission report at length.

MOTION: Regent Berenstein moved to (1) adopt the one plus three concept to intercollegiate athletics defined as one: presidential control directed toward the three: academic integrity, financial integrity, and accountability through certification; (2) particularly emphasize and reaffirm the authority of the university presidents to control the athletic departments; and (3) endorse the statement of principles set forth in the preliminary draft of the Knight Commission Report on Intercollegiate Athletics. Regent Tyrrell seconded the motion, and it carried unanimously.

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board (1) approve the proposed schedule of bond sales, (2) approve the final report on financial management information systems, and (3) receive reports on other Banking Committee current issues.

Regent Fitzgibbon stated that bond counsel reviewed U.S. Treasury regulations with the Banking Committee members that morning. As a result, the Iowa State University bond sale was recommended to be moved from August 29 to August 20. He said the Banking Committee members recommended Board approval of the academic building revenue bond schedule. The committee received a recommendation concerning the contracts for financial advisor and bond counsel. An interinstitutional committee evaluated the proposals. The committee members received the semi-annual audit reports. They encouraged that the audit systems and procedures be reviewed closely. The Banking Committee encouraged Mr. Richey to contact the three presidents and two superintendents regarding that matter. The Banking Committee also received reports on Regent state audits as well as various other reports. With regard to the important area of financial management information systems, Regent Fitzgibbon recognized the efforts of Gary Shontz, who he said has done an outstanding job.

MOTION: Regent Fitzgibbon moved to adopt the following resolution on behalf of Iowa State University: Authorizing the Executive Director to fix the date or dates for the sale of up to \$17,240,000 Academic Building Revenue Bonds, Series I.S.U. 1991. Regent Berenstein seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Fitzgibbon,
Furgerson, Hatch, Johnson, Pomerantz,
Tyrrell, Williams.
NAY: None.
ABSENT: None.

MOTION: Regent Fitzgibbon moved to approve the schedule of bond sales. Regent Berenstein seconded the motion, and it carried unanimously.

MOTION: Regent Fitzgibbon moved to approve the final report on financial management information systems. Regent Berenstein seconded the motion, and it carried unanimously.

ACTION: President Pomerantz stated the Board received the report on Banking Committee issues by general consent.

CONTRACT FOR MASTER LEASE. The Board Office recommended the Board approve extending a contract to Norwest Investment Services for the Regent master lease program.

The Board Office distributed a Request for Proposals (RFP) for the master lease program on June 21, 1991. Responses were due in the Board Office on July 5, 1991. The Board Office received five proposals. The firms responding included:

Boatmen's First National Bank of Kansas City
BOT Financial Corporation
Juran and Moody, Inc.
Norwest Investment Services
Zahner and Company.

The proposal was for a \$15 million master lease program for a two-year period with extensions up to five years to be incorporated within the contract. The proposals required the financial institutions to list origination fees, prepayment fees, and the increment over the Delphis Hanover scale for tax exempt debt in the "A" rating category.

The most competitive bids were forwarded by Juran and Moody and Norwest Investment Services. A comparison of the two firms is as follows:

July 1971
Board of Regents

Proposed Policies for Reimbursement of Travel Expenses

It is the intent of the State Board of Regents that employees of Regent institutions be reimbursed for reasonable expenses associated with work-related travel.

It is the further intent of the Board that the Regent institutions adopt institutional policies consistent with this statement, along with any other provisions relating to travel reimbursements which are more specific or restrictive.

Some travel reimbursements may be taxable. For example, any meal reimbursement not associated with overnight travel is taxable income which must be reported in the next pay period. It is subject to federal and state income tax withholding and Social Security tax payments. Individual meal costs exceeding \$34 without documentation or substantiation are taxable income and will be reported. Travel advances must be substantiated in a timely fashion (generally within 90 days of completion of travel) or they will be reported as taxable income.

Travel expense vouchers should be submitted promptly on return from the trip. Employees will be reimbursed for transportation, lodging, and meals on the following basis:

Transportation reimbursement for official travel by private automobile shall be paid at the state rate when the use of a personal car is authorized. Air or rail transportation should be by common carriers. Reimbursement will be based on the cost of the trip by car including enroute expenses and mileage, or by public carrier, whichever is less.

Air or rail transportation should be by common carriers. Reimbursement will be at the lowest reasonably scheduled fare available plus necessary ground transportation costs.

Meals would be reimbursed based on actual and reasonable costs using the following maximum guidelines:

	<u>In-State</u>	<u>Out-of-State</u>
Breakfast	\$ 5.00	\$ 8.00
Lunch	7.00	12.00
Dinner	<u>14.00</u>	<u>20.00</u>
	\$26.00	\$40.00

The individual amounts for each meal would apply only in the case of persons being in travel status for partial days. Otherwise, the total amounts for each day would apply, thus allowing some discretion in adjusting meal allowances within the day.

Exceptions to these meal standards requested in advance of travel could be accommodated if justified to senior university officials (e.g., vice presidents, collegiate deans, and major directors of administrative units). Exceptions not authorized in advance of travel may be considered by senior university officials only after careful review and consideration of any unanticipated costs incurred by the university traveler.

For submissions of requests for reimbursement for meals in travel status, travelers should be advised that they are to be in travel status during the following time frames to qualify for individual meal reimbursements:

Breakfast - Prior to 6:00 a.m. and after 8:00 a.m.
Lunch - Prior to 11:00 a.m. and after 1:00 p.m.
Dinner - Prior to 5:30 p.m. and after 7:30 p.m.

Lodging reimbursement is limited to the actual/reasonable cost for a standard single room. Lodging rates set by Federal regulations will be used as a guide. This rate is reviewed and amended periodically.

Proposed Reimbursement Policies for Foreign Travel

Policies and rates approved by the U.S. Department of State are to be followed unless university or granting agency regulations are more restrictive. For partial days of travel, one-fourth of the rate for a full day will be reimbursed for each six-hour period or the fraction thereof that the employee is in travel status.

The traveler may be reimbursed at up to 150 percent of the standard per diem if approved by authorized university officials. The traveler must provide an explanation of the extenuating circumstances and original receipts supporting all lodging and meal expenditures. Reimbursements in excess of the standard rates will not be approved if prohibited by granting agency regulations.

BFV32/travpol.jly
Board Office
July 11, 1991

Sample Interest Rates Derived by Applying
Increments to Delphis Scale of July 2, 1991

<u>Lease Term</u>	<u>Average Maturity</u>	<u>Juran and Moody</u>	<u>Norwest</u>
3 years	2 years	6.80	6.68
4 years	2 years	6.75	6.73
5 years	3 years	6.70	6.78
6 years	3 years	6.70	6.83
7 years	4 years	6.75	6.88

The Juran and Moody proposal included a 2.5 percent prepayment penalty whereas Norwest only has a prepayment penalty in the first year of the lease. Norwest has been involved in master lease programs while this program would be a new undertaking for Juran and Moody. Norwest would provide an escrow account at no charge.

Norwest stated that a \$15,000 minimum drawdown would be desirable.

Based on increment rates over the Delphis Hanover scale, experience in master lease programs, and prepayment penalties, the Board Office, in consultation with the Regents bond counsel and financial advisor and institutional administration, recommended extending a contract to Norwest Investment Services.

Regent Hatch stated that Springsted representatives recommended, based on favorable interest rates and the lack of prepayment penalty, awarding the master lease contract to Norwest Investment Services. She said the Banking Committee did not take formal action because three of its members are affiliated with Norwest Bank.

Regent Dorr stated for the record that the three members were very open and frank in the discussion that they would not participate whatsoever in this matter. He said there is absolutely no conflict of interest in this recommendation from the Banking Committee.

Regent Tyrrell said he attended the Banking Committee meeting and concurred in the statements made by Regents Dorr and Hatch.

MOTION:

Regent Hatch moved to approve extending a contract to Norwest Investment Services for the Regent master lease program. Regent Dorr seconded the motion, and it carried with Regents Berenstein, Fitzgibbon and Pomerantz abstaining.

CONTRACTS FOR BOND COUNSEL AND FINANCIAL ADVISOR. The Board Office recommended the Board (1) approve a contract with Springsted as financial advisor to the Board of Regents, (2) approve a contract with the Ahlers Law Firm as bond counsel to the Board of Regents, and (3) authorize the Executive Director to execute the contracts upon the terms and conditions approved subject to review by legal counsel.

The expired contracts for service of the Ahlers Law Firm and Springsted were for three years with an annual option for renewal of no more than two years. Iowa Code requires that contracts for professional services as provided by the Ahlers Law Firm and Springsted be rebid after a period of five years.

The Board Office distributed Requests for Proposals (RFP) for bond counsel and financial advisor on May 7, 1991. Responses from interested parties were due in the Board Office by 4:30 p.m., May 28, 1991. An ad hoc committee of representatives from the universities and the Board Office was established to review the proposals put forward by bond counsel and financial advisor. This committee selected the top candidates from the bond counsel and financial advisor submissions to be interviewed on June 26, 1991. At this interview, which was attended by Regent Fitzgibbon and Executive Director Richey, the Ahlers Law Firm was interviewed for bond counsel and Springsted was interviewed for financial advisor.

The comparison of the rates for the new contracts for service is as follows:

	SPRINGSTED			AHLERS		
	<u>1986 ORIGINAL</u>	<u>1991 PROPOSED</u>	<u>PERCENT CHANGE</u>	<u>1986 ORIGINAL</u>	<u>1991 PROPOSED</u>	<u>PERCENT CHANGE</u>
<u>Bond Issuance</u>						
\$5.0 Million	\$7,500	\$8,000	6.7%	\$7,500	\$7,500	0.0%
\$10.0 Million	\$15,000	\$16,000	6.7%	\$13,000	\$13,000	0.0%
\$15.0 Million	\$22,500	\$24,000	6.7%	\$16,500	\$16,500	0.0%
\$20.0 Million	\$30,000	\$32,000	6.7%	\$20,000	\$20,000	0.0%
\$25.0 Million	\$37,500	\$40,000	6.7%	\$23,250	\$23,250	0.0%
Under \$25.0 Million	\$1.50 per \$1,000	\$1.60 per \$1,000	6.7%			
Over \$25.0 Million	\$1/1,000	\$1/1,000	0.0%			
<u>Hourly Rates</u>						
Senior Officers	\$125	\$125	0.0%	\$100	\$110	10.0%
Other Prof. Staff	\$85	\$85	0.0%	\$50	\$55	10.0%
Computer	\$75	\$75	0.0%	N/A	N/A	N/A
Word Processing	\$35	\$35	0.0%	N/A	N/A	N/A

	SPRINGSTED			AHLERS		
	<u>1986</u>	<u>1991</u>	<u>PERCENT</u>	<u>1986</u>	<u>1991</u>	<u>PERCENT</u>
	<u>ORIGINAL</u>	<u>PROPOSED</u>	<u>CHANGE</u>	<u>ORIGINAL</u>	<u>PROPOSED</u>	<u>CHANGE</u>
Arbitrage						
First Year				N/A	\$1,500	N/A
Second Year				N/A	\$1,200	N/A
Debt Service Calc.				N/A	\$500	N/A

Based on the interview process the ad hoc review committee recommended extending contracts to these firms. The institutions and Board Office have been pleased with the services provided by the Ahlers Law Firm and Springsted over the past five years.

MOTION:

Regent Fitzgibbon moved to (1) approve a contract with Springsted as financial advisor to the Board of Regents, (2) approve a contract with the Ahlers Law Firm as bond counsel to the Board of Regents, and (3) authorize the Executive Director to execute the contracts upon the terms and conditions approved subject to review by legal counsel. Regent Berenstein seconded the motion, and it carried unanimously.

President Pomerantz expressed the Board's appreciation to Springsted and Ahlers representatives for their exemplary performance in their professional relationship with the Board of Regents and its institutions. Although they are compensated by contractual arrangements, their services go above the call of duty in many instances. He wished them well in their continuing relationship with the Board.

TIAA/CREF OPTIONS. The Board Office recommended that the Board approve the following policy regarding retirement settlement options:

At the time of retirement an individual who has attained at least the age of 62 years may arrange to take a cash option of up to 20 percent of the total accumulation in the individual's retirement plan including the 10 percent of his or her total accumulation through the Retirement Transition Benefit Option.

TIAA-CREF policy has long permitted a cash withdrawal on retirement of up to 10 percent.

In 1990 TIAA-CREF made available, subject to the approval of individual employers, a lump sum withdrawal of funds invested in CREF on termination of

employment. University administrations requested the Board to authorize a cashability option.

It was recommended that the Board allow a cash option for staff retiring at age 62 or after of up to an additional 10 percent of total accumulations. The remaining 80 percent of accumulations would continue to be received as lifetime benefits.

MOTION: Regent Hatch moved to approve the policy regarding retirement settlement options, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

FACULTY APPEAL. The Board Office recommended that the Board deny the request of the faculty member for review of a final institutional decision.

Note: The Board had before it a CONFIDENTIAL memorandum and supporting documents in this matter.

The faculty member's request for review of a final institutional decision was before the Board pursuant to Board of Regents Procedural Guide, Section 2.07 as further explained by Section 4.25. The faculty member was appealing the decision of the institution to deny tenure and promotion.

The Board Office review of the document submitted by the faculty member and the university relative to this matter concludes that the process and conclusion are consistent with the laws and regulations governing public employees and are substantially in compliance with policies and procedures of the Board and the university.

The Board's decision in this matter represents final agency action for which the faculty member may seek judicial review as permitted by law.

MOTION: Regent Dorr moved to deny the request of the faculty member for review of a final institutional decision. Regent Hatch seconded the motion.

President Pomerantz said there was a lot of detail in the appeal and it raised an interesting question. It had nothing to do with merits but rather the process. Although the Board Office stated that the Attorney General's Office agreed with the Board Office recommendation to deny the faculty member's request for review, he said he was not comfortable that the issue had been reviewed in depth. He requested that the matter be returned to the Attorney General and that the Attorney General write an opinion that the Board of Regents can act on.

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

President Pomerantz clarified that the Attorney General's Opinion was to be in writing.

Regent Berenstein stated that he wanted it in writing by the August 29 telephonic Board meeting.

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

Resignation: Glenda Carter as Director of Planning and Policy Analysis effective July 16, 1991; and

Reappointment: Danial Via as Research Analyst, temporary, effective June 21, 1991, at a salary of \$14.00 per hour. Funding for Mr. Via is provided with federal funds for the administration of the Dwight D. Eisenhower Mathematics and Science Program.

MOTION: Regent Berenstein moved to approve the personnel transactions, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

INSTITUTIONAL ROADS PROGRAM. The Board Office recommended the Board (1) approve the recommended 1992 program totaling \$1,254,000 for construction and engineering, and \$255,000 for routine repairs and maintenance support costs; (2) approve the recommended Five-Year Institutional Roads Program for 1993-1997 totaling \$5,725,000; and (3) receive the list of identified, unfunded institutional road needs at the Regent institutions totaling \$14,070,000 and direct that these reports be forwarded to the Iowa Department of Transportation (IDOT) for inclusion in its Quadrennial Needs Study.

The Institutional Roads Program for 1992 construction and maintenance is estimated at \$1,509,000.

Summary of Institutional Roads Program for 1992

Capital Reconstruction, Improvements and Maintenance

University of Iowa	\$ 325,000
Iowa State University	714,000
University of Northern Iowa	215,000
Iowa School for the Deaf	0
Iowa Braille and Sight Saving School	<u>0</u>
Subtotal	\$1,254,000
<u>Routine Repairs and Maintenance Support--</u> <u>All Institutions</u>	<u>\$ 255,000</u>
TOTAL	\$1,509,000

The annual amount programmed for routine repair and maintenance support is \$255,000.

The Regents Five-Year Institutional Roads Program (1993-1997) is comprised of \$5,725,000 for capital reconstruction, improvements, and maintenance funding.

Summary of Institutional Roads Program Five Year Plan

	<u>Reconstruction and Improvements</u>	<u>Capital Maintenance</u>	<u>Total</u>
University of Iowa	\$1,960,000	\$ 220,000	\$2,180,000
Iowa State University	972,000	1,473,000	2,445,000
University of Northern Iowa	1,024,000	76,000	1,100,000
Iowa School for the Deaf	0	0	0
Iowa Braille and Sight Saving School	<u>0</u>	<u>0</u>	<u>0</u>
Total	\$3,956,000	\$1,769,000	\$5,725,000

Unmet construction needs total \$14,070,000.

Summary of Unmet Construction Needs

University of Iowa	\$ 2,458,000 (1)
Iowa State University	9,966,000 (2)
University of Northern Iowa	1,646,000 (3)
Iowa School for the Deaf	0
Iowa Braille and Sight Saving School	<u>0</u>
TOTAL	\$14,070,000

- (1) Major projects for the University of Iowa are the Iowa Avenue Overpass Extension in the amount of \$763,000 and the Highway 6/218 Overpass in the amount of \$772,000.
- (2) Major projects for Iowa State University are East Campus Access and Elwood to Union Drive, \$687,000; State Street, \$900,000; East Campus Arterial-Elwood to Stange via Haber, \$3,000,000; Haber Road Underpass Extension, \$2,000,000; Zumwalt, \$600,000; and North Campus Loop, \$1,542,000.
- (3) Major projects for the University of Northern Iowa are the Jennings Drive Hillside to Main Reconstruction in the amount of \$250,000 and Nebraska Street Widening from the UNI-Dome to 31st Street in the amount of \$426,000.

MOTION:

Regent Williams moved to (1) approve the recommended 1992 program totaling \$1,254,000 for construction and engineering, and \$255,000 for routine repairs and maintenance support costs; (2) approve the recommended Five-Year Institutional Roads Program for 1993-1997 totaling \$5,725,000; and (3) receive the list of identified, unfunded institutional road needs at the Regent institutions totaling \$14,070,000 and direct that these reports be forwarded to the Iowa Department of Transportation (IDOT) for inclusion in its Quadrennial Needs Study. Regent Furgerson seconded the motion, and it carried unanimously.

MERIT SYSTEM CLASSIFICATIONS. The Board Office recommended that the Board approve establishment of two new classifications:

Communications Technician I in pay grade 412 (\$20,509 - \$27,102) and
Communications Technician II in pay grade 415 (\$23,088 - \$30,805).

The proposed classes would provide an entry level and a journey level for employees who install and maintain electronic communications networks. Employees doing this work are currently classified as Electronic Technicians in the same pay grades, 412 and 415. The Electronic Technician classes are primarily for employees who construct and maintain equipment used in instruction or research.

The new classes are needed to recognize the specialized skills involved in installing, repairing and monitoring voice and data communications systems.

Approval was recommended subject to implementation through the collective bargaining process as required.

MOTION: Regent Dorr moved to approve establishment of two new classifications, as presented. Regent Tyrrell seconded the motion, and it carried unanimously.

APPOINTMENTS TO ADVISORY COMMITTEES FOR SPECIAL SCHOOLS. The Board Office recommended the Board approve the recommended appointments to the Iowa Braille and Sight Saving School Advisory Committee and the Iowa School for the Deaf Advisory Committee.

The recommendations include three appointments for each of the committees. Advisory Committee members serve on two year staggered terms with half of the members going off every year.

ACTION: This matter was approved by consent.

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

August 20, 1991	Telephonic	
August 29	Telephonic	
September 25-26	University of Iowa	Iowa City
October 16-17	University of Northern Iowa	Cedar Falls
November 20-21	Iowa State University	Ames
December 18	Marriott	Des Moines
January 15-16, 1992	Telephonic	Des Moines
February 19-20	University of Iowa	Iowa City
March 18-19	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	University Park Holiday Inn	Des Moines

ACTION: This matter was approved by consent.

C O R R E C T E D

GENERAL
July 17-18, 1991

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session pursuant to the Code of Iowa Section 21.5(1)(i) upon the request of employees whose performance is being considered, and Section 20.17(3) to conduct a strategy meeting of a public employer for collective bargaining.

MOTION: Regent Dorr moved to enter into closed session. Regent Hatch seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.
NAY: None.
ABSENT: None.

The Board having voted by at least two-thirds majority resolved to meet in closed session beginning at 4:12 p.m. on Wednesday, July 17, 1991, recessed at 5:30 p.m. on that same date, reconvened at 7:30 a.m. on Thursday, July 18, 1991, and arose therefrom at 9:45 a.m. on that same date.

The following business was conducted on Thursday, July 18, 1991.

President Pomerantz asked a member of the Board of Regents to make a motion which would address the issue of reserves for contingent liability of Regent institutions for salary increases for employees under collective bargaining contracts.

MOTION: Regent Dorr moved that the Board of Regents, at the request of the Governor, direct the institutions under its control to be prepared to issue lay off notices to employees covered under the state contracts where there is a contingent liability from the general funds of the institutions; and, further, that the institutions proceed to identify the adjustments necessary to finance the contingent liability for employees covered by state contracts in the Board of Regents institutions who are funded from non-general funds. Layoffs under these policies may affect some employees not covered by state collective bargaining contracts.

Regent Tyrrell seconded the motion, and it carried unanimously.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, July 17 and Thursday, July 18, 1991.

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

Register of Personnel Changes for May 1991

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

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM. The Board Office recommended that the Board approve the following changes in the university's Professional and Scientific classification system:

New Classes:

Director, Quality Management Training and Development	Pay Grade 15 (\$45,560 - \$79,685)
Procurement Specialist III	Pay Grade 10 (\$30,730 - \$53,740)
Manager, Patient Accounts	Pay Grade 9 (\$28,400 - \$49,670)

Changes in Pay Grade Assignments:

<u>Title</u>	<u>From Grade</u>	<u>To Grade</u>
Associate Director of Accounting Services	11(\$33,250 - \$58,145)	12(\$35,975 - \$62,910)
University Cashier	12(\$35,975 - \$62,190)	13(\$38,920 - \$68,070)
Director, Material Services	14(\$42,110 - \$73,650)	15(\$45,560 - \$79,685)
Occupational Therapist	05(\$20,730 - \$36,420)	06(\$22,430 - \$39,400)
Senior Occupational Therapist	07(\$24,265 - \$42,320)	08(\$26,250 - \$45,910)

Changes in Title and Pay Grade Assignment:

<u>From</u>	<u>To</u>
Assistant Director of Hancher Auditorium Grade 11 (\$33,250 - \$58,145)	Associate Director of Hancher Auditorium Grade 13 (\$38,920 - \$68,070)

Research Coordinator
Grade 10 (\$30,730 - \$53,740)

Assistant Director of Sponsored
Programs
Grade 11 (\$33,250 - \$58,145)

Three new classes were recommended to implement and direct a new program (Director of Quality Management Training and Development) and to effectively meet the increasing demands of existing operations (Procurement Specialist III and Manager of Patient Accounts).

A one pay grade increase was proposed for five existing classes to appropriately recognize expanded responsibilities.

A change in title and pay grade was recommended from Assistant Director of Hancher Auditorium in pay grade 11 to Associate Director of Hancher Auditorium in pay grade 13 to reflect increased responsibility for day-to-day operations, and for Research Coordinator in pay grade 10 to Assistant Director of Sponsored Programs in pay grade 11 to reflect increased requirements and duties in accord with the university's strategic planning priorities.

Recommended pay grade assignments were based on point count evaluations of duties and responsibilities, and revisions can be implemented within existing resources.

MOTION:

Regent Williams moved to approve the changes in the university's Professional and Scientific classification system, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

COURSE APPROVAL. The Board Office recommended the Board refer the proposed course changes to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

University of Iowa officials submitted proposed changes in the listing of approved courses. The changes represent a continuing response of the university to the changing educational needs of the students, changing disciplinary emphasis, and the vitality of faculty.

An increase of 61 courses resulted from the addition of 287 courses and the elimination of 226 courses. The number of courses offered by the colleges increased in seven of the nine colleges and remained unchanged in two colleges.

Course additions, deletions, and changes in numbering, titles, and semester hour credits amounted to 824 changes.

The reported trends in the colleges indicated little change from the trends reported a year ago and appear to represent no major program trends.

ACTION: This matter was referred by consent.

RENAMING THE PSYCHIATRIC HOSPITAL THE MEDICAL EDUCATION BUILDING. The Board Office recommended the Board approve renaming the Psychiatric Hospital at the University of Iowa to the "Medical Education Building," effective immediately.

The Psychiatric Hospital Building at the University of Iowa was proposed to be renamed the "Medical Education Building." The new name was proposed because it reflects the new function contained in the building better than the old name. The change in functions is consistent with long-term plans for campus buildings.

ACTION: This matter was approved by consent.

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

PERMISSION TO PROCEED WITH PROJECT PLANNING

Water Plant Modifications

University officials requested permission to proceed with project planning and with the selection of a consulting engineering firm for project development for the Water Plant Modifications project.

Prior to the design of the plant modifications a study will be undertaken to determine the chemical properties, quantities and generation rates of solids contained in the waste stream from the Water Treatment Plant. This study will include an evaluation of alternatives available to meet treatment requirements and disposal options. The design and construction of the water plant modifications will be completed based upon the results of the study and the selected alternative.

The Water Plant Modifications project was included in the bonding authorization from the 1991 General Assembly in the amount of \$2.5 million. The proposed sale of these Academic Building Revenue Bonds has been scheduled for March 1992.

North Campus Chilled Water Plant--Chilled Water Expansion

University of Iowa officials requested permission to proceed with project planning and to proceed with the selection of a consulting engineering firm for project development to expand the capacity of the North Campus Chilled Water Plant.

The North Campus Chilled Water Plant was designed with a capacity of 6,000 tons to service the Chemistry-Botany Building, Laser Laboratory, Iowa

Memorial Union, the Academic Building, and Burge Hall, with eventual expansion to the Pentacrest and other buildings along North Capitol Street. At the time of construction only half of this design capacity was installed according to a plan to install additional capacity as consumption increased with the construction of the new buildings and addition of other users. Chilled water from the plant is presently distributed to the Iowa Memorial Union, Chemistry-Botany Building, Burge and Trowbridge Halls, and connections to the Laser Laboratory are in place.

Timing and anticipated consumption by the Laser Laboratory and the Academic Building have changed since the original plant design. With these projects moving forward it is assumed that part if not all of the reserve plant expansion capacity must occur by 1993 when the Academic Building will be completed. It is necessary at this time to plan the demand/capacity relationship so that appropriate expansion can be in place when needed. The preliminary planning for the expansion will determine how much additional capacity should be added at this time and when the capacity will be required.

Funding for the preliminary engineering will be provided from utility enterprise improvement and replacement funds with construction funding yet to be determined. The total project cost will be determined based upon the amount of expanded capacity identified through the engineering analysis.

A proposed agreement for the consulting engineering services will be presented to the Board for approval at a future meeting.

PROJECT DESCRIPTIONS AND BUDGETS

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

Main Power Plant Coal Silo No. 3 Repair/Reconstruction-- \$794,000
Phase II

Source of Funds: Anticipated Insurance Settlement

Preliminary Budget

Engineering Services and Project Administration	\$ 150,000
Construction	320,000
Equipment Replacement and Repairs	252,000
Contingencies	<u>72,000</u>
TOTAL	\$ 794,000

Phase I of this project was approved by the Board in February 1991 and is now complete. The restoration work completed under Phase I was for safety and/or cost reasons and was accomplished under the direction and supervision of

Stanley Consultants, Inc., serving as consulting engineer, through a time and material contract issued to Hoffman, Inc., both of Muscatine, Iowa. The cost for all services under Phase I totaled \$489,000.

University officials are now ready to prepare plans and specifications for Phase II of this project, which consists of restoration work and repair and replacement of damaged equipment. This will include replacement and restoration of the coal conveying system, coal diverter, vibrating outlet hopper, hoist, ventilation system, coal crusher, electrical services, piping, crusher house roof repairs, silo roof and silo siding.

The total restoration cost for both phases of the project is estimated at \$1,283,000.

University Hospitals and Clinics--Overhead Pedestrian Link-- \$682,550
Pappajohn Pavilion to Hospital Parking Ramp #2
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 561,770
Contingency	56,175
Architectural and Engineering Support	36,515
Planning and Supervision	<u>28,090</u>
TOTAL	\$ 682,550

This project will develop a weather-protected overhead pedestrian walkway linking the second level of the John Pappajohn Pavilion to the second level of Hospital Parking Ramp #2. The project will also include the installation of two four-stop hydraulic elevators and a stair tower in the southeast corner of Ramp #2 to provide access to the overhead walkway. Work to be accomplished includes the demolition of walls, the installation of partitions, door frames and doors, mechanical, electrical, fire protection and HVAC systems, elevator equipment, and finish materials.

University officials recommended the selection of university Architectural/Engineering Services as inspection supervisor.

University Hospitals and Clinics--Roof Replacement-- \$282,500
4 West General Hospital
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 226,000
Contingency	22,600
Architectural and Engineering Support	22,600
Planning and Supervision	<u>11,300</u>
TOTAL	\$ 282,500

This project will replace an existing single-ply membrane and rock ballast roof with a modified bituminous roofing system. The present polyvinylchloride single-ply membrane roof is over 12 years old and is badly deteriorated. The roof no longer provides a water tight enclosure above the Labor and Delivery Suite, Invitro Fertilization Laboratory, Newborn Nursery, and Neonatal Intensive and Intermediate Care Units.

University officials recommended the selection of university Architectural/Engineering Services as inspection supervisor.

* * * * *

University officials reported ten 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. Included were two Institutional Roads projects for Board approval.

Stadium Drive Loop Improvements \$82,000
Source of Funds: Institutional Roads Funds

Preliminary Budget

Design, Inspection and Administration	\$ 11,400
Construction	64,200
Contingency	<u>6,400</u>
TOTAL	\$ 82,000

The Institutional Roads Improvement Program includes necessary removals of existing pavement surfaces and adjacent facilities to accommodate proposed construction, reconstruction of roadways and adjoining sidewalks, erosion control, and drainage and subgrade improvements.

This project begins on Stadium Drive in front of the Recreation Building and proceeds around the Cambus office loop to Stadium Drive. The proposed improvements include pavement removal and demolition, manhole and intake

adjustments, crushed rock base, nine inch PCC pavement, six inch PCC sidewalk removal and replacement, traffic control and sodding.

Elm Street Reconstruction \$78,533
Source of Funds: Institutional Roads Funds

Preliminary Budget

Design, Inspection and Administration	\$ 17,367
Construction	55,600
Contingency	<u>5,566</u>
 TOTAL	 \$ 78,533

The Institutional Roads Improvement Program includes necessary removals of existing pavement surfaces and adjacent facilities to accommodate proposed construction, reconstruction of roadways and adjoining sidewalks, modifications and/or replacement of existing storm sewer systems, installation and relocation of lighting facilities, erosion control, relocation of existing driveways and parking ramp entrances to allow proposed construction, and provisions for traffic control.

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ARCHITECT/ENGINEER AGREEMENTS

University Hospitals and Clinics--A Multi-Disciplinary Rehabilitation Center, An Expanded Orthopaedic Clinic with Radiology, and an Orthopaedic Faculty Office Suite
Hansen Lind Meyer, Inc., Iowa City, Iowa

University officials requested approval to negotiate a contract with Hansen Lind Meyer for architectural services on this project. Hansen Lind Meyer has been recommended by the university's Architectural Selection Committee.

Athletic Facilities Long-Range Planning \$37,750
RDG Bussard Dikis, Inc., Des Moines, Iowa

University officials requested Board approval of a negotiated agreement. The agreement provides for a fee based on the actual hourly time expenditure by the study principals and their staffs not to exceed \$37,000. Reimbursable expenses in addition to the basic fee are estimated at \$750. Payment for these services will be provided by the Department of Men's Intercollegiate Athletics.

University Hospitals and Clinics--Boyd Tower Water Pipe Replacement \$28,000
Design Engineers, P.C., Cedar Rapids, Iowa

University officials requested approval of an agreement with Design Engineers to provide architectural services for this project. This project will provide for replacement of the domestic water system piping in Boyd Tower, and will include the removal of corroded, galvanized water pipe and the installation of copper pipe.

The agreement provides for a fixed fee for basic services of \$25,000, with reimbursables not to exceed \$3,000.

Elm Street Reconstruction \$16,367
Shoemaker & Haaland Professional Engineers, Coralville, Iowa

University officials requested approval of an agreement with Shoemaker & Haaland Professional Engineers for engineering services on this project. Services to be provided include surveys and construction resident engineering services and project administration. The agreement provides for a maximum fee of \$16,367, including reimbursables.

Stadium Drive Loop Improvements \$10,129.05
Shive-Hattery Engineers and Architects, Inc., Iowa City, Iowa

University officials requested approval of an agreement with Shive-Hattery Engineers and Architects, Inc., for engineering services on this project. Services to be provided include surveys and construction resident engineering services and project administration. The agreement provides for a maximum fee of \$10,129.05, including reimbursables.

Amendments:

Hancher Auditorium Steam Line Construction \$18,469
Shive-Hattery Engineers and Architects, Inc., Iowa City, Iowa

University officials requested approval of an amendment in the amount of \$18,469 to the agreement with Shive-Hattery Engineers and Architects. This amendment is needed to cover the cost of additional inspection services for the extension of the construction schedule from 14 weeks to 36 weeks, as well as the cost of redesign services associated with the change of alignment for the project.

Change No. 1 will not result in an increase in the total project budget.

University Hospitals and Clinics--Material Services Office \$2,415
Consolidation
Hansen Lind Meyer, Inc., Iowa City, Iowa

College of Medicine Administration Wing \$1,800
Durrant Construction Management, Inc., Dubuque, Iowa

AYE: Berenstein, Dorr, Fitzgibbon,
Furgerson, Hatch, Johnson, Pomerantz,
Tyrrell, Williams.
NAY: None.
ABSENT: None.

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

In May, University of Iowa officials requested and received authorization from the Board to contract with ten companies or individuals who have an affiliation with the university, either through being an employee or spouse of an employee. This month university officials requested that Professor Keith Achepohl be added to the standing list of approved vendors with a conflict of interest.

The university art purchase committee wishes to purchase two prints under the Art in State Buildings program from Professor Achepohl at \$900 each. The art purchase committee which has responsibilities for purchase of art work makes the selection which is subjected to strict review. The artist is never involved in the selection process.

These purchases 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.

University of Iowa officials report that abuses of these rules are avoided by strict scrutiny of proposed purchases from vendors on this list.

Board authorization of the list does not alleviate the requirement to obtain competitive bids and provide public notice, as prescribed in Chapter 68B.3, Code of Iowa, whenever a conflict exists.

MOTION:

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

DAUM RESIDENCE HALL REPORT. The Board Office recommended the Board receive the report on the preliminary feasibility study on the Daum Residence Hall at the University of Iowa.

A presentation was made by Deloitte & Touche for Phase I of the feasibility study for the Daum Residence Hall.

At the March 1991 meeting the Board of Regents directed University of Iowa officials to conduct a feasibility study with regard to the Daum Residence Hall facility and deliver a preliminary report (Phase I) to the Board in July with the final report being presented in November.

The first phase consists of an overview of the residence hall environment, a discussion of alternatives including Daum Hall, preliminary assessment of the local market competition, and a description of the plan for market research and other steps of the study.

Vice President Nathan stated that at the March 1991 Board of Regents meeting University of Iowa officials expressed concern about enrollment declines. The Board directed university officials to conduct a feasibility study of the entire residence hall system to determine how to make the residence halls maximally attractive to students. He said he was happy to report that they have been so successful it now appears likely that several floors of Daum Hall will be filled with students.

Mr. Reynolds updated the Regents on work being done. They are at the midway point in their study. He stated that last year the University of Iowa residence hall system experienced an 8 percent decline in occupancy due to declining enrollments and declining use rates. This trend is not unique to Iowa. The process the University of Iowa is going through is similar to what a number of universities are going through. He said a number of factors contribute to this predicament including personal freedom and lack of privacy. The occupancy declines dramatically by class. The market share needed to fill the residence halls is relatively small so they are not talking about big changes. They need to make changes to attract students. The consultants looked at the apartments students are living in off campus. He said the residence system has a lot of advantages besides cost. They are addressing features students value. Daum is currently designed for 3 students/room at 80 square feet/student. One option would be a single bedroom that would share a bathroom. That would increase the square footage/student to 290. From a preliminary cost perspective, maintenance only on Daum Hall is \$2.2 million to \$2.7 million. In terms of renovation the cost would be \$4.5 million to \$6 million to convert it to apartment-style living. With regard to student capacity, it is at 474 students now and would decrease to 176-239 when renovated. The renovation would not require residence hall officials to raise dormitory rates to an uncompetitive level.

Mr. Reynolds stated that the current housing market in Iowa City enjoys a less than 1 percent vacancy rate. This very tight rental market is getting the attention of developers. They are planning developments in Iowa City which pose a significant competitive threat to the university residence system.

President Pomerantz suggested they consider another option with much enhanced square footage/student at the top of the range. The market would be more restrictive but he felt there was a genuine market for it. It would be larger, more upscale all the way. He asked that they evaluate that as one of the options.

Mr. Reynolds paraphrased that the next phase of this project will be trying to answer the question "If we build it will they come?" They will be getting students' input into the various options. The students will be asked to weigh convenience against a more liberal alcohol policy.

Regent Hatch asked that they also include a market study of the graduate students. Mr. Reynolds said they plan to look at the graduate student market as a distinct group.

Vice President Nathan said the feasibility study may determine that other residence halls would be more appropriate if they decide to remodel.

Regent Hatch asked about the need for asbestos removal. Mr. Reynolds said some money will be used for that.

Regent Fitzgibbon asked if they have considered new construction for student housing and doing something else with the existing space. Mr. Reynolds said they will look at that in this process.

Vice President Phillips said it should be understood that they are not on the track of a construction project that would allow students to be in for fall 1992.

Regent Dorr questioned whether another alternative for consideration might be some sort of continuing education facility where adults could stay. Vice President Nathan noted that the Iowa House is available for that type of purpose.

Regent Williams said another issue is food service. The university has closed down food service at Currier Hall. Vice President Nathan said it was his understanding that students housed in Currier Hall will be served meals at Burge Hall.

Regent Williams asked that in all this review they also look at the preference of food service and quality.

ACTION: President Pomerantz stated the Board received the report on the preliminary feasibility study on the Daum Residence Hall at the University of Iowa by general consent.

HBRF PROJECT SUPPLEMENTAL CONSTRUCTION. The Board Office recommended the Board adopt a resolution authorizing amendments to the Human Biology Research Facility financing documents to accommodate improvements in the Medical Laboratories Building.

University of Iowa officials requested to amend financing documents for the Human Biology Research Facility project to provide for certain improvements to the Medical Laboratories Building.

A positive balance of \$1.7 million is estimated to remain within the project fund upon completion of the authorized projects. This balance will be applied toward completion of the Medical Laboratories Building improvements to the extent of available funding.

Projects consist of the improvement of animal quarters, primary electrical service, and air conditioning.

In August 1985 the initial financing for the Human Biology Research Facility project was completed consisting of \$24.8 million in bonds issued by the University of Iowa Facilities Corporation and \$8 million in private gifts. This financing was approved to construct the facility which is now the Eckstein Medical Research Building.

The University of Iowa Facilities Corporation financing was supported by a lease of the facility to the Board of Regents on behalf of the University of Iowa in return for annual lease payments equal to debt service on the outstanding bonds. In 1988 as a result of construction savings and earnings from invested project funds, the Board of Regents and the University of Iowa Facilities Corporation authorized an amendment of the financing documents to permit construction of the adjacent College of Medicine Administration Wing.

Upon authorization to proceed with the financing, university officials will follow normal Board capital procedures and will submit the projects individually to the Board for approval.

MOTION: Regent Hatch moved to adopt a resolution authorizing amendments to the Human Biology Research Facility financing documents to accommodate improvements in the Medical Laboratories Building. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Fitzgibbon,

Furgerson, Hatch, Johnson, Pomerantz,
Tyrrell, Williams.
NAY: None.
ABSENT: None.

UNIVERSITY OF IOWA HOSPITALS AND CLINICS - REPORT TO BOARD OF TRUSTEES. The Board Office recommended the Board receive the report of the University of Iowa Hospitals and Clinics (UIHC).

University of Iowa Hospitals and Clinics officials report periodically to the Board of Regents who serve as trustees for the hospital. This report included a review of fiscal year 1990-91, an overview of the evaluation of the 1990-91 outcomes, and a statement of goals and strategies for 1991-92. The profile and development plan for the Information Network for On-Line Retrieval and Medical Management was also described.

The University of Iowa Hospitals and Clinics report also included a review of the functioning of the University Hospital Advisory Committee and its Subcommittee Structure as an internal governing body.

Mr. Colloton said he was most pleased for the opportunity to make a presentation on behalf of University of Iowa Hospitals and Clinics. He said there were many talented staff in attendance to assist with the presentation. He proceeded to review fiscal year 1990-91. The aggregate number of patients served was 495,601 which was a 2 percent increase in patients over the previous year. He reviewed the flow of patients by county, the number of students in residency and fellowship training in University Hospitals, the number of doctors and their specialties, and a staff profile. He noted that the daily profile of University Hospitals exceeds the population of all but 23 of Iowa's 953 cities and towns.

With regard to salary increases, Mr. Colloton stated that in view of the current situation regarding financing and state support, hospital officials are holding increases in abeyance. He said the twenty-five year capital replacement program is coming down to the wire. During the past fiscal year the hospital has had continuing success with its capital replacement program. Pappajohn Pavilion is shelled in up to the ninth level. The bottom three levels are open and functioning. Those levels include the Positron Emission Tomography facility and the psychiatric units for both adults and children. The third and fourth levels of the clinical cancer center are under construction. They are planning for completion of the fifth floor to house a new surgical intensive care unit. Also in the plans are facilities for sports medicine, spine diagnostics, a new operating suite and a new department of anesthesia. The new main entrance is under construction and likely to be completed by the end of this calendar year. In September the Regents will be given a tour of the new administrative office suite. They want to build a new eye institute. At the present time it is still located in the old general hospital. In the longer term plans is an Iowa women's health center.

Mr. Colloton then compared average per admission costs of University Hospitals and Clinics with those of other teaching hospitals nationally. He said Iowans have state-of-the-art medicines available to them. The continuing challenge is financing. The federal government is in the process of cutting \$34 billion from Medicare, \$16 billion of which will be from teaching hospitals. University of Iowa Hospitals and Clinics has already been cut \$26 million from Medicare alone. Medicare cuts amount to \$6 million next year to University Hospitals.

President Pomerantz asked for the capacity of the hospital in terms of patients, using the scale of 490,000 patients/year. How many can they accommodate in the future? Mr. Colloton responded that in the future there will be more and more emphasis on ambulatory care because it is much more economical. He said the secret of success is to keep clinics operating in a very refined manner and with high-quality staff. Ambulatory patient growth will be modest while in-patient growth will remain stable at about 900 beds.

Mr. Colloton introduced Mr. Staley and Mr. Petasnik to discuss the hospital's strategic plan including the annual evaluation for 1990-91.

Mr. Staley stated that within the plan are 8 major goals and general strategies for attaining the goals. He reviewed the general assessment of the success of the strategic plan. They evaluated the level of institutional integration of the plan. The annual evaluation included a determination of the degree to which goals and strategies have been achieved and proposed changes to the plan. The material provided to the Regents included 32 strategies to attain the goals. He said 85 percent have been totally accomplished or will be completed in the first few months of fiscal year 1992. Some of the capital replacement projects that are completed were highlighted.

President Pomerantz asked Mr. Staley what he believed was the most significant accomplishment. Mr. Staley responded that continuation of the capital replacement plan was the most significant accomplishment.

President Pomerantz asked what was the biggest area of opportunity. Mr. Staley responded that in the next year they look to maintain the patient base and to bring the family practice department into the University of Iowa Hospitals and Clinics.

Regent Berenstein asked if hospital officials are comfortable with having seven outreach programs in southeast Iowa. Mr. Staley said they are making good progress there and expect to expand the outreach patient clinic base.

Mr. Colloton stated that when looking at the number one achievement in the past year it is hard to overlook the fact that the patient census had modest growth. That is not the pattern around the country. This helps their financial ability to maintain high-quality staff on the frontiers of medicine.

University of Iowa Hospitals and Clinics is a high-quality teaching hospital. With regard to Regent Berenstein's question about southeast Iowa, he said their efforts are not vigorous enough in that area. They are working on that very hard. Communities want University Hospitals to do a lot more than they are now doing.

President Pomerantz asked how Mr. Colloton would use \$50 million if when he returned to his office there was a \$50 million check on his desk. Mr. Colloton said they would first enhance the attractiveness of salaries of professional staff which would take \$6 million. After that they would return to the capital replacement program and formulate a program to bring the Department of Ophthalmology and ear, nose and throat up to the standard of the rest of the University Hospitals and Clinics. He said that would take care of the \$50 million. He emphasized that enhancing salary scales would be the first priority. The most crucial element in serving patients is the human dimension.

President Pomerantz asked why Mr. Colloton chose the \$6 million figure.

Mr. Colloton said that when they looked at the degree to which their salaries were off competitively they determined that over a 6-year period it would take \$972,000/year. In order to be a successful teaching hospital they have to have high-quality professional staff to render very high-quality patient care.

Regent Dorr asked how long the public can bear increased health care costs. Mr. Colloton responded that he believes that society, the government and employers who are paying the bulk of the bill are at their wits end on that question. He expects in the future to see some very rigid regulations of the health care system. Reforms are being proposed at the national level. The health care system involves 600,000 physicians and 600 hospitals serving one billion patients/year. Iowa has a very high-quality health care system that is relatively low cost. They need to bring reform into the system in Iowa in order to be accountable. He does not think the tolerance will be there much longer. Intolerance will force reform.

Regent Berenstein stated that an exhibit showed a 4 percent increase in cost at University Hospitals compared with a national average of 9.7 percent. What are the increases in the other Iowa hospitals? Mr. Colloton responded that he had not seen those figures for Iowa hospitals this year. He estimated that it might be modestly higher than that. If state employees were getting salary increases University Hospitals' increase might be up a little more than 4 percent. Iowa is fifth lowest in the nation in terms of hospital cost. A lot of very small rural hospitals do not have the expense of high technology.

Mr. Petasnik discussed the 1991-92 goals of University Hospitals. He said goal 5 reflects the growing importance of ambulatory care. They encourage University Hospitals employees to utilize University Hospitals as their

primary care facility. There is a continuing leadership role for University Hospitals.

President Pomerantz asked for the view of patients' attitudes of the services rendered. Mr. Petasnik responded that each week a listing of patient names is published from which hospital officials call patients. There is a similar survey done of ambulatory patients to determine the level of satisfaction. He said the satisfaction level is quite high.

Mr. Colloton stated that every time the Regents meet as the Board of Trustees of University of Iowa Hospitals and Clinics, hospital officials highlight a different section of the hospital. At this time they were presented with information on the information system department. He said the department was established in 1970 with a staff of 5 and 16 computer terminals. Today it employs 76 staff and 1,300 terminals, and has a \$7.2 million operating budget which is only 2.6 percent of the total UIHC budget.

Mr. Wagner highlighted the applications currently utilized as well as their future plans. He discussed how extensively the information system is used. Security records indicate that 6,000 authorized members of the staff have controlled access to the system. Six of 7 staff members are using the computer system in some form every day. He discussed the Information Network for Online Retrieval & Medical Management. They all share information through a common data base. The system tracks patients' charts and x-ray film. The information system is a primary benefit of practicing medicine at University Hospitals. The system expedites collection of insurance coverage information. He said 30,000 messages/day go through the electronic mail system. He said IBM produced a publication of University of Iowa Hospitals and Clinics as a model for other hospital information systems. They enjoy a growing international reputation.

Dr. Olson provided information concerning the Hospital Information System Advisory Subcommittee which is made up of the users themselves. He discussed the committee's structure, composition and activities. He said they have enough things on the docket to keep them busy for 2 years without anything new. They received 1,100 additional requests last year.

Regent Fitzgibbon asked if the committee is responsible for cleaning out the information system. Dr. Olson said they deactivate certain functions when they are no longer necessary. The system is set up in such a way that every key stroke that takes place is kept track of.

President Pomerantz asked for the total number of people in the hospital information system. Dr. Olson responded that there are 76 which includes personnel who program and maintain the system.

President Pomerantz asked what would happen if they shut down the hospital information system. Dr. Olson said they might be surprised at how well the

hospital could function. However, if they take the computer out for 30 days it would have a significant impact on hospital operations.

President Pomerantz said it sounds as though they have an absolutely marvelous information system for which they are very proud. He acknowledged that the Regents may not totally understand it. Dr. Olson stated that any time the Regents are in Iowa City he would be happy to show them the system in detail. It is very impressive to see how physicians use the information systems.

President Pomerantz asked about the feasibility of "plugging in" the rest of the Iowa medical community. Mr. Colloton said they are looking at outreach programs to other referring physicians' offices. They could provide linkage from the physicians to University Hospitals and the other way. They also recognize they could provide other services as well such as on-line drug files. Hospital officials are continuing to explore those possibilities. Very many physicians' offices already have the hardware. There would be the incremental expense of tying into University Hospitals' system.

Mr. Colloton said he has been in a lot of teaching hospitals, one of which two years ago did not have one terminal in it. Those hospital officials could not determine how many clinic patients they had, where the patients came from, etc.

Dr. Tinker discussed the functioning of the University Hospital Advisory Committee and its subcommittees. He said the committee is cross-linked with the College of Medicine.

President Pomerantz referred to the committee's relationship with the College of Medicine and the level of coordination. Doctors such as Dr. Tinker hold appointment in the College of Medicine and head University Hospitals' Department of Anesthesiology. Does Dr. Tinker have any conflict between the College and the Hospital and how does he handle those different responsibilities?

Dr. Tinker responded that doctors such as himself have responsibilities for teaching, patient care and research. He has not had much problem with integrating his responsibilities to the Hospital and the College of Medicine.

President Pomerantz asked if there is opportunity for some conflict. Dr. Tinker said there was no question that there is opportunity for some conflict.

President Pomerantz asked how doctors correlate their clinical, teaching and research responsibilities. Dr. Tinker said it is a delicate balancing act but so is the management of any business.

Mr. Colloton stated that at University of Iowa Hospitals and Clinics all the practice of the physicians is within the hospital. When this structure was

set up in the early 1970s it was in recognition of the tremendous responsibility to the people of Iowa. In looking at the balance of interests they should be concerned that patient care is being properly protected. Doctors are patient care advocates.

Ms. Mathis presented the nursing perspective. Nursing is represented on all but two of the subcommittees.

Dr. Hawtrey discussed the credentials subcommittee, the application for clinical staff membership and privileges, and the process for delineation of clinical privileges.

President Pomerantz stated that credentialing is not only an entry condition but is also on going. He said University Hospitals has received some notoriety due to the activities of some of its staff. He asked for comments about why the Board of Regents can have confidence that individuals are being thoroughly and continuously reviewed.

Dr. Hawtrey stated that he is bound by law to not discuss specific individuals. He said the credentials subcommittee is structured to address any concerns of department heads within their departments. The panels act on those particular issues. He said there is a yearly records review. The credentials subcommittee acts on factual information which comes from several committees within the Hospital structure.

Regent Berenstein said he would like to see a general written statement about the hospitals' peer review at a later date. Mr. Colloton stated that hospital officials will make that a part of the review when the Regents visit University Hospitals in the fall.

President Pomerantz expressed the Regents' appreciation to Mr. Colloton and his colleagues for the magnificent job they do in what is one of the world's best hospitals.

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

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, July 17 and Thursday, July 18, 1991.

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

Register of Personnel Changes for May 1991 including early retirement plans for the following:

KATHRYN M. HOLMBERG, Program Coordinator for the Retirement Center and the Dean of Students, retiring June 30, 1992;

ORRIN FRINK, Professor of Foreign Languages and Literatures, retiring May 20, 1992;

LOIS M. BERG, Account Clerk with the University Book Store, retiring July 31, 1991; and

NADINE L. BUSS, Administrative Assistant with the Veterinary Diagnostic Laboratory, retiring September 11, 1991;

and the phased retirement plan of:

PHYLLIS A. MARTENS, Clerk II in the Library, July 1, 1991, at 80 percent with full retirement in April 1992.

Provided for the Board's information were the appointments of:

DAVID K. HOFFMAN as Interim Director of the Institute of Physical Research and Technology effective July 15, 1991, at an annual salary of \$106,400;

JOHN M. DOBSON as Interim Vice Provost for Research and Advanced Studies and Interim Dean of the Graduate College effective August 1, 1991, at an annual salary of \$81,000; and

MURRAY M. BLACKWELDER as President of the Iowa State University Foundation and Associate Vice President for External Affairs effective August 1, 1991, at an annual salary of \$110,000.

MOTION:

Regent Berenstein moved to ratify personnel transactions, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

ENROLLMENT SUSPENSIONS. 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 requested approval of the suspension of enrollment in Leisure Studies and Occupational Safety in its College of Education. These suspensions are to become effective immediately upon Board approval and end April 30, 1992.

By April 30, 1992, the status of both programs will be reviewed with a decision as to whether the programs will be reopened or whether discontinuation will be recommended.

Faculty vacancies in these two programs present an opportunity to review the programs. Students currently in the two programs will be allowed to continue.

ACTION: This matter was referred by consent.

COLLEGE NAME CHANGE. The Board Office recommended the Board approve the change of the name of the College of Business Administration to the College of Business, effective August 1, 1991.

Iowa State University officials requested the change of the name of the College of Business Administration to the College of Business, effective August 1, 1991. The proposed name is believed to more accurately reflect the mission of the college and better describe the scope of college activities related to teaching, research and outreach. The current name of the college implies study of the administration of business. While this is a part of the college mission, the name does not fully encompass that mission.

This change will not require additional funding. Costs associated with the change reflect the change in the title of the college on various materials.

The University of Iowa and the University of Northern Iowa call their business units "Colleges of Business Administration."

ACTION: This matter was referred by consent.

ORGANIZATIONAL NAME CHANGE AND APPOINTMENTS. The Board Office recommended that the Board approve (1) the change of name of the Office of Science and Technology Policy Affairs to the Office of Federal Relations and approve title change of the director from Director of Science Policy and Research Affairs to Director of Federal Relations; (2) the appointment of STUART HADLEY as Interim Director of Federal Relations effective July 1, 1991, at an annual salary of \$55,000; and (3) the appointment of PATRICIA B. SWAN as Interim Provost effective August 1, 1991, at an annual salary of \$119,700.

The proposed organizational changes were requested to reflect more accurately the function of this office. The director's position will continue to report directly to the President.

MOTION:

Regent Fitzgibbon moved to approve (1) the change of name of the Office of Science and Technology Policy Affairs to the Office of Federal Relations and approve title change of the director from Director of Science Policy and Research Affairs to Director of Federal Relations; (2) the appointment of STUART HADLEY as Interim Director of Federal Relations effective July 1, 1991, at an annual salary of \$55,000; and (3) the appointment of PATRICIA B. SWAN as Interim Provost effective August 1, 1991, at an annual salary of \$119,700. Regent Williams seconded the motion, and it carried unanimously.

REPORT ON ISU RESEARCH FOUNDATION. The Board Office recommended the Board receive the report of the Iowa State University Research Foundation.

A brief oral report on the background and current activities of the Iowa State University Research Foundation (ISURF) was presented by Vice Provost Swan. It described the organizational structure and mission, included an overview with a 20-year perspective, and provided more detailed information about ISURF's activities in recent years.

Vice Provost Swan stated that the Board of Education determined that a private corporation should be established to manage intellectual property at Iowa State University. She noted that the current Regent member on the Foundation is John Fitzgibbon. The foundation's mission is to patent inventions of the university's faculty, staff and students with the aim of making the results of university research useful to the public, as well as to own and manage intellectual property to the benefit of the university. She said the emphasis on licensing paid off. During the years 1980-81 no licenses were signed; however, during 1990-91 24 licenses were signed for total royalties earned of \$1,775,000. Inventors have one-third of the royalties returned to them. With regard to national comparisons, she said Iowa State University ranks second in patents issued per million dollars of research. Iowa State University ranks first in number of invention disclosures per million dollars of research.

Vice Provost Swan then discussed protection of intellectual property. United States law puts the responsibility for patent enforcement with the owner. It is the policy of the Iowa State University Research Foundation to protect its

patents. She gave several examples such as a patent Iowa State University helped develop in the 1940s to make bleu cheese and a growth product for cattle. She concluded by stating that the foundation plays an important role in technology transfer.

ACTION: President Pomerantz stated the Board received the report of the Iowa State University Research Foundation by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board (1) receive the report on the Master Plan for the Memorial Union at Iowa State University and (2) approve the final register of Capital Improvement Business Transactions for Iowa State University.

Report on Master Plan for the Memorial Union at Iowa State University

In March 1990 the Memorial Union's Board of Directors selected the firm of RDG Bussard Dikis of Des Moines as the project architect to conduct a Master Plan study to determine the future facilities needs of the Memorial Union and develop a plan for meeting those needs. The Master Plan study was completed and presented to the Board at this meeting.

The Master Plan identifies existing code problems, inadequate space problems, circulation problems, and works within the vision of the new campus Master Plan. As part of the master planning effort an extensive analysis of the existing building was made. The purpose of this analysis was to:

1. Determine the size and location of current users;
2. Analyze existing interior finishes;
3. Analyze existing exterior roof and walls;
4. Analyze existing mechanical, electrical and plumbing systems;
5. Determine which spaces are "fixed" and not able to be relocated; and
6. Determine the extent of code violations.

Upon the completion of the analysis of the existing building, a summary of needs was prepared consisting of both short-term and long-term needs.

The proposed Master Plan for the Memorial Union is a response to the program requirements, project objectives, site influences, and code compliance issues. The Master Plan distinguishes between two distinct levels of needs, the first being short-term requests known as Phase I, and the long-term requests referred to as the overall Master Plan need.

Highlights of Phase I are as follows:

Phase I--Site Solutions

1. No new major additions are included.

2. Three new entrances are created for the Union to organize and simplify internal circulation, an east entrance, a south entrance and a southwest entrance.

Phase I--Renovation Solutions

1. Circulation--Interior circulation routes will be simplified and brought up to current building codes.
2. Zoning--Those activities which serve students will be located on floors which are easiest for students to gain access to. Areas used by visitors will be located closest to the entry for those visitors.
3. Retail Functions--To encourage use of retail areas (bookstore, outlet, food service and copy center). They will be located along "Main Street," the major east-west corridor.
4. Conference/Reading Rooms--The first floor will become the major conference and meeting room floor.
5. Maintenance Shop--The maintenance shop will be relocated in order that it can be increased in size to better accommodate seating.

Highlights of the overall Master Plan are as follows:

Master Plan

The Master Plan consists of two additions to the existing building referred to as Phase II and Phase III. Phase II will be an addition located at the northeast corner of the existing building in the courtyard between the original building and the parking ramp. Phase III will be a new hotel facility constructed north of the parking ramp. These additions are necessary to meet the future needs of the Memorial Union, and without them services will need to be reduced.

Master Plan--Site Solution

1. The additions have been located to minimize the impact on the adjacent site areas.
2. The additions are designed to work within the Master Plan prepared by Iowa State University.
3. To provide convenient access to the hotel, an area for parking during registration has been provided.

4. The additions are located to be sensitive to the architecture of the existing building.

Master Plan--Building Solutions

1. Circulation--The Master Plan has been designed to further simplify circulation within the building.
2. Conference/Meeting Rooms--Conference and meeting rooms will be expanded, including the addition of an auditorium.
3. Alumni/Foundation--Alumni and Foundation offices will have a major lobby/welcoming area on the second floor adjacent to the ramp.
4. Hotel--The hotel is located to maximize its views of the campus, provide convenient access for guests, and be accessible to all Union services.
5. Expansion--The Master Plan allows for food service and bookstore areas to expand to meet future needs.

Vice President Madden discussed the organizational structure of the memorial union and then he introduced Ken Bussard to make a presentation.

Mr. Bussard showed slides of the remodeling of the Iowa Memorial Union on the University of Iowa campus for which his company was responsible. He said it was brave of people in the midst of the Depression to undergo this project at Iowa State University to honor World War I veterans. He said it is an American renaissance building built to be compatible with other buildings on campus. Over the years there have been nine additions to the Iowa State University memorial union building, all without a master plan. University officials are now trying to do the opposite. Their task is to rejuvenate this structure. The building is very confusing. It has a lot of code violations and is not accessible to the handicapped. University officials wish to make this facility more profitable. They have analyzed current users of the building and how to balance the need of the public with the needs of the students. They wish to balance the future with the past. He noted that they have called in a food consultant.

Mr. Bussard stated this was not a master plan contingent on certain things happening, but was a guide for the next 20 years if certain things happen. The first phase of this master plan will involve the bookstore. It will create a new north-south access. For the first time they will be able to get people out of the ballrooms in a fashion that complies with code.

Vice President Madden stated that Iowa State University officials were asking permission to proceed with planning.

Regent Fitzgibbon asked for the timing in coming back to the Board with this project.

Vice President Madden stated that university officials hope to accomplish phase 1 -- bookstore renovation, food service and some of the code violations -- during the coming year.

Regent Hatch asked if anything would be done to alter the exterior of the building in phase 1. Mr. Bussard responded that nothing would be done to the exterior of the building in phase 1.

Regent Berenstein stated that considering the financial climate of the state of Iowa perhaps they should put this project on hold. Vice President Madden stated they were asking for authorization to proceed with planning, only. They may decide it is not financially feasible.

President Pomerantz stated this is without question a privately-funded project. Regent Dorr said he did not see a reason to wait if it is privately funded. He is in favor of proceeding if it is privately funded.

President Pomerantz stated that in the future he expects this will continue to be privately funded. He then asked how the University of Iowa memorial union remodeling was funded. Vice President Phillips responded that it was funded by bonding and repaid by student fees.

Regent Berenstein said they need to send a signal that they are conscious of the fact that capital improvements take money and not continue building monuments.

President Pomerantz said it is an exciting project and he is sure the university administration understands they will need to raise the money to do it.

Regent Dorr asked what is involved in terms of planning on the Memorial Union project. President Pomerantz responded that capital projects consist of various phases such as the planning phase, design phase and construction phase. Generally speaking, the project starts with planning.

Vice President Madden stated that Iowa State University officials felt they needed the Regents' authorization to move ahead with planning to develop a financial plan.

President Pomerantz suggested that if the funds were from private planning money they could go forward on that basis.

Vice President Madden stated that Iowa State University officials desire Board approval to develop a financial plan.

Mr. Richey said that is not planning in the context planning is usually discussed.

Regent Hatch asked if the architect would be retained with private money. Vice President Madden responded affirmatively.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Memorial Union Renovation--Phase I

Iowa State University Memorial Union officials and university officials wish to begin formal planning for the first phase of a renovation project to the Memorial Union facility. This first phase will include the University Book Store, a university department and major tenant of the Union, to enhance both services and improve revenues to assist supporting renovation project. The overall plan and process will be administered by the Memorial Union but will follow university and Board capital procedures. This will include a financial feasibility study along with the project design.

Phase I will address the correction of some of the most severe fire safety deficiencies in the building and will renovate space to accommodate the University Book Store. The full extent of fire safety-related remodeling is unknown at this time and will be determined during the Phase I schematic design. Expansion of the University Book Store is a need that must be satisfied if the book store is to continue to adequately meet the needs of its student clientele. The Phase I renovation is based upon the Memorial Union Master Plan which projects that the current book store area of 19,000 net square feet must be increased to approximately 27,000 net square feet to meet short-range goals with an ultimate required area of approximately 38,000 net square feet.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

Memorial Union Renovation--Phase I

A detailed project budget will be developed as part of the planning process. The total project costs for Phase I are expected to be greater than \$2 million with the source of funds from book store revenues and Memorial Union revenues.

PROJECT DESCRIPTIONS AND BUDGETS

University officials presented revised budgets on the following projects.

LeBaron Hall Addition--Center for Designing Foods to Improve Nutrition

July 1990 Budget \$10,087,088
Revised Budget \$8,289,438

Project Budget

	<u>Budget Approved July 1990</u>	<u>Revised Budget July 1991</u>
Construction Contract	\$ 4,639,088	\$ 4,399,910
Purchase Order Contract	615	51,685
Design Services	497,150	584,829
Construction Administration	90,000	173,865
University Services	130,000	142,000
Miscellaneous	45,000	45,000
Landscaping	20,000	65,000
Utility Extensions	244,670	244,647
Fixed Equipment	50,000	1,702,350
Movable Equipment	3,500,000	0
Art Work	32,500	42,500
Building Automation	65,000	79,112
Telecommunications	90,000	35,000
Project Reserve	<u>683,065</u>	<u>723,540</u>
TOTAL	\$10,087,088	\$ 8,289,438
Source of Funds: 72nd General Assembly		
Revenue Bonds	\$ 4,152,000	\$ 4,152,000
USDA-CSRS Grant	2,435,088	4,137,438
Pending USDA-CSRS Grant	<u>3,500,000</u>	<u> </u>
	\$10,087,088	\$ 8,289,438

This budget was reduced by \$1,797,650 from the last-approved budget of \$10,087,088 presented to the Board in July 1990. This reduction is the result of restrictions on the USDA-CSRS grant award which covers only fixed equipment for the building. A portion of the fixed equipment was included in the construction contract that was bid in November 1990. The balance of the fixed equipment was itemized and submitted to USDA-CSRS for approval and the final grant award, which must be matched by the university, has been received. The budget was revised to reflect actual USDA-CSRS funding and matching funds by the university.

Linden Hall--Fire Safety Improvements
Source of Funds: Dormitory System Surplus
Funds

February 1991 Budget \$929,300
Revised Budget \$1,263,185

Project Budget

	<u>Budget Approved Feb. 1991</u>	<u>Revised Budget July 1991</u>
Construction Contracts	\$ 577,000	\$ 964,500
Design Services	102,646	119,252
Construction Administration	6,800	10,833
University Services	1,000	0
Miscellaneous	4,000	2,000
Landscaping	0	2,000
Fixed Equipment	196,000	108,300
Project Reserve	<u>41,854</u>	<u>56,300</u>
 TOTAL	 \$ 929,300	 \$ 1,263,185

This budget was increased \$333,885 from the last-approved budget of \$929,300 presented to the Board in February 1991. This increase was the result of bids received in February which exceeded the architect's construction estimate. At that time, a decision was made to defer the project until departmental funding was available, project refinements could be made, and an accurate construction estimate was completed. The original scope of work has been modified considerably to enhance the project's constructability in a limited time frame and still maintain the quality and integrity of the original design concept. These changes include replacing Corian shower partitions and walls with structural glazed tile, incorporating DecoShield and schedule 10 steel piping into the sprinkler system, expansion of the project scope of work to include renovation and remodeling work of the dining room and kitchen to include new ceilings, wall covering materials, painting, lighting and sound system, and the repair of structural wall cracks on the third floor.

1991 Institutional Roads Projects--Resurface Various Campus Streets

	Original Budget <u>\$113,934</u>
	Revised Budget <u>\$133,934</u>
Original Source of Funds: 1991 Institutional Roads Funds	\$113,934
Revised Source of Funds: 1991 Institutional Roads Funds	\$113,934
1992 Institutional Roads Funds	\$ 20,000

This budget was increased by \$20,000 from the last-approved budget of \$113,934 presented to the Board in May 1991. This increase is due to a change in the scope of the project resulting from the initiation of the resurface and repair project which identified the needed additional work. The new work involves repair to four additional intakes, curb repairs and additional patching. The

university has added a fund source to the budget to cover the additional cost to the project.

Utilities--City of Ames Tie Line

Original Budget \$2,650,000
Revised Budget \$3,200,000

Project Budget

	Original Budget <u>July 1990</u>	Revised Budget <u>July 1991</u>
Construction Contracts	\$ 2,100,000	\$ 300,000
Purchase Order Contract	0	410,522
City of Ames	0	2,300,000
Design Services	270,000	60,000
Construction Administration	1,000	2,500
University Services	20,000	20,000
Miscellaneous	5,000	1,000
Landscaping	10,000	10,000
Utility Extensions	34,000	34,000
Telecommunications	10,000	0
Project Reserve	<u>200,000</u>	<u>61,978</u>
TOTAL	\$ 2,650,000	\$ 3,200,000

Source of Funds:	Utility Repairs/ Appropriation/ Self-Liquidating Bonds	\$ 2,650,000	
	74th General Assembly Revenue Bonds	\$ 2,600,000	
	Utility	<u>600,000</u>	
		\$ 2,650,000	\$ 3,200,000

This budget was increased \$550,000 from the initial project budget of \$2,650,000 approved by the Board in July 1990. The budget was revised to include the university's share of construction costs for a 69,000 volt interconnection between the City of Ames and the Boone Junction Substation (Iowa Electric). In addition, \$2.6 million in Academic Building Revenue Bonds authorized by the 74th General Assembly and the Board of Regents was added as a funding source.

Utilities--Increased Chilled Water Capacity--Phase I

Original Budget \$3,650,000
Revised Budget \$2,739,900

Project Budget

	Original Budget <u>July 1990</u>	Revised Budget <u>July 1991</u>
Construction Contracts	\$ 2,900,000	\$ 2,200,000
Design Services	370,000	295,000
Construction Administration	40,000	55,000
University Services	20,000	20,000
Miscellaneous	5,000	5,000
Project Reserve	<u>315,000</u>	<u>164,900</u>
 TOTAL	 \$ 3,650,000	 \$ 2,739,900

Source of Funds:	Utility Repairs/ Appropriation/ Self-Liquidating Bonds	\$ 3,650,000	
	74th General Assembly Academic Building Revenue Bonds	<u> </u>	\$ 2,739,900
		\$ 3,650,000	\$ 2,739,900

This budget was reduced by \$920,100 from the initial project budget of \$3,650,000 approved by the Board in July 1990. The Board has authorized university officials to proceed with the first phase of the project using Academic Building Revenue Bonds authorized by the 74th General Assembly as a funding source.

Science II--Replace Roof Sections A-G

May 1991 Budget \$94,450
 Revised Budget \$114,650

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

Linden Hall--Fire Safety Improvements \$16,106
George Butler Associates, Inc., P.C., Ames, Iowa

University officials have determined that additional design services are required in accordance with the architectural agreement for changes in the scope of work for this project. George Butler and Associates, the project architect, was requested to expand the scope of work to include additional items that will enhance project quality, constructability, and maintain the integrity of the current design when compared to the intrinsic qualities of the original building.

CONSTRUCTION CONTRACTS

Science II--Replace Roof Sections A-G \$98,400
Central States Roofing, Inc., Ames, Iowa

University officials requested Board approval of the contract award to Central States Roofing, Inc.

Swine Nutrition and Management Research Center--Research Unit \$1,019,253
Award to: R. H. Grabau Construction Company, Inc., Boone, Iowa
(5 bids received)

Campus Lighting and Emergency Telephone Improvements \$72,140
Award to: Nikkel & Associates, Inc., Ames, Iowa
(1 bid received)

Roof Replacements--1991 \$128,500
Award to: Central States Roofing, Inc., Ames, Iowa
(1 bid received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

1991 Institutional Roads--Resurface Various Campus Streets \$20,000

This change order in the amount of \$20,000 was necessary due to a change in the scope of the project resulting from the initiation of the resurface and repair project which identified the needed additional work.

MOTION: Regent Hatch moved to approve the final register of Capital Improvement Business Transactions for Iowa State University with the exception of the approval to proceed with project planning and for the program

statement for the Memorial Union Renovation - Phase I project. Regent Fitzgibbon seconded the motion, and it carried unanimously.

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

With APPLIED THERMODYNAMIC SYSTEMS for its use of approximately 165 square feet of office space in the ISIS Center at the ISU Research Park for a six-month period beginning June 1, 1991, through November 30, 1991, at a rate of \$203 per month;

With AUTOVECTOR COMPUTER GRAPHICS for its use of approximately 165 square feet of office space within the ISIS Center of the ISU Research Park for a two-month period beginning June 1, 1991, through July 31, 1991, at a rate of \$85 per month;

With IMPEX INTERNATIONAL for its use of approximately 250 square feet of office space within the ISIS Center of the ISU Research Park for a three-month period beginning July 1, 1991, through September 30, 1991, at a rate of \$200 per month;

With SPECTROCHROM, LTD., for its use of approximately 1,286 square feet of office space within the ISIS Center of the ISU Research Park for a one-year period beginning June 15, 1991, through June 14, 1992;

With LASER SCIENCE COMPANY for its use of approximately 165 square feet of office space within the ISIS Center of the ISU Research Park for a six-month period beginning June 1, 1991, through November 30, 1991, at a rate of \$225 per month;

With the CITY OF AMES, IOWA, for its use of the abandoned Chicago and Northwestern Transportation Company right-of-way adjacent to university-owned property southeast of the Iowa State University campus for the construction, operation and maintenance of a bicycle trail providing a connection from the College of Veterinary Medicine south to the ISU Research Park and residential areas south of Highway 30, more particularly described within the legal description of the easement document;

With the UNITED STATES GOVERNMENT DEPARTMENT OF ENERGY for its use of a parcel of land generally located on the Iowa State University campus between Spedding and Gilman Halls consisting of approximately 5,015 square feet to serve as a site for an administration building for the Ames Laboratory constructed, operated and maintained by the Department of Energy, and more particularly described within the easement document;

With the CITY OF AMES for the university's access to two 69 KV electrical tie lines according to the terms outlined within the agreement document for a 15-year period effective upon Board approval and renewable for another 15-year term at an initial estimated cost of \$1.72 million.

MOTION: Regent Berenstein moved to approve leases and easements, as presented. Regent Fitzgibbon seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Fitzgibbon, Furgerson, Hatch, Johnson, Pomerantz, Tyrrell, Williams.
NAY: None.
ABSENT: None.

CONFLICT OF INTEREST VENDOR. The Board Office recommended the Board approve the request of Iowa State University to add the name of Iowa Produce to the standing list of approved vendors with a conflict of interest.

In May, Iowa State University officials requested and received authorization from the Board to contract with 27 companies or individuals who have an affiliation with the university, either through being an employee or spouse of an employee. This month, university officials requested that the commercial fresh vegetable garden operating under the name of Iowa Produce be added to the standing list of approved vendors with a conflict of interest.

Emily Chin, a Research Associate in the Department of Zoology, and her husband, John Leslie White, operate Iowa Produce. They wish to sell produce to the food service of the Iowa State University residence system. Chin and White indicate that they operate under the same bidding and produce grading standards as other vendors.

Iowa State University Purchasing Department officials report the following procedures ensure that abuses of the rules are avoided:

- * Purchasing agents and purchasing liaisons in departments have lists of vendors having a conflict of interest. All employees involved in purchasing operations are aware of these individuals/companies.
- * Proposed purchases from a vendor on the above list are handled by the Purchasing Department and cannot be expedited by departmental procedures such as direct entry or reimbursement by petty cash voucher form.
- * All purchase orders are reviewed by either the Director of Business Operations or the Purchasing Manager. Purchases from vendors having a conflict of interest are monitored closely.

- * The Purchasing Department maintains an ongoing record of purchases from the vendors with a conflict of interest and is immediately aware when the \$500 per instance or \$1,000 aggregate is reached.
- * When the \$1,000 aggregate is exceeded, all purchases from these vendors are competitively bid.

Board authorization of the list does not alleviate the requirement to obtain competitive bids and provide public notice, as prescribed in Chapter 68B.3, Code of Iowa, whenever a conflict exists.

MOTION:

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

TRAFFIC AND PARKING REGULATIONS FOR 1991-92. The Board Office recommended that the Board approve institution parking rates and fees for violations for faculty, students and staff for Iowa State University as outlined.

Section 262.9(18) of the Iowa Code provides for notification to students thirty (30) days prior to action by the Board when tuition, fees or charges are to be increased. At the June 1991 Board meeting, the proposed rates were presented as information to the Board.

Rates for general staff parking were not increased as a partial offset to the salary policy of no increases. However, remaining rates were increased from 10 percent for motorcycles to 56.3 percent for reserved staff parking.

Copies of the proposed increases were also provided to the student government. There have been no comments or suggestions from students following the service of notice. Having satisfied the notice requirements of Section 262.9(18) of the Iowa Code, approval was requested for the rates as listed.

ACTION:

This matter was approved by consent.

ADOPTION OF PRELIMINARY RESOLUTION TO PROCEED WITH THE IOWA STATE UNIVERSITY SALE OF UP TO \$17.240 MILLION ACADEMIC BUILDING REVENUE BONDS, SERIES I.S.U. 1991. The Board Office recommended the Board adopt the following resolution on behalf of Iowa State University:

Authorizing the Executive Director to fix the date or dates for the sale of up to \$17,240,000 Academic Building Revenue Bonds, Series I.S.U. 1991.

Iowa State University officials requested that the Banking Committee recommend to the Board the adoption of a resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$17,240,000 Academic Building Revenue Bonds, Series I.S.U. 1991.

The U.S. Treasury has proposed regulations generally applicable to bonds issued after September 7, 1991, which will significantly alter the ability of issuers to utilize tax-exempt bonds to reimburse themselves for expenditures made prior to issuance.

The sale needs to be scheduled on or about August 20 or 21, approximately one week prior to the scheduled telephonic Board meeting to allow for closing prior to September 7, 1991. The bonds were previously scheduled for sale on August 29, 1991. Specific arrangements will be made.

This issuance will be the third issue from the \$41.3 million authority granted by the 1990 General Assembly and the first issue from the \$20 million authority granted by the 1991 General Assembly. The remaining authorities as granted by the 1990 and 1991 General Assemblies for the Board of Regents is \$11.585 million and \$11.94 million, respectively.

The proceeds from the sale of the \$17,240,000 Academic Building Revenue Bonds will be used to fund the correction of fire and life safety deficiencies, an addition and renovation to Sweeney Hall, and deferred maintenance and utility projects.

ACTION: Action on this item was taken under the Banking Committee report in the general section of these Minutes.

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, July 17 and Thursday, July 18, 1991.

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

Register of Personnel Changes for June 1991 including early retirements as follows:

MARILYN ADAMS, Clerk III, Physical Plant Administration, retiring June 1, 1991;

SHIRLEY ANDORF, Custodian I, retiring June 30, 1991;

LEROY BEVING, Storekeeper III, retiring June 30, 1991;

RUSSELL EUCHNER, Assistant Professor, Curriculum and Instruction, retiring June 1, 1991;

JOYCE HORNBY, Assistant Professor, Curriculum and Instruction, retiring June 1, 1991;

ROBERT LEAHY, Registrar, retiring June 30, 1991;

ELIZABETH MARTIN, Associate Professor and Head, Library Science, retiring June 1, 1991;

LILLY PATNODE, Custodian I, retiring June 1, 1991; and

ROBERT TUJETSCH, Administrator, Health Services, retiring June 30, 1991.

MOTION:

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

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.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Center for Energy and Environmental Education

University officials requested authorization to proceed with project planning and to select an architect to assist in the planning process for a new Center for Energy and Environmental Education. This project is intended to provide a new facility to house the energy and environmental education programs at the University of Northern Iowa and will be designed and constructed as a model of energy efficiency. It will house classrooms and seminar facilities, an educational materials library, and a materials development center where materials can be evaluated, developed and disseminated for educational purposes.

The building will have state-of-the-art spaces to perform research and model classrooms and laboratories for pre-service and in-service training of teachers. The intent of the Center is to provide wide exposure to the concepts of energy and environmental education.

The project cost is estimated at \$3.9 million and will be funded by a federal grant from the United States Department of Energy.

Regent Hatch asked who would pay for the planning portion of this project. Associate Director Hollins responded that it would be paid for by a Department of Energy grant. The project design and construction would also be financed by that grant.

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.

Bartlett Hall--HVAC System and Windows \$2,104,500

Source of Funds: Residence System Improvement Funds

Preliminary Budget

Contracts	\$1,830,000
Consultant and Design Services	183,000
Contingencies	<u>91,500</u>
TOTAL	\$2,104,500

This project will replace the deteriorated heating and ventilation system and will add an air conditioning system which this dormitory building currently does not have. Additionally, all windows will be replaced with new energy

efficient windows. These improvements were based on a feasibility study prepared by Stanley Consultants dated January 7, 1991.

Campbell Dining Center--HVAC System \$292,000
Source of Funds: Residence System Improvement Funds

Preliminary Budget

Contracts	\$ 254,000
Consultant and Design Services	25,400
Contingencies	<u>12,600</u>
 TOTAL	 \$ 292,000

This project will provide an upgrade of the heating and ventilation system and the addition of air conditioning. These improvements are based on a feasibility study prepared by Stanley Consultants dated October 25, 1990.

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

Communication Arts Center--West Wing HVAC Improvements \$3,000
Gene Gessner, Inc., Iowa City, Iowa

Seerley Hall Renovation--Utilities \$7,000
Brooks, Borg and Skiles, Des Moines, Iowa

Strayer-Wood Theatre Fire Safety Improvements and \$1,000
Strayer-Wood Theatre Ventilation Improvements
Gene Gessner, Inc., Iowa City, Iowa

MOTION: Regent Fitzgibbon moved to approve the university's capital register, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

CONFLICT OF INTEREST VENDOR. The Board Office recommended the Board approve the request of the University of Northern Iowa to add the name of Carole Shelley Yates to the standing list of approved vendors with a conflict of interest.

In May, University of Northern Iowa officials requested and received Board authorization to contract with 11 companies or individuals who have an affiliation with the university. This month university officials requested that Carole Shelley Yates be added to the list of approved vendors with a conflict of interest.

Ms. Yates wishes to provide writing and editing services to the university. Her husband, Jack, is a Professor of Psychology at University of Northern Iowa. Ms. Yates states that her husband would not be involved in hiring or evaluation of her work.

The University of Northern Iowa Purchasing Department reports that all proposed purchases are reviewed by the Purchasing Director including those from vendors who have a conflict of interest.

Board authorization of the list does not alleviate the requirement to obtain competitive bids and provide public notice, as prescribed in Chapter 68B.3, Code of Iowa, whenever a conflict exists.

Regent Fitzgibbon said conflict of interest vendors seem to be becoming more prevalent. He said this a serious area and they need guidelines for review. Regent Williams stated that the 1990 session adopted legislation that the Regents do this.

Regent Fitzgibbon stated that some past Board members have expressed very strong feelings about this particular subject. He said they are seeing more and more of it. They need to make sure they stay within the guidelines.

Regent Hatch said her concern is that there may be a tendency to use the university-affiliated person rather than giving consideration to others. Director Smith stated that all three universities have promulgated rules and regulations to ensure there will not be any perception of impropriety. He emphasized that they are subject to the competitive bid process. Vice President Conner stated that a department which employs a conflict of interest vendor may not purchase from the vendor without competitive bids regardless of the dollar amount of the purchase.

Regent Hatch thanked Vice President Conner for the information, and said it addressed her concern.

MOTION:

Regent Williams moved to approve the request of the University of Northern Iowa to add the name of Carole Shelley Yates to the standing list of approved vendors with a conflict of interest. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:

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

NAY: None.

ABSENT: None.

UNIVERSITY OF NORTHERN IOWA
July 17-18, 1991

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, July 17, 1991.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board ratify the following personnel transactions:

Register of Personnel Changes for June 1991.

MOTION:

Regent Berenstein moved to ratify personnel transactions, as presented. Regent Furgerson 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, July 17 and Thursday, July 18, 1991.

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

Register of Personnel Changes for the period May 26 through June 22, 1991;

Ratify acceptance of the resignation of Sherryl Craddock, Personnel Director and Administrative Assistant effective July 3, 1991; and

Approve designation of Dianne Utsinger as Acting Director of Personnel.

MOTION:

Regent Berenstein moved to ratify the school's personnel transactions, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

APPROVAL OF LEASE AGREEMENT WITH STATE DEPARTMENT OF HEALTH. The Board Office recommended the Board approve a lease agreement with the IOWA DEPARTMENT OF PUBLIC HEALTH, EMERGENCY MEDICAL SERVICES DIVISION for its use of approximately 868 square feet of space in the Old Hospital Building on the Iowa Braille and Sight Saving School campus for a one-year period beginning July 1, 1991, through June 30, 1992, at a rate of \$25.25 per month, renewable for a two-year period beginning July 1, 1992, through June 30, 1994, at a rate to be specified upon renewal.

MOTION:

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

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

NAY: None.

ABSENT: None.

APPROVAL OF SERVICE CONTRACTS FOR FISCAL YEAR 1992. The Board Office recommended that the Board approve contracts for services as follows:

- (1) with KAREN RANDALL, OTR, to provide Occupational Therapy Services at a rate of \$27.60 per hour, not to exceed four hours per week;

- (2) with VIRGINIA GAY HOSPITAL, Vinton, for Physical Therapy Services at a rate of \$27.60 per hour of service, not to exceed four hours per week;
- (3) with DR. SHERMAN L. ANTHONY, Vinton, for medical services at a base fee of \$1,980 for the 1991-1992 school year and an examination fee of \$20 for each student examined or administered service at the school or at the Vinton Clinic.

These service contracts were reviewed by the Attorney General's Office. Additional language was added based on that review.

With the renewal of the agreement with Ms. Randall, occupational therapy services will be provided at the school for the 1991-1992 academic year at an hourly rate of \$27.60, which is the same as the current hourly rate.

The agreement with Virginia Gay Hospital will provide physical therapy services to students for the 1991-1992 school year at a cost of \$27.60, which is the same as the current hourly rate.

The agreement with Dr. Anthony for medical services for students provides for a base fee of \$1,980 for the 1991-1992 school year, which is the same as the current hourly rate. The cost of \$20 for each student examined is the same as in the current agreement and is paid by the student.

The total estimated fiscal year 1992 cost for these services is \$3,974 each for occupational and physical therapy services and \$1,980 for medical services. Provision of these services is a partial fulfillment of federal and state regulations for school services for handicapped students.

MOTION:

Regent Berenstein moved to approve service contracts for fiscal year 1992, as presented. Regent Fitzgibbon 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 1:10 p.m., on Thursday, July 18, 1991.



R. Wayne Richey
Executive Director