

The State Board of Regents met on Wednesday, March 17, 1993, at the Marriott Hotel, Des Moines, Iowa. The following were in attendance:

	<u>March 17</u>
<u>Members of State Board of Regents</u>	
Mr. Pomerantz, President	All sessions
Mr. Berenstein	All sessions
Mr. Dorr	Excused
Mr. Fitzgibbon	All sessions
Ms. Furgerson	All sessions
Mrs. Hendricks	All sessions
Mrs. Johnson-Matthews	All sessions
Dr. Tyrrell	All sessions
Mrs. Williams	All sessions
<u>Office of the State Board of Regents</u>	
Executive Director Richey	All sessions
Deputy Executive Director Barak	All sessions
Director Kominski	All sessions
Director Specter	All sessions
Director Volm	All sessions
Compliance Officer Maxwell	All sessions
Assistant Director Brunson	All sessions
Minutes Secretary Briggie	All sessions
<u>State University of Iowa</u>	
President Rawlings	All sessions
Vice President Nathan	All sessions
Vice President Rhodes	All sessions
Interim Vice President True	All sessions
Associate Vice President Small	All sessions
<u>Iowa State University</u>	
President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Interim Vice President Crawford	All sessions
Associate to the President Adams	All sessions
Executive Assistant to the President Mack	All sessions
Director Jensen	All sessions
<u>University of Northern Iowa</u>	
President Curris	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Assistant Vice President Strathe	All sessions
Executive Ass't. to President Stinchfield	All sessions
Assistant to President Gadelmann	All sessions
Director Chilcott	All sessions
<u>Iowa School for the Deaf</u>	
Superintendent Johnson	All sessions
Business Manager Nelson	All sessions
Interpreter Stephens	All sessions
<u>Iowa Braille and Sight Saving School</u>	
Superintendent Thurman	All sessions
Director Hauser	All sessions

## GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, March 17, 1993.

**APPROVAL OF MINUTES OF BOARD MEETING, FEBRUARY 17, 1993.** The Board Office recommended the Board approve the Minutes, as presented.

President Pomerantz asked for corrections, if any.

**ACTION:** President Pomerantz stated the Minutes of the February 17, 1993, meeting were approved, as presented, by general consent.

**INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION.** (a) Master of Arts in Third World Development at the University of Iowa. The Board Office recommended the Board approve the proposal to establish an Interdisciplinary Master of Arts Degree program in Third World Development Support, effective immediately.

The University of Iowa's request for approval for a Master of Arts degree in Third World Development Support was reviewed by the Interinstitutional Committee and the Board Office, and both recommended approval.

The proposed program is an extension of an existing sub-track currently offered by the university and is interdisciplinary involving faculty and resources from existing units.

The need for the program is adequately demonstrated by student demand and U. S. Office of Labor projections.

The proposed program will not result in increased costs since it will utilize existing resources.

On the basis of an extensive review of the content of this program it was determined to be non-duplicative.

The proposed program is consistent with the University of Iowa's Strategic Plan.

MOTION: Regent Hendricks moved to approve the proposal to establish an Interdisciplinary Master of Arts Degree program in Third World Development Support, effective immediately. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

**ACCREDITATION REPORTS.** (a) Department of Journalism and Mass Communications at Iowa State University. The Board Office recommended the Board receive the report on accreditation of the Department of Journalism and Mass Communication at Iowa State University.

The Department of Journalism and Mass Communication at Iowa State University was reaccredited for six years by the Accrediting Council on Education in Journalism and Mass Communications.

The Council based its decision on a review of the program's self-study report submitted during academic 1990-91, the report of the team that visited the site on January 26-29, 1992, and the program's response to the site visit report.

The accrediting organization reviewed the school's responses concerning weaknesses in a prior accreditation:

- \* The 1986 report cited facilities as the most glaring deficiency of the unit and noted eight weaknesses--heavy faculty workloads, inadequate facilities, cramped office/lab space, weak faculty research record, too many students for the department's resources, faculty uncertainty in transition, limited equipment, and lack of thorough planning and supervision of the internship program.
- \* The 1992 site visit team reported that all except one of the above deficiencies had been corrected: there are still too many students for available resources (faculty).

The 1992 site visit team judged the department to be in compliance in all but the budgetary area.

The university described actions taken to address the area of non-compliance. They include enrollment management, use of alumni funds to support faculty, creation of preventive maintenance schedule and solicitation of outside funding support.

The Committee highlighted strengths and weaknesses:

- \* The Department's strengths include its strong internship program; the reputation it enjoys among state, regional, and national media; public

service; alumni contacts; instruction; faculty commitment to students; and faculty resilience in the aftermath of adversity.

- \* Areas of needed improvement include a resolution of the uncertainties brought about by the possible sale of WOI-TV and what it will mean to the department's facilities and Electronic Media Studies emphasis; a low level of funding; a shortage of faculty members and faculty scholarship.

The next review will occur during the 1997-98 academic year.

ACTION: President Pomerantz stated the Board received the report on accreditation of the Department of Journalism and Mass Communication at Iowa State University, by general consent.

(b) Bachelor of Arts in Interior Design at Iowa State University. The Board Office recommended the Board (1) receive the report on accreditation of the Bachelor of Fine Arts program in Interior Design at Iowa State University and (2) request that Iowa State University provide the Board with the biennial report which responds to the recommendations.

Iowa State University officials were notified by the Foundation for Interior Design Education Research (FIDER) of the reaccreditation of its Bachelor of Fine Arts program in Interior Design for a three-year term.

The program was visited April 25-28, 1992, by an accreditation team. The visiting team submitted a report that was reviewed by the Accreditation Committee and the Board of Trustees.

The Board of Trustees granted accreditation to the program for a period of three years instead of the full six-year period. Although the program is substantially in compliance with its standards, a number of recommendations were provided for weaknesses which were identified.

FIDER reports that every accredited program is required to submit a biennial report in which the actions taken by the program in response to recommendations are described.

University officials noted that 12 of the recommendations pertaining to program weakness center around the curriculum and a key faculty vacancy as a program coordinator. The two remaining recommendations were provided for the benefit of planning for the continued development of the program.

University officials indicated steps have been taken to address the curricular issues through the revisions incorporated in the 1993-95 catalog.

The dean and head of the department are committed to reaching closure on the vacancy of program coordinator with an appointment starting August 1993.

GENERAL  
March 17, 1993

The Iowa State University program faculty and administrators took exception to the three-year term of accreditation; however, since there are no specific avenues within FIDER to oppose or appeal the term, they deemed it best to accept and address the recommendations to prepare for the next reaccreditation review.

The Foundation for Interior Design Education Research will revisit the program in Fall 1995.

Provost Kozak stated that the department initiated curriculum revisions at the time the accreditation review was taking place. He said 12 of the 14 recommendations have been addressed.

ACTION: President Pomerantz stated the Board (1) received the report on accreditation of the Bachelor of Fine Arts program in Interior Design at Iowa State University and (2) requested that Iowa State University officials provide the Board with the biennial report which responds to the recommendations, by general consent.

(c) Metallurgical Engineering Program at Iowa State University. The Board Office recommended the Board receive the report on accreditation of the Metallurgical Engineering program at Iowa State University.

This report was generated as a result of a 1988 accreditation visit in which a follow-up visit and evaluation were required of the Metallurgical Engineering program at Iowa State University.

At the time of the last accreditation of the undergraduate engineering curricula in October 1988:

- \* Seven of the programs were reaccredited for the maximum six years.
- \* Five were reaccredited for three years at which time a progress report was required.
- \* One program, Metallurgical Engineering, was reaccredited for three years with a site visit and evaluation required.

The five programs required to submit reports did so in January 1991. They were extended accreditation for three years until September 1995.

The college and Department of Materials Science and Engineering completed a self-study which addressed the deficiencies in the Metallurgical Engineering program and the actions taken by the program to correct them:

- \* Addition of \$100,000 of new equipment, upgraded laboratory rooms, and renovation of space in the Gilman Annex.
- \* Purchase of Scanning Electron Microscope equipment and repair of the x-ray equipment.
- \* Several space issues were resolved allowing greater integration of effort.
- \* Students are now able to complete all of the required course work. More hands-on learning and computer experience is allowed with the improved facilities.

The site visit team concluded that the program has met the requirements for reaccreditation for three years. The program will be reviewed again in the context of the AEC/ABET accreditation review of all programs in the College of Engineering in 1994-95.

Regent Williams asked if it was typical for that type of department to have 12.26 full-time faculty for 26 undergraduates. Professor Martin responded that many of the staff are Ames Laboratory employees. A substantial amount of their time is spent on Department of Energy research. Some of the faculty time may be charged through the department but much of their time is spent in the Ames Laboratory.

President Jischke stated that material science is a large part of the undergraduate education for many of the engineering students.

**ACTION:** President Pomerantz stated the Board received the report on accreditation of the Metallurgical Engineering program at Iowa State University, by general consent.

President Curris introduced Assistant Vice President Marlene Strathe, noting that Provost Marlin was unable to attend today's meeting.

**REPORT OF THE BANKING COMMITTEE.** The Board Office recommended the Board (1) receive reports on current Banking Committee items and (2) adopt A Resolution providing for the sale and award of \$11,360,000 Utility System Revenue Bonds, Series S.U.I. 1993 (The State University of Iowa), approving and authorizing the agreement of such sale and award and authorizing the execution and delivery of documents in connection therewith and related matters.

Regent Fitzgibbon asked Mr. Anderson to report on the bids received.

Mr. Anderson stated that 2 bids were received that morning for the sale of \$11,360,000 Utility System Revenue Bonds, Series S.U.I. 1993. Piper Jaffray and Associates submitted a bid with an interest cost of \$5,641,175.67 for a

true interest rate of 4.7358 percent. Merrill Lynch submitted a bid with an interest cost of \$5,828,654.77 for a true interest rate of 4.9020 percent. He said the bid submitted by Piper Jaffray was the better of the two bids. He stated that, as usual, the Board of Regents commanded extraordinary interest rates. He then recommended the Board accept the bid of Piper Jaffray and Associates.

Mr. Haynie stated that this was the lowest bid the Regents had received on bonds in 15 years. He said the only action required was the resolution which awards the bid and approves the necessary documents.

MOTION:

Regent Fitzgibbon moved to adopt A Resolution providing for the sale and award of \$11,360,000 Utility System Revenue Bonds, Series S.U.I. 1993 (The State University of Iowa), approving and authorizing the agreement of such sale and award and authorizing the execution and delivery of documents in connection therewith and related matters. Regent Berenstein seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz, Tyrrell, Williams.

NAY: None.

ABSENT: Dorr.

MOTION CARRIED.

Regent Fitzgibbon stated that the Banking Committee received reports from INVESCO and Warburg Pincus on the performance of institutional endowments. He said the reports were well done and the endowment funds perform well in this market. The Banking Committee members also received a report on the Oakdale Research Park lease/purchase, which he asked Interim Vice President True to discuss.

Interim Vice President True stated that University of Iowa officials met twice with the Banking Committee to discuss the Oakdale Research Park transaction. He said the transaction is somewhat complex because it involves refinancing current arrangements, extensions of current leases, increase in the space being rented, and an option for the Research Park to acquire the property.

Regent Berenstein stated that he had a conflict because of his association with Firststar Bank and would not vote on the motion.

MOTION:

Regent Fitzgibbon moved to authorize an amendment to the Oakdale Research Park lease

agreement between the Board of Regents and CPPI for an additional 15,000 square feet of space and extension of the lease agreement to a 15-year term beginning April 1, 1993. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSTAIN: Berenstein.  
ABSENT: Dorr.

MOTION CARRIED.

Regent Fitzgibbon stated that, in the past, the Board has approved any changes in banking relationships. He said three Regents on the Banking Committee had a conflict concerning the extension of banking and investment agreements.

MOTION: Regent Hendricks moved to authorize the Executive Director to sign certificates authorizing the University of Iowa to use Norwest Bank, and Iowa State University to use Boatman's National Bank, as their custodian and safekeeping agents. Regent Tyrrell seconded the motion. MOTION CARRIED WITH REGENTS BERENSTEIN, FITZGIBBON AND POMERANTZ ABSTAINING.

Regent Hendricks referred to the earlier motion concerning the University of Iowa Research Park and asked if the Regents took action concerning the amendment or the entire recommended action. President Pomerantz responded that the motion concerned only the amendment.

MOTION: Regent Williams moved to authorize the university to proceed with planning and to negotiate an agreement for architectural services for the Oakdale Research Park--Multi-Tenant Facility--Center for Biocatalysis and Bioprocessing project. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:  
AYE: Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz, Tyrrell, Williams.  
NAY: None.

ABSTAIN: Berenstein.  
ABSENT: Dorr.

MOTION CARRIED.

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

**REPORT ON FACULTY CONSULTING ACTIVITIES.** The Board Office recommended the Board (1) receive the report on the professional consulting activities of faculty at the Regent universities and (2) request that future reports be more specific as to the consulting services performed by faculty and the clients being served so that the full scope and extent of consulting activities can be determined.

This report gives the Board a biennial description of institutional policies and practices regarding professional consulting activities by faculty.

Consulting work provides faculty an opportunity to apply their expertise to problems and concerns in settings outside the university, and allows faculty to regularly integrate practical experience into their classroom instruction.

Faculty consulting is a major resource for Iowa's schools, business, and industry and contributes to the state's economic development.

The number of Regent faculty engaged in consulting in 1990-92 were: University of Iowa, 955; Iowa State University, 687; University of Northern Iowa, 154.

The total number of days spent on consulting activities were: University of Iowa, 4039 days (an average of 4 days per faculty member engaged in consulting); Iowa State University, 4105 days (average: 6 days); and University of Northern Iowa, 2152 days (average: 14 days).

The amount of consulting activity has increased moderately at all three universities since the last report.

MOTION: Regent Furgerson moved to (1) receive the report on the professional consulting activities of faculty at the Regent universities and (2) request that future reports be more specific as to the consulting services performed by faculty and the clients being served so that the full scope and extent of consulting activities can be determined. Regent Berenstein seconded the motion.

Regent Hendricks questioned the practice of faculty receiving State pay for activities for which they are already receiving outside remuneration.

President Pomerantz suggested there is significant value to the university to allow faculty consulting opportunities with other sectors. They not only impart their knowledge but gain knowledge from the clients who have retained them. He said it is a win-win situation. It is accepted practice that faculties have a right to participate in consulting services. Faculty commitment to their institutions is to perform their duties in a quality manner. Consulting activities allows them to use some of their free time in activities that will enhance their experiences.

Regent Williams added that consulting is not only acceptable practice, it is almost required in order to stay current in their professions. They need to stay in touch with what is going on in their fields. They need to be "fed" and to "feed" others with knowledge. She said they cannot expect faculty and others who do this activity to not receive remuneration.

Regent Hendricks said that if the consulting activity takes place at night or on the weekend would be one matter. She questioned whether this has ever been looked at.

Regent Williams said it was also a matter of the institutions remaining competitive.

Regent Berenstein said it was his understanding that the consulting activities are not impinging on employees' regular activities. Consulting activities are performed above and beyond what they are doing for the institution.

Regent Hendricks asked that someone research this matter and provide clarification. There was a suggestion that this was done over and above any other activities professors usually provide for the universities.

Regent Fitzgibbon cautioned that it would be a great mistake not to capitalize on the knowledge available at the Regent institutions because it can be very helpful to industry and others. It works the other way also; faculty bring back into the classroom a great deal of knowledge from participating in consulting activities. He said the Regents look to the university administrations to monitor consulting activities.

President Pomerantz asked the Board Office to provide the Regents with additional information.

Regent Furgerson said that faculty receive criticism sometimes that they are not meeting with the "real" world. Consulting activities get faculty into the "real" world.

Regent Hendricks reiterated that she would like clarification addressing her concerns. President Pomerantz directed that the Board Office report to the Regents by mail.

VOTE ON THE MOTION: MOTION CARRIED UNANIMOUSLY.

**LEGISLATIVE PROGRAM.** The Board Office recommended the Board receive information on bills introduced in the 1993 Legislative Session and adopt recommended positions on bills.

#### Legislative Issues

Selection Process for Regents - House File 175 establishes a Regent Candidate Advisory Commission appointed by the legislature to advise and make recommendations to the Governor regarding appointment of members to the Board of Regents. The proposed standing commission would have twenty-four members. MONITOR.

Senate File 195 requires that at least one graduate of each of the three universities serve on the Board at all times. MONITOR.

Sale of WOI-TV - Senate File 182 would prohibit the sale of WOI television by the Board of Regents. The bill is intended to apply to any attempted sale taking place on or after January 1, 1992. Negotiation for the sale of the station is concluded; the sale transaction will be completed upon approval by the Iowa Supreme Court. OPPOSE.

Midwest Compact - Senate File 253 contains language which would incorporate Iowa into the Midwest Higher Education Compact. The appropriations bills include \$58,000 to fund the annual membership fee. It was recommended that the Board maintain its previously-stated position.

Telecommunications/Iowa Communications Network (ICN) - Senate Study Bill 189 and House Study Bill 187 establish an Iowa Communications Network Board within the Department of Management to oversee the operation of the ICN. The thirteen member board is appointed by the Governor, and is to include representatives of educational and health care industry users, administrative, data, and voice users, the Board of Regents, Department of Education, community colleges, private colleges, and other vested parties. The current language provides for only one position for the Board of Regents, even though the Board represents a large portion of the use of the network. The Board seeks greater representation to reflect its roles in instruction and research, health care and telephone use by students, faculty and staff. MONITOR/SEEK MODIFICATION.

Senate File 259 creates an information policy council for the purpose of developing recommendations for the coordination of the planning,

acquisition, installation and use of all information technology by agencies of state government. MONITOR

Ethics Legislation - House File 144 was passed by the House. Major issues still outstanding in the proposed modification to current law include the definition of lobbyist, clarification of financial disclosure requirements, and what constitutes conflict of interest. MONITOR.

Capital Funding - The Board seeks authorization to issue bonds for new construction at the State University of Iowa and the University of Northern Iowa. The \$18.4 million Pharmacy Addition at the University of Iowa would be partially funded by \$8.139 million in bonds, and the University of Northern Iowa Library Project would be supported by \$7.0 million in bonds. SUPPORT.

Postsecondary Education Options Act - Currently, the two Regent special schools are not included in the Postsecondary Education Options Act. Language in House File 491 would add Iowa Braille and Sight Saving School and Iowa School for the Deaf to the list of institutions where students are eligible to participate in this program. The special schools would have to pay costs of up to \$250 per participating student. SUPPORT.

Arbitrator Residency - House File 60 requires collective bargaining arbitrators to be residents of Iowa. An amendment has been filed to permit out-of-state arbitrators from states with reciprocal agreements with Iowa. It is important to be able to retain out-of-state arbitrators to ensure that no conflict of interest exists in the Board's collective bargaining process. This bill would have severe impact on the University of Northern Iowa collective bargaining process if passed. OPPOSE.

Comprehensive Review of Agency Programs and Functions - Senate File 88 (passed by full Senate) requires implementation of a statewide strategic planning process. It provides for program and function review by the Department of Management for all agencies including the Board. The biennial review includes comprehensive analysis of mission, appropriateness of individual programs and adequacy and appropriateness of resource allocation. It gives broad authority to the Department of Management to recommend termination, reduction or reorganization of programs or functions.

If passed without amendment, this bill would have broad implications for the governance role of the Board of Regents over its institutions. SEEK AMENDMENT.

Prohibition of Sale of Assets in Excess of \$5 Million - House File 74 requires that legislative approval be secured prior to sale of any state-owned asset greater than \$5 million. Passage of this bill would impact the sale of WOI-TV. OPPOSE.

Limitation on Credit Hours at Resident Tuition Rate - House File 344 requires the Board to limit an individual student who qualifies for resident tuition rates to a maximum of 160 semester hours (or equivalent quarter hours) at the resident rate. The bill also applies to the community colleges. This bill would impose hardship on students in disciplines which typically require more than four years to graduate, such as engineering, pharmacy, and other science programs. OPPOSE.

Gender Equity in Athletics - House File 140 requires the Board of Regents and the boards of the community colleges to adopt policies to proscribe gender discrimination in recreational activities, both intercollegiate and intramural. MONITOR.

President Pomerantz stated that Regent Dorr telephoned him yesterday and discussed the Iowa Communications Network. President Pomerantz agreed to bring to the Board (in Regent Dorr's absence) the notion that they would do well to establish a Regentwide committee to coordinate Regent activity on this network.

Mr. Richey noted that the Board had taken action last month to establish such a committee. President Pomerantz said they would go forward with that.

Mr. Richey said it was his understanding that they should wait to appoint the committee members until the new Regents are appointed.

President Pomerantz said he promised to Regent Dorr yesterday that the matter would remain a top priority.

MOTION: Regent Furgerson moved to receive information on bills introduced in the 1993 Legislative Session and adopt recommended positions on bills. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

**SALARY POLICY.** The Board Office recommended the Board (1) receive the report on the status of salary policy for fiscal years 1994 and 1995, and (2) ratify the UNI-United Faculty/Board of Regents contract.

All Regent collective bargaining contracts have been negotiated. The AFSCME and salary rates are set at \$650 non-recurring for fiscal year 1994 and 2 percent increase July 1, 1994, and 2 percent on January 1, 1995, plus regularly scheduled step increases.

The UNI-United Faculty members will receive a 2.5 percent (1 percent non-recurring) in fiscal year 1994 and 4.0 percent in fiscal year 1995.

The UNI faculty contract salaries are generally consistent with other State bargaining unit settlements.

Iowa United Professionals (non-Regent employees) will receive 1 percent in fiscal year 1994 and 3 percent in fiscal year 1995 plus step increases.

The State Police Officers Council (non-Regent employees) had an arbitration hearing on March 6 with a decision required before March 15.

Salary policy needs to be developed for all Regent non-contract employees for fiscal years 1994 and 1995.

The non-contract supervisors have requested increases to re-establish equity with contract covered employees.

During this biennium (1991-1993) State employees covered under the AFSCME contract will receive across-the-board increases of about 9.3 percent, plus a \$400 bonus, plus step increases for those eligible.

Professional and Scientific salaries at the University of Iowa and Iowa State University will increase approximately 7 percent during the biennium; about 9.3 percent at the University of Northern Iowa.

Mr. Richey said funding of the salary policy for fiscal year 1994 and 1995 and salary policies for non-contract employees, which includes members of the supervisory staff, are of great importance.

President Rawlings introduced Joyce Rhoads.

Ms. Rhoads stated that Supervisory employees are part of the Merit System but are not represented by a union. She provided the Regents with a handout that noted 5 points:

For FY 1992, bargaining employees received back pay and interest. Supervisory nonbargaining employees did not.

For FY 1992 and FY 1993, the bargaining unit pay matrix has a higher increase than the Supervisory nonbargaining unit matrix.

In FY 1993, bargaining and confidential employees received a \$400 bonus. Supervisory nonbargaining employees did not.

For FY 1992 and FY 1993, confidential nonbargaining employees received compensation identical to bargaining employees except for interest on back pay. Supervisory nonbargaining employees did not.

FY 1992 and FY 1993 resulted in a loss of comparable worth pay ranging up to and above \$2,500 for each supervisory nonbargaining employee.

Ms. Rhoads compared the salaries of a Secretary III (bargaining) and Office Coordinator I (nonbargaining), Account Specialist (bargaining) versus Office Coordinator II and Secretary IV (nonbargaining). She then read a few quotes from staff on campus who feel they are being punished for being responsible employees. What is the incentive to take positions that are supervisory if they are not paid higher than the employees they supervise? She said the past year has been quite frustrating for supervisory employees to be singled out to receive a pay increase inequity. Supervisory employees continue to work diligently and in a professional manner while maintaining a positive attitude. They are proud to be employees of the University of Iowa.

Ms. Rhoads stated that some of the areas to focus on would be equity in pay and a new pay matrix as well as a salary increase percentage above what is negotiated to ensure that the same situation does not occur again.

President Jischke introduced Linda Olson, Chair of the Supervisory and Confidential Council at Iowa State University.

Ms. Olson expressed concerns of 151 Supervisory employees about the inequity between organized and nonorganized pay matrixes. She said the inequity severely challenges comparable worth in the merit ranks. Although supervisory staff are frustrated, they like their jobs and fully support Iowa State University. Supervisory merit employees, because of the duties performed, should be higher on the pay scale than those they supervise. They requested classification titles that are not duplicated in the contract merit system. She urged the Regents to resolve this inequity by supporting a pay plan which will restore comparable worth within the merit system, provide compensation for past inequities, as well as provide a method to recognize the contributions made by the Supervisory nonbargaining employees in the merit system. She closed by stating that supervisory employees appreciate the commitment of the Board to equitable treatment.

President Curris introduced Linda Schneider, Chair of the University of Northern Iowa Supervisory Council.

Ms. Schneider, on behalf of her constituents, expressed concern with the fairness of salary policy, specifically pay inequity. She said she could appreciate the fiscal difficulties of the State. Supervisory staff know they must be part of the solution; however, the solution should be equitably and fairly applied to them. Their position classifications indicate greater responsibility than those they supervise. Their work ethic and dedication to the university is great. She was concerned that the inequity would erode and destroy the whole infrastructure of the Regents merit system. In spite of the current inequity, Supervisory staff continue to perform their duties professionally. Supervisory employees have shown their dedication to the university with their longevity records. They do not want to fall between the "cracks".

Ms. Schneider stated that Governor Branstad supported equal pay for equal work, and he appears to support equal pay this time. Unless their concerns are addressed, supervisory pay scales will continue to fall behind. She said that if the Supervisory pay matrix is not adjusted for the current inequity, the equal pay problem will be perpetuated. She said 2.5 percent must be added to their pay matrix.

Ms. Schneider concluded by stating that far too much time and energy has been spent on this one issue. They should move forward. University of Northern Iowa's strategic plan is called "Building on Excellence" which they are helping the university to achieve. She asked that the Regents support their request for pay equity.

President Pomerantz stated that the three presentations underscored the importance of this issue. There is an inequity that the Board of Regents should not allow to continue. He said he wanted everyone to know the Board has made every effort to address this issue. It is a question of funding and pending legislation that limits the Regents' flexibility in moving funds. He said all of them should know that the Board Office is working hard to provide equity. The consensus is that the Regents would do whatever they could to correct this problem. It was a valid complaint; there is an inequity they should not allow to continue.

Mr. Richey stated that the Board had brought this issue specifically to the attention of the Governor and the Director of the Department of Management. Two things are needed to address this inequity. One is the statutory authority to do so, for which he is now more optimistic. The second issue is money. They need money, in addition to basic salary policy funds, to address the inequity.

President Pomerantz asked that the supervisory staff representatives carry back to the campuses that the Regents heard them and have empathy for the situation. They will do what can be done short term within the law. In the longer term they will get it done in some appropriate manner.

Regent Williams asked what positions are included in the non-bargaining supervisory category. Mr. Richey responded that it included clerical supervisory, technical supervisory, blue collar supervisory, and security supervisory. He noted that the confidential employees are in the same pay plan. By a major effort last year the Regents were able to get those people treated equitably.

Regent Williams asked how many Regent employees are in the supervisory category. Director Volm responded that there were approximately 420 at the University of Iowa, 150 at Iowa State University and 40 at the University of Northern Iowa.

MOTION: Regent Fitzgibbon moved to (1) receive the report on the status of salary policy for fiscal years 1994 and 1995, and (2) ratify the UNI-United Faculty/Board of Regents contract. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

**ANNUAL REPORT AND TEN-YEAR PLAN OF THE RESIDENCE SYSTEMS.** The Board Office recommended the Board receive (1) the annual residence system report for fiscal year 1992 and (2) the residence system ten-year plan for the years 1993-94 through 2002-2003.

Each year the university residence systems prepare governance reports to the Board in three parts:

- \* a comprehensive annual report providing financial statistics and a description of organizational structure, mission and purpose, programs, student and staff characteristics, demographic trends, and activities during the most recently-completed fiscal year (FY 1992).
- \* a ten-year plan which presents an overview of occupancy trends, significant policy considerations, capital renewal plans, and finances for the next ten years.
- \* a rate proposal and preliminary budget for the next fiscal year (FY 1994).

Both the annual report and ten year projections provide background for consideration of the rate proposals for the upcoming year. Final action on rate proposals will take place at the April 1993 meeting. Final budget approval will take place at such time as the Board acts on all institutional budgets.

Regent university residence systems have been delegated responsibility for all administrative functions associated with the housing and dining functions including

- \* physical construction, maintenance, and safety,
- \* financial planning and accountability,
- \* personnel and payroll responsibilities,
- \* educational support,
- \* social and recreational programming,
- \* enforcement of discipline, and
- \* administration of justice for housing rule violations.

Following are statistics illustrating the size of the residence system at each university during FY 1992.

<u>University</u>	<u>Number of Students in Residence Halls</u>	<u>Number of Apts. Occupied</u>	<u>Total Revenues</u>	<u>Replacement Value</u>
SUI	5,527	741	\$23,048,792	\$177M
ISU	7,742	77	\$28,698,556	\$154M
UNI	4,532	365	\$14,430,318	\$ 69M
<hr/>				
TOTAL	17,801	1,181	\$66,177,666	\$400M

The table below shows occupancy rates compared to design capacity for the fall 1991 and fall 1992 semesters.

	Residence Halls Percent of Design Capacity		Apartments Percent of Design Capacity	
	Fall 1991	Fall 1992	Fall 1991	Fall 1992
University of Iowa	93.9%	94.2%	98.8%	98.9%
Iowa State University	91.7%	90.4%	100.4%	98.7%
University of Northern Iowa	109.0%	99.2%	99.7%	100.0%

Relative to total enrollment, 22.8 percent of University of Iowa students, 36.6 percent of Iowa State University students, and 34.7 percent of University of Northern Iowa students live in residence halls.

Enrollment declined by 418 students at the University of Iowa, increased by 13 students at Iowa State University, and declined by 118 students at the University of Northern Iowa from fall 1991 to fall 1992 semesters.

Residence hall occupancy increased by 17 students at the University of Iowa, declined by 109 students at Iowa State University, and decreased by 444 students at the University of Northern Iowa from fall 1991 to fall 1992.

The following table presents overall and lower division enrollment statistics for fall semesters 1990 through 1992.

	<u>Fall 1990</u>	<u>Fall 1991</u>	<u>Fall 1992</u>
University of Iowa			
Total	28,045	27,881	27,463
Lower Division	9,243	8,445	8,378

	Fall 1990	Fall 1991	Fall 1992
Iowa State University			
Total	25,339	25,250	25,263
Lower Division	10,281	9,675	9,458
University of Northern Iowa			
Total	12,638	13,163	13,045
Lower Division	5,586	5,567	4,964

Plant improvement, repair, and maintenance costs \$3.5 million at the University of Iowa, \$5.6 million at Iowa State University, and \$2.3 million at the University of Northern Iowa. Total Regent university expenditures in this category were \$11.4 million, down from \$11.9 million in fiscal year 1991 (a decrease of 4.2 percent).

Each university had plant improvement, repair, and maintenance costs for fiscal years 1991 and 1992 as shown.

	Fiscal Year 1991	Fiscal Year 1992
University of Iowa	\$3.5 million	\$3.5 million
Iowa State University	\$5.9 million	\$5.6 million
University of Northern Iowa	\$2.5 million	\$2.3 million

Room and board rates for a double occupancy 20 meal-per-week room during 1991-92 and 1992-93 at each university are:

	1991-92	1992-93	Percent Change
University of Iowa	\$2,982	\$3,148	5.6%
Iowa State University	\$2,850	\$3,044	6.8%
University of Northern Iowa	\$2,442	\$2,620	7.3%

The University of Iowa continues to maintain room and board rates that are the lowest of those in Big Ten universities in 1992-93. Iowa State University ranks fifth in the Big Eight conference, above the University of Kansas (\$3,080), the University of Nebraska (\$2,915), and Kansas State University (\$2,840). The University of Northern Iowa charges rates that rank it the lowest in Missouri Valley conference schools.

The three major components of the residence systems account for these amounts and percentages of revenue:

Residence Halls:	\$28,577,837	43.2% of revenue
Apartments:	\$6,896,287	10.4% of revenue
Dining Services:	\$26,528,574	40.1% of revenue

Expenditures before debt service and other mandatory transfers totaled \$53.9 million, the same as in fiscal year 1991.

Debt service payments the last two years were:

	Fiscal Year 1991		Fiscal Year 1992	
	Amount	% of Revenue	Amount	% of Revenue
University of Iowa	\$2,013,835	8.9%	\$2,018,335	8.8%
Iowa State University	\$1,465,060	5.2%	\$1,456,180	5.1%
University of Northern Iowa	\$ 775,250	5.5%	\$1,051,143	7.3%

Regent residence system net revenue totaled \$6.3 million after expenditures, debt service, and mandatory transfers, an increase of 16 percent over fiscal year 1991. Net revenue at each institution was

	Fiscal Year 1991		Fiscal Year 1992	
	Amount	% of Revenue	Amount	% of Revenue
University of Iowa	\$1,746,948	7.8%	\$2,900,469	12.6%
Iowa State University	\$3,008,200	10.6%	\$2,862,027	10.0%
University of Northern Iowa	\$ 725,588	5.1%	\$ 567,131	3.9%

Voluntary residence system reserves for all Regent institutions in fiscal year 1992 were \$18.0 million: \$8.6 million at the University of Iowa, \$5.6 million at Iowa State University, and \$3.8 million at the University of Northern Iowa.

Average revenue per meal increased 7.9 percent at the University of Iowa, 5.9 percent at Iowa State University, and 1.0 percent at the University of Northern Iowa.

Total meals served in fiscal year 1992 were 6.2 million, a 4.6 percent decline from fiscal year 1991. The following table shows average revenue, average cost, and net revenue per meal each of the last fiscal years.

	Fiscal Year 1991			Fiscal Year 1992		
	Revenue	Cost	Net Revenue	Revenue	Cost	Net Revenue
University of Iowa	\$4.44	\$3.45	\$0.99	\$4.79	\$3.34	\$1.45
Iowa State Univ.	\$3.87	\$3.39	\$0.48	\$4.10	\$3.56	\$0.54
Univ. Northern Iowa	\$4.05	\$3.81	\$0.24	\$4.05	\$3.84	\$0.25

### Ten Year Plans

Demand for university housing is projected on the basis of enrollment trends. Most significant are the projections for lower division enrollment since far higher percentages of freshmen and sophomores use university housing.

#### University of Iowa

University of Iowa officials project enrollment declines in 1993-94 and 1994-95, slight growth in 1995-96 and stable enrollments from 1995-96 through 1997-98. Starting in 1998-99, it projects increasing enrollments (approximately a 500 student increase in three of those years) until 2002-2003.

University of Iowa officials project enrollment of lower division students to grow at a faster pace than total enrollment. Total residence hall and apartment occupancy is expected to remain stable at close to 100 percent over this entire period and some measures to control or match demand may have to be implemented.

University of Iowa officials project a demand exceeding capacity of at least 500 students starting in 1997 which will necessitate limiting access, returning to heavy use of triple rooms, or building additional facilities.

#### Iowa State University

Iowa State University officials project stable enrollments from 1993-94 through 1994-95. Starting in 1995-96, enrollments are expected to increase each year until 2001-2002 (growth of 155 through 365 students each year).

Projections for lower division undergraduates show three years of decline and seven years of increases.

Because of the trends in lower division enrollment, total occupancy is expected to increase only slightly each year (approximately 25-50 students) until 1999-2000 and to decline slightly until 2002-2003.

Iowa State University officials project that slowly increasing student demand over the next decade will result in a reconversion of some singles to their original design capacity as doubles. No new construction is expected to be needed.

University of Northern Iowa

University of Northern Iowa officials project modest enrollment increases each year until 2001-2002. In 2002-2003, university officials expect enrollment to decline slightly.

Lower division undergraduate enrollment is expected to remain stable through fall 1993, to increase by about 300 students in fall 1994, and to remain fairly stable until fall 1998 when it will increase by about 200 students. In fall 1999 lower division students are expected to remain fairly stable in numbers until 2002-2003.

Total university housing occupancy is expected to increase slightly in 1993-94 and to increase by 404 students when a new residence hall is completed in 1994-95. Stable occupancy rates are predicted until 2002-2003.

University of Northern Iowa officials expect residence hall occupancy to be at design capacity during the next decade. Anticipated increases in lower division enrollment in fall 1994 will accord with completion of a new dormitory and thus make possible continuing full capacity occupancy rates.

Vice President Nathan stated that the University of Iowa Director of Residence Halls was present if the Regents had questions.

Vice President Follon stated that University of Northern Iowa's Director of Residence was also present to answer questions. She then stated that a great deal of the success of the residence system is credited to the staff of the university. The Director of Residence has been quite successful in the last 20 years. She credited a great deal of the quality of the University of Northern Iowa's residence system to their Director of Residence.

Regent Berenstein referred to the information provided by Iowa State University officials concerning Pammel Court. Of the 180 units to be eliminated, 150 replacement units will be provided.

Director Frederiksen responded that it is just a plan at this time. University officials are assessing the availability of apartments within the community. The university started with over 500 Pammel Court apartments and have only replaced 256. They have not replaced as many apartments. He believes the community has responded to the university's housing needs. University officials communicate with the local rental property board.

University officials believe the present plan will be an adequate number for the next 10 years.

President Pomerantz pointed out that residence hall occupancy increased by 17 students at the University of Iowa, declined by 109 students at Iowa State University, and decreased by 444 students at the University of Northern Iowa from fall 1991 to fall 1992. He said the University of Northern Iowa decrease was particularly noteworthy. He said he assumed that decrease was part of the university's plan and university officials were not concerned about it.

Director Frederiksen responded that Iowa State University officials had mentioned in the narrative that the drop of 109 directly related to the drop in lower division enrollments.

Director Elmer responded that the University of Northern Iowa's occupancy decline related to a decline in enrollments as well as some of the public information about a cap on enrollment and the residence system's extreme overcrowding. They have been able to reduce the amount of tripling in double rooms. The residence system is back at near capacity and the new dormitory building is scheduled to open next January.

Vice President Nathan noted that despite the decline in students, the University of Iowa experienced an increase in residence hall occupancy. He said this reflected a very effective program on the part of George Droll and his colleagues. He asked to publicly acknowledge the effective work they do.

Regent Tyrrell asked if Daum Hall is still in use. Vice President Nathan responded that it was almost full.

President Curris referred to information indicating that University of Northern Iowa's residence hall system was at 99.2 percent capacity during fall 1992. The decline from 109 percent occupancy in fall 1991 allowed them to eliminate tripling. He then stated that university officials were assured by the contractors that the new residence facility project will be finished on time (January 1994). He noted that they would not get the kind of occupancy in the middle of the school year as they expect to at the beginning.

**ACTION:**

President Pomerantz stated the Board, by general consent, received (1) the annual residence system report for fiscal year 1992 and (2) the residence system ten-year plan for the years 1993-94 through 2002-2003.

**PROPOSED RESIDENCE SYSTEM RATES.** The Board Office recommended the Board (1) give preliminary consideration to the proposed rates for residence halls, apartments, and dining contracts at the three Regent universities, (2) receive the preliminary residence system budgets for 1993-94 subject to further review and action when university operating budgets are presented for 1993-94, (3) approve the University of Iowa transfer of \$3,336,000 from the Dormitory Surplus Fund to the Dormitory Improvement Fund, and (4) approve the Iowa State University transfer of \$750,000 from the Dormitory Surplus Fund to the Dormitory Improvement Fund.

Officials of each university proposed rate increases for residence halls, apartments, and board contracts for fiscal year 1994. The proposed rates for double occupancy rooms with 20 meal-per-week board contracts are as follows:

University	1992-93 Rate	Proposed 1993-94 Rate	\$ Incr.	% Incr.
University of Iowa	\$3,148	\$3,266	\$118	3.7%
Iowa State University	\$3,044	\$3,104	\$ 60	2.0%
University of Northern Iowa	\$2,620	\$2,777	\$157	6.0%

Rate increases for family apartments average 3.8 percent at the University of Iowa, range from 2.5 percent to 9.1 percent at Iowa State University, and are 6.0 percent at the University of Northern Iowa.

Students at all three universities have been consulted and have had an opportunity to comment on the proposed rate increases.

All universities have made certain assumptions regarding inflationary cost increases as follows:

- \* The University of Iowa assumes increases of 3.8 percent for payroll, 4.5 percent for utilities, 3.0 percent for food costs, and 0-4 percent for miscellaneous other expenses.
- \* Iowa State University projects salaries, wages, and benefits for various categories of employees to grow from 3.0 percent to 4.8 percent, food costs to increase 3.0 percent, repair and maintenance to increase 5.0 percent, utilities to cost 4.0 percent more, and other operating expenses to increase from 1.0 percent to 3.5 percent.
- \* The University of Northern Iowa assumes that salaries and wages will increase 2.2 percent and that there will be no price increases in other categories of expenditures or that any price increases will be offset by other operating efficiencies.

All universities have made assumptions that 1993-94 occupancy rates will vary only slightly from 1992-93 actual occupancy.

Projected net revenues for 1993-94 after debt service and mandatory transfers are deducted are \$2.5 million at the University of Iowa, \$2.4 million at Iowa State University, and \$190,000 at the University of Northern Iowa.

University of Iowa officials requested \$3,360,000 and Iowa State University officials requested \$750,000 be moved from their respective Dormitory Surplus Funds to their Dormitory Improvement Funds. Both transfers are needed to fund necessary repairs and improvements, and are permissible by the terms of each university's bond covenants.

Mr. Richey stated that the proposed increase in residence system rates combined with a relatively modest tuition increase of 5 percent for next year will help ensure access, assuming student aid remains at the same level.

MOTION:

Regent Williams moved to (1) give preliminary consideration to the proposed rates for residence halls, apartments, and dining contracts at the three Regent universities, (2) receive the preliminary residence system budgets for 1993-94 subject to further review and action when university operating budgets are presented for 1993-94, (3) approve the University of Iowa transfer of \$3,336,000 from the Dormitory Surplus Fund to the Dormitory Improvement Fund, and (4) approve the Iowa State University transfer of \$750,000 from the Dormitory Surplus Fund to the Dormitory Improvement Fund. Regent Hendricks seconded the motion. MOTION CARRIED UNANIMOUSLY.

**PROGRESS REPORT ON COOPERATIVE PURCHASING.** The Board Office recommended the Board receive a report on interinstitutional implementation of recommendations from MGT, Inc., on cooperative purchasing.

The MGT report on purchasing efficiencies before the Board in September 1992, recommended that the Board require increased purchasing cooperation and coordination among its institutions.

The ad hoc Priority Study Committee on Purchasing, on November 18, 1992, directed the institutions to actively examine joint-purchasing opportunities and develop a plan for joint purchasing.

Joint purchasing arrangements in the areas of hazardous wastes, household moving, Canon copier supplies, and hospital exam supplies are being completed. Two universities can "piggyback" purchases onto the third university's contract, until existing contracts expire and a new Regent-wide contract is bid.

In three other areas - computers, laboratory supplies, and central stores items - specific vendors have been identified to be queried to find specific items where volume or discounts can be received through joint purchasing agreements. Additional items for potential joint purchasing are under active investigation.

MOTION: Regent Berenstein moved to receive a report on interinstitutional implementation of recommendations from MGT, Inc., on cooperative purchasing. Regent Furgerson seconded the motion.

Regent Hendricks referred to the statement in the docket memorandum that the universities buy personal computers and resell them to faculty members. She said that because of the Iowa Gift Law, computer vendors in the state no longer are allowed to give the Cedar Rapids school district an educational discount. She said the university's practice appears to be a conflict of interest with a commercial vendor.

President Pomerantz asked that Mark Shantz research the issue of whether there is a potential gift involved if the university buys discounted computers and sells those to the faculty.

VOTE ON THE MOTION: MOTION CARRIED UNANIMOUSLY.

**REVISIONS TO THE BOARD OF REGENTS PROCEDURAL GUIDE.** The Board Office recommended the Board receive proposed revisions to Procedural Guide and docket for final consideration in April.

The Procedural Guide undergoes review and revision in the spring of each year.

Actions of the Board on policies and procedures are incorporated into the Procedural Guide.

The process also includes review of policies and practices omissions which should be included.

Updates and revisions to the Regents Procedural Guide were being prepared for the April Board meeting.

**ACTION:** President Pomerantz stated the Board received proposed revisions to Procedural Guide and docketed for final consideration in April, by general consent.

**BOARD OFFICE PERSONNEL TRANSACTIONS.** The Board Office reported there were no transactions this month on its Register of Personnel Transactions.

**EMPLOYEE APPEAL.** The Board Office recommended that the Board affirm the decision of the President of Iowa State University and deny the grievance on the basis of the record.

This was an appeal of an institutional decision to deny an employee's grievance against the employee's supervisor and department head. The appeal was reviewed by the Attorney General's Office, and it was recommended that the appeal be denied based on the record of the proceedings before the final appeal body of the institution.

**MOTION:** Regent Berenstein moved to affirm the decision of the President of Iowa State University and deny the grievance on the basis of the record.

President Pomerantz asked for a second to the motion. He received none.

Regent Williams stated that the Regents received the docket material on Monday. The material was extensive and detailed, and some of the Regents had not had sufficient time to review the material.

**WITHDRAWAL OF MOTION:** Regent Berenstein withdrew his motion.

**MOTION:** Regent Berenstein moved to table this docket item until next month. Regent Williams seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**STUDENT APPEAL.** The Board Office recommended the Board reaffirm Iowa State University's decision to dismiss a student for academic reasons.

A student at Iowa State University appealed a decision of the university to dismiss her from enrollment at the university. The appeal was reviewed by the Board Office and by the Attorney General's Office, and it was recommended that the student's appeal be denied.

The student had failed to meet the academic standards of the college and by college policy was dismissed from future enrollment.

**MOTION:** Regent Hendricks moved to table this docket item until next month. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Regent Williams said she had a problem with the whole situation of the late arrival of the docket books. She agreed they had to defer on the two appeals but was concerned that the individuals had been waiting a long time already and would have to wait another month. She hoped it would not happen again.

**AFFILIATED ORGANIZATION REPORTS.** The Board Office recommended the Board (1) receive reports on affiliated organizations and (2) approve revision in Procedural Guide policy to require submission to the Board Office and docketing of an annual report from each organization within six months of the end of the organization's fiscal year. Irregularities or significant issues should be brought to the attention of the Board immediately.

Affiliated organizations on each of the Regent campuses provide annual reports to the Board of Regents. The affiliated organizations have varied activities and interests, which are described below.

#### UNIVERSITY OF IOWA ORGANIZATIONS

The University of Iowa Research Foundation is a free-standing nonprofit corporation established in 1975 to manage inventions and intellectual property created at the university. The Research Foundation selectively obtains patent or copyright protection for University of Iowa inventions or discoveries, and licenses these inventions to business and industry.

The audit by McGladrey & Pullen reported revenue of \$.727 million and operating and interest expense of \$.733 million in FY 1992. Expenses exceeded revenue by \$6,467. Income from royalties has grown from \$387,489 in FY 1989 to \$492,931 in FY 1992. During the same time period, royalty expenses and patent costs increased from \$200,699 to \$519,394. These categories account for 80-90 percent of operating revenues and expenses.

The University of Iowa Alumni Association was organized in 1967 as a not-for-profit corporation and is the principal agency through which University of Iowa students continue their identity with the university following graduation.

Among current Alumni projects are Alumni Scholars Awards and the Career Information Network, which offers current students opportunities to work and correspond with alumni who are engaged in a variety of professions

nationwide. Membership has increased by over 4,000 members in the past five years.

The Association reported revenues of \$1.6 million and expenses of \$1.6 million. Revenue exceeded expenses by \$17,108. Association income annually exceeded expenses between FY 1988 and FY 1990 by over \$200,000. In FY 1991, income exceeded expenses by \$45,129 and in FY 1992 by \$17,108.

The purposes of the University of Iowa Measurement Research Foundation are to advance knowledge in educational testing, to enrich the training of research workers in this field, and to support the development of measuring instruments of potential value to school personnel.

The Foundation achieves its purposes through research grants, support of test development projects of the Iowa Testing Programs, subsidies to enrich the University of Iowa graduate program in measurement, and support for activities which disseminate research findings.

Since 1971 the Foundation has contributed approximately \$5.6 million to projects and programs of the University of Iowa. The total does not cover the funds contributed to cover construction costs and art work of the original unit of the Lindquist Center.

The Measurement Research Foundation reports total income of \$1 million and expenses of \$.5 million for net income of \$.5 million for FY 1992. Net worth of the Measurement Research Foundation has grown from \$7.9 million in FY 1988 to \$9.0 million in FY 1992.

#### IOWA STATE UNIVERSITY ORGANIZATIONS

The purpose of the Iowa State University Foundation is to aid the university by generating private financial support for programs and projects for which public tax funds are not available.

The Foundations's capital campaign effort, the Partnership for Prominence, surpassed its \$150 million goal in June 1992--a full year early. The goal has been increased by \$35 million to be reached by June 30, 1993.

For the year ending June 30, 1992, current Foundation revenues of \$21.7 million exceeded expenses by \$12.8 million, or by 40 percent. Over the five-year period, expenses have grown slightly and income more dramatically.

Deloitte Touche reports a combined fund balance--Current, Endowment, and Annuity Funds--on June 30, 1991, of \$69.5 million and on June 30, 1992, of \$86.9 million.

The Iowa State University Memorial Union, incorporated as a nonprofit organization in 1922, was one of the first 100 unions in the U.S. Its mission is to function as a "University Community Center."

On an average school day, some 18,000 persons used the Union facilities. Within FY 1992, approximately 8,100 rooms were scheduled for meetings, various events and activities serving 350,000 patrons.

The audit by Deloitte & Touche reported revenues of \$4.1 million from operations and interest and a \$1.1 million allocation from General University funds based on enrollment. Expenditures totaled \$4.6 million for an excess of revenues over expenses of \$.6 million for the year ending June 30, 1992.

Over the past three years, revenues and expenditures have remained steady. Fund balances on June 30, 1992, were \$1.8 million (operating) and \$4.7 million (capital). On June 30, 1991, balances were \$.7 million (operating) and \$4.4 million (capital).

The Iowa 4-H Foundation serves as a resource development body to provide financial assistance for 4-H and youth programs for which tax moneys are insufficient or not eligible.

The financial statement for the 4-H Foundation for FY 1992, compiled by Reinmund & Company, lists net income for the year ended August 31, 1992, of \$128,055. The fund balance was \$1.5 million on September 1, 1991, and \$1.6 million on August 31, 1992. In the past five years, resources raised for the 4-H program have nearly doubled.

The Iowa State University Alumni Association provides a wide range of services for Iowa State University alumni and friends. Programs are planned to increase public awareness and understanding of the university and to provide involvement opportunities.

A network of 636 alumni made 5,890 contacts with prospective students through personal meetings, telephone calls, letters, college fairs, and special events. A total of 5,004 students eventually enrolled at Iowa State University.

The financial statement from Deloitte & Touche for FY 1992 reports that operating revenues of \$1.2 million were exceeded by expenses of \$1.4 million. A transfer of \$247,608 from the Endowment Fund covered the shortfall.

The Endowment Fund balance at June 30, 1991, was \$1.0 million compared with a balance on June 30, 1992, of \$1.1 million. Since 1988, revenues have doubled while expenses have increased by approximately 80 percent. Deficits

GENERAL  
March 17, 1993

covered by transfers from the Endowment Fund have ranged from a low of \$11,000 in 1991 to a high of \$334,000 in 1989.

Iowa State University officials provided the following additional information at the Board meeting:

The ISU Alumni Association has two forms of membership -- life and annual. Each year's annual membership dues are placed in the Association's operating account; each year's life membership dues are placed in the endowment fund.

At the end of each fiscal year, a transfer of funds from the endowment fund is made to the operating account in order to have a balanced budget. At no time, however, is a transfer made from the endowment fund to the operating account that exceeds the amount of life membership income received in that particular year.

For example, in fiscal year '92, approximately \$340,000 in life membership dues were received; approximately \$248,000 from the endowment account were transferred to the operating account; the balance was used to increase the size of the endowment fund.

Association bylaws require that a balance in the endowment fund be at least \$550,000. The balance at the end of fiscal 1992 was in excess of \$1.1 million. Currently the Association, in cooperation with the ISU Foundation, is in the early stages of conducting a vigorous fund raising campaign to increase the size of its endowment.

The purpose of the Iowa State University Press is to print student publications and publish books of merit in the subject matter fields of Iowa State University, as well as regional works concerned with the culture and history of the Midwest.

Since 1934, the Press has published about 1,445 titles, and currently publishes 45 new titles per year.

Net book sales of \$2.7 million in the current fiscal year are distributed throughout the U.S. and in 80 foreign countries as well.

The audit of financial reports by Richard Tallman shows revenue of \$2.7 million from book publishing less \$1.8 million cost of sales. Operating expenses totaled \$1.5 million for a net deficiency of \$.7 million from operations.

A write-down of obsolete or damaged inventory is included in book publishing cost of sales of \$740,587 for FY 1992. The amount reduced revenue by half of that reported in FY 1991.

The new Director of the Press indicated that the Press is in the process of reorganization and is preparing a three-year business plan.

The Iowa State University Research Foundation is a nonprofit corporation organized in 1938 to provide a way of obtaining and promoting patents, copyrights, and trademarks developed by faculty, staff, and students at the university.

The legal ownership and management of Iowa State University's intellectual property is the function of the Iowa State University Research Foundation.

Income from patent royalties increased by over \$5 million from 1991 to 1992. The Foundation has been vigorously pursuing licensing of companies manufacturing machines using FAX technology covered by a Foundation patent.

Jacobsen, Flood, Gegner & Company audited the financial statements and reported 1992 revenues at \$7.5 million and expenses at \$5.6 million for a net operating gain for the year of \$1.9 million. Over a five-year period, revenues have grown from \$.6 million in 1988 to \$7.5 million in 1992, while expenditures have increased from \$.7 million to \$5.5 million.

The Stanton Memorial Carillon Foundation was incorporated on December 31, 1954, to preserve, improve, and further the advancement of the carillon at Iowa State University.

The campanile was built in 1899 to house a chime of 10 bells given to the school by Professor Edgar Stanton in memory of his wife, Margaret, Iowa State University's first dean of women.

The treasurer's report for the year ending March 31, 1992, lists disbursements of \$3,111; revenues of \$5,377 from earnings, gifts, and record sales; and a balance in the treasury of \$96,288. There is not a separate audit report for the Stanton Memorial Carillon Foundation as their funds are managed by the Iowa State University Foundation and incorporated within their audits.

#### UNIVERSITY OF NORTHERN IOWA ORGANIZATIONS

The University of Northern Iowa Alumni Association is a primary avenue of communication between the university and its graduates.

Alumni assist the university with financial support for scholarships, facilities, and cultural activities for which state funds are not available. The Office of Alumni Relations now services the records of more than 71,256 alumni and friends.

The General Fund Budget Performance Report for the year ending June 30, 1992, lists support and revenues of \$97,500 and expenditures of \$94,806, for

a cash balance of \$2,694. Revenues and expenses have increased apace for four of the last five years. In FY 1990, one-time expenditures relating to addition of staff resulted in a 36 percent increase in expenses which exceeded revenues by \$40,000.

Mr. Richey discussed the supplemental item provided by Iowa State University officials which he said indicated that the Alumni Association is self supporting.

**MOTION:** Regent Berenstein moved to (1) receive reports on affiliated organizations and (2) approve revision in Procedural Guide policy to require submission to the Board Office and docketing of an annual report from each organization within six months of the end of the organization's fiscal year. Irregularities or significant issues should be brought to the attention of the Board immediately. Regent Williams seconded the motion. MOTION CARRIED UNANIMOUSLY.

**CONSENT ITEMS.**

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

Receive the report on the Board Office budget;

Receive the Next Meetings Schedule; and

Refer the University of Iowa proposed name change in the Ph.D. degree in Applied Mathematical Sciences to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

MOTION CARRIED UNANIMOUSLY.

**VENDORS WITH CONFLICT OF INTEREST.** The Board Office recommended the Board (1) approve the request of the University of Iowa to add the name of Thompkins Lawn Care to the list of approved vendors with a conflict of interest and (2) approve the request of the University of Northern Iowa to add the name of Craft Cochran Athletics, Inc., to the list of approved vendors with a conflict of interest.

University of Iowa officials requested that the name of Thompkins Lawn Care be added to the list of approved vendors with a conflict of interest. They wish to consider a bid for lawn maintenance work for the Department of Residence Services from Thompkins Lawn Care whose owner, Richard E. Thompkins, Jr., is employed full time by the University of Iowa Physical Plant - Campus Shop as a tree trimmer under the direction of the Grounds Maintenance Supervisor. Mr. Thompkins states in his letter that the Physical Plant Department does not maintain any of the areas in the Department of Residence Systems and that he is not in a position that makes or influences any purchasing decision, especially affecting the department contracting out this work. The lawn maintenance work for the Department of Residence Services is contracted out and awarded from competitive bids.

University of Northern Iowa officials wish to purchase sporting goods and equipment from Craft Cochran Athletics, whose owner is Keith Sandvold. His wife, Louise Sandvold, is employed at the University of Northern Iowa as a secretary in the Department of Curriculum and Instruction, but she is not involved in the ownership of the business nor does she have any influence in the selling of the products of Craft Cochran Athletics.

University of Iowa officials and University of Northern Iowa officials reported that abuses of the rules are avoided by strict scrutiny of proposed purchases from vendors on this list.

MOTION: Regent Johnson-Matthews moved to approve the request of the University of Iowa to add the name of Thompkins Lawn Care to the 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, Fitzgibbon, Furgerson, Johnson-Matthews, Pomerantz, Tyrrell, Williams.  
NAY: Hendricks.  
ABSENT: Dorr.

MOTION CARRIED.

MOTION: Regent Williams moved to approve the request of the University of Northern Iowa to add the name of Craft Cochran Athletics, Inc., to the list of approved vendors with a conflict of interest. Regent Fitzgibbon seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz,

Tyrrell, Williams.  
NAY: None.  
ABSENT: Dorr.

MOTION CARRIED.

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

The Board Office budget was adjusted by the Board last month to authorize additional reimbursements for the facilities function in the Board Office. Current budget projections for the remainder of the fiscal year are in line with estimates and available resources.

ACTION: This report was received by consent.

**REPORT ON THE IOWA COLLEGE STUDENT AID COMMISSION MEETING.** The Board Office recommended the Board receive an oral report.

Mr. Richey stated that the Iowa College Student Aid Commission met yesterday and changed some of its due diligence requirements. The commission members discussed President Clinton's proposal for a national direct student loan program to supplant the guaranteed student loan program. He said the direct loan institutions place great responsibility on the universities. There is no indication yet how that will work.

Regent Fitzgibbon stated that the Iowa Student Loan Liquidity Board members had heard that Iowa's Regent university presidents are opposed to direct loans. It was Regent Fitzgibbon's understanding that the direct loan program has worked very well.

President Jischke clarified that he had not said he was in favor or opposed to direct loans. If the university were asked to administer such a program, he would be very concerned about being given adequate resources. However, Iowa State University officials have not taken a stand.

President Rawlings stated that University of Iowa officials had not taken a position, either.

President Curris stated that he endorsed the concept circulating in Washington to trial the program to see what the outcomes are.

Regent Fitzgibbon asked if university officials had a problem with the current student loan program. President Jischke responded that there was an inadequate amount of financial aid available for students today.

Regent Fitzgibbon said it seemed to him that the current student loan program was a fairly strong program. If there is something wrong with it they should find out what is wrong. He said the Iowa Student Loan Liquidity Board members yesterday directed their interim director to work with the director of the Iowa College Student Aid Commission to come back to the board with a report soon. This is a very important issue to this state.

President Jischke said there are many uncertainties. There is a belief that the direct loan program would reduce overhead costs.

Regent Fitzgibbon suggested the presidents of the independent colleges, community colleges and Regent universities should meet and discuss the matter.

President Jischke said they have had discussions but have not taken a position. He noted that Iowa State University's students are in favor of the direct loan program.

Regent Fitzgibbon encouraged university officials to come up with the best program they can for the students of this state.

President Pomerantz said the Board of Regents cannot take any action at this point. He was not sure the federal government had yet proposed a plan.

Regent Fitzgibbon suggested they present a united front with what they think is best for Iowa students.

Regent Williams said the Regents do not represent the universities. President Pomerantz said the universities would represent themselves.

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

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

April 21-22	University of Northern Iowa	Cedar Falls
May 19-20	Iowa State University	Ames
June 16-17	University of Northern Iowa	Cedar Falls
July 21-22	University of Iowa	Iowa City
September 22-23	Iowa State University	Ames
October 20-21	University of Northern Iowa	Cedar Falls
November 17-18	Iowa School for the Deaf	Council Bluffs
December 15-16	University of Iowa	Iowa City
January 19, 1994	Telephonic	
February 16-17	To be determined	Des Moines
March 16-17	Iowa State University	Ames
April 20-21	University of Northern Iowa	Cedar Falls

GENERAL  
March 17, 1993

ACTION:                   The Next Meetings Schedule was received by consent.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, March 17, 1993.

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

Register of Personnel Changes for January 1993 and

In accordance with the Code of Iowa, Chapter 262.13, the commissioning of Mitchell F. Jones and Gary Lee Shipley as special security officers. Both men have successfully completed training at the Iowa Law Enforcement Academy.

MOTION: Regent Williams moved to ratify personnel transactions, as presented. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

**ACADEMIC PROGRAM REVIEWS.** The Board Office recommended the Board (1) receive the reports on academic program reviews at the University of Iowa for 1991-92 and (2) encourage the university to complete its efforts to strengthen the program reviews.

University of Iowa officials submitted its report on academic program reviews for 1991-92. This is a separate but not unrelated effort from the review of programs and services previously reported to the Board.

The university's procedures for review are generally good but do need to be strengthened and to be consistently followed (e.g., not all address stipulated criteria and procedures).

Vice President Nathan has already taken steps at the university to strengthen reviews and ensure that they are consistently of high quality and produce information useful for academic decision-making.

This year summary reports were presented on six programs and in-depth reports were submitted on five programs.

All programs scheduled for review have been reviewed.

The summary reports include: School Psychology (previously reported to the Board as an accreditation), School of Library Science, School of Religion,

Hospital and Health Administration, Department of Microbiology and the Department of Radiology.

The in-depth reports all relate to the College of Engineering programs.

The Colleges of Business, Pharmacy, Nursing, and Law did not have a single one of their programs reviewed this year because all combine the university reviews with accreditation, which may not take place for periods as long as nine years. The practices of Business, Pharmacy, Nursing and Law Colleges are questionable because of the qualitative and other changes that can take place in a program in just a few years. These schedules are contrary to university policy, which is consistent with general practice in higher education that the reviews " . . . shall be carried out at least every seven years."

Accreditation reviews, while generally useful, do not routinely address the question of the need for a program or whether a program should be continued. Accreditation actions need to be supplemented by other procedures to ensure the comprehensive review of all programs. One review of a program, for example, never mentions the undergraduate program, a priority of the Board of Regents.

The university should instruct its academic units to address the Regents' strategic planning goals and the institution's strategic plan during the course of reviews of academic programs.

Vice President Nathan said university officials agree that some of the academic program reviews are superb and some are not. They all need to be superb. University officials agree with the Board Office that they need to work to strengthen the reviews, and they plan to do so.

**ACTION:** President Pomerantz stated the Board received the reports on academic program reviews at the University of Iowa for 1991-92 and encouraged the university to complete its efforts to strengthen the program reviews, by general consent.

**PROFESSIONAL AND SCIENTIFIC CLASSIFICATION.** The Board Office recommended that the Board approve the revised description for the position of Director of Hospital Staff Relations and Development at a change in pay grade assignment from pay grade 14 (\$44,220 - \$77,335) to pay grade 16 (\$51,760 - \$90,535).

This position was last reviewed in July 1985. The responsibilities of the position have expanded as services provided by the office have increased to meet the needs of a growing staff and regulatory complexities.

Increased activities include the development and provision of supervisory and other training programs, the development and maintenance of a human resource management information system, and the development and interpretation of protocols concerning various regulations and legislation.

The proposed pay grade assignment is based on the point count evaluation of the position, and funds to implement the change are available from existing resources.

**MOTION:** Regent Hendricks moved to approve the revised description for the position of Director of Hospital Staff Relations and Development at a change in pay grade assignment from pay grade 14 (\$44,220 - \$77,335) to pay grade 16 (\$51,760 - \$90,535). Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**NAME CHANGE - PH.D. IN APPLIED MATHEMATICAL AND COMPUTATIONAL SCIENCES.** The Board Office recommended the Board refer the request for name change to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The proposed name change will identify the emerging area of computational services and recognize faculty strengths. The new title will improve program recognition for prospective students.

University officials reported that there are no new programs or significant costs associated with the proposed name change.

**ACTION:** This matter was referred by consent.

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

#### PROJECT DESCRIPTIONS AND BUDGETS

University officials submitted three new projects for approval by the Board.

Van Allen Hall--Repair Exterior, Replace Roof \$889,800  
Source of Funds: 74th General Assembly Bonding Authorization

Preliminary Budget

Construction	\$ 744,250
Design, Inspection and Administration	
A/E Services	64,150
Consultants	7,000
Contingencies	<u>74,400</u>
TOTAL	<u>\$ 889,800</u>

University officials requested approval of a project description and budget for this project which will provide necessary repairs to the Van Allen Hall exterior. This will include repairs to the pre-cast concrete panels and masonry, and replacement of the roof on the seven story portion of the building.

Panel repairs will include the replacement of sealant, windows, doors, and control joints, as well as cleaning and repairs to panel surfaces and edges, resurfacing of the steel window lintels, and replacement of the pre-cast concrete parapet panels with metal panels. Masonry repairs, including the repair of structural fractures and the replacement of spalled brick, will be carried out on the accelerator portion of the building. This project will also include replacement of the existing roof with new insulation, roof membrane, drains and concrete pavers.

Kinnick Stadium--Masonry Restoration--Phase II \$411,000  
Source of Funds: Athletic Ticket Revenues

Preliminary Budget

Construction	\$ 328,000
Design, Inspection and Administration	
Consultants	45,626
A/E Services	4,574
Contingencies	<u>32,800</u>
TOTAL	<u>\$ 411,000</u>

University officials requested approval of a project description and budget for this project which will provide general repairs to the east and west stands of Kinnick Stadium.

In December 1991 university officials retained the firm of Shive-Hattery Engineers and Architects to determine the extent and the causes of masonry deterioration in Kinnick Stadium. This study was also conducted to define a program to repair or replace deteriorated masonry units and perform necessary preventive maintenance. The study included the east, west, and north bleachers, and the south end zone service buildings.

The completed report recommends a series of annual maintenance projects to repair deteriorated areas of the building and to prevent future decline. Phase I work was completed in the fall of 1992, with the exception of brick replacement in the north end zone stands, which will be completed early this summer.

The current project comprises the second phase of the masonry restoration program and will be extended over the 1993 and 1994 construction seasons. Work scheduled for 1993 will provide for general repairs to the east stands. Work will include the replacement of spalled brick, the recaulking of vertical relief joints, repairs to window heads, waterproofing, parapets, and entrances, and the cutting of new expansion joints. Work scheduled for 1994 will carry out similar repairs in the west stands. The resurfacing of the expansion joints in the east and west stands will be bid as an alternate.

Medical Laboratories--HVAC and Building Upgrade--Phase II \$280,000  
Source of Funds: Income from Treasurer's Temporary Investments

Preliminary Budget

Construction	\$ 224,850
Design, Inspection and Administration	
A/E Services	27,800
Consultants	4,850
Contingencies	<u>22,500</u>
TOTAL	<u>\$ 280,000</u>

University officials requested approval of a project description and budget for this project which will introduce chilled water into the Medical Laboratories facility to relieve the demand for additional mechanical equipment.

In September 1992 university officials received permission to proceed with project planning for general improvements to the Medical Laboratories, including window replacement, utilities improvements, and HVAC improvements. This project is the second of a series of projects to accomplish these building improvements.

The building is not presently equipped with central air conditioning, which is an essential requirement of both laboratories and animal care facilities. Accordingly, many window air conditioners have been installed and major remodeling projects have required the installation of small, dedicated package air conditioning systems. The continued reliance on small air conditioning equipment is inefficient and creates high operating and maintenance costs. This project will continue the efforts begun in Phase I

to relieve the demand for additional mechanical equipment by introducing chilled water from the university's central chilled water facility on the west campus. This will eliminate the need for additional new dedicated cooling systems for individual remodeling projects and permit replacement of old and aging chiller equipment at a reduced cost. With the introduction of central chilled water, it will be possible to initiate efficient air conditioning of major portions of the building.

\* \* \* \* \*

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

\* \* \* \* \*

#### ARCHITECT/ENGINEER AGREEMENTS

University Hospitals and Clinics--Development of Overhead Patient, Visitor and Staff Walkways Linking the Pappajohn Pavilion to the Eye Institute and Final Phase Facility  
Hansen Lind Meyer, Inc., Iowa City, Iowa

University officials requested approval of the selection of Hansen Lind Meyer to provide design services for this project. The University of Iowa Architectural Selection Committee recommended Hansen Lind Meyer as project architect, and university officials requested permission to negotiate an agreement with the firm for architectural services for this project.

#### Amendments:

Iowa Advanced Technology Laboratories \$6,000  
Herbert Lewis Kruse Blunck, Des Moines, Iowa

University officials requested approval of Amendment No. 7 in the amount of \$6,000 to the agreement with Herbert Lewis Kruse Blunck for this project. The amendment will provide for additional work required for changes to the contract documents for furnishings.

Amendment No. 7 will not result in an increase in the total project budget.

University Hospitals and Clinics--Mechanical Head-End Equipment Installation \$5,189  
Hansen Lind Meyer, Inc., Iowa City, Iowa

#### CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Completion of Main Entrance Lobby Shell \$601,728  
McComas-Lacina Construction Company, Inc., Iowa City, Iowa  
(5 bids received)

Quadrangle--Renovate Rest Rooms \$501,000  
Unzeitig Construction Company, Cedar Rapids, Iowa  
(4 bids received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Development of Eye Institute Add 51,528.83  
McComas-Lacina Construction Company, Inc., Iowa City, Iowa

University officials requested approval of Change Order No. 4 to the agreement with McComas-Lacina Construction Company for an additional \$51,528.83 for this project.

Change Order No. 4 involves additional excavation, caisson revisions, concrete structural walls, floor revisions and additions. These changes will allow the lowering of the mezzanine floor to increase the floor-to-ceiling height by three feet. The additional height is necessary to accommodate curbing and the raised computer floor necessary for telecommunications and other computer equipment that will eventually be installed on this level. The mezzanine level is considered optimal for these future computer facilities since it is below grade, contains no exterior windows, and is above the lowest building level. This change is in accord with the project scope and will be accomplished within the established construction budget.

John Pappajohn Business Administration Building Deduct \$34,139.76  
Mid-America Construction Company of Iowa, Iowa City, Iowa

University officials requested approval of deduct Change Order No. 17 in the amount of \$34,139.76 to the agreement with Mid-America Construction Company for this project.

A cash allowance of \$157,000 was included in the project specifications for the cost of fixed auditorium seating in Rooms W10 and W151. The actual cost for this portion of the project is \$122,860.24. Change Order No. 17 allows for the deduction of the difference between the estimated cost and the actual cost, \$34,139.76.

Medical Education Building--Construct Undergraduate Teaching Laboratory Deduct \$50,900  
Merit Construction Company, Cedar Rapids, Iowa

University officials requested approval of deduct Change Order No. 1 in the amount of \$50,900 to the agreement with Merit Construction Company for this project.

This change order will delete Add Alternate No. 1 from the construction contract. Alternate No. 1 provided for the purchase and installation of a new sterilizer. The College of Medicine has acquired a used sterilizer from the University of Iowa Hospitals and Clinics to take the place of the new unit specified in Add Alternate No. 1.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Dental Science Building--Replace Roof  
Maintenance Associates Corporation, Marion, Iowa

Storm and Sanitary Utility Improvements--West Campus  
Hurst and Sons Contractors, Inc., Waterloo, Iowa

Hospital Emergency Drive Realignment  
Metro Pavers, Inc., Iowa City, Iowa

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

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

With BIO-RESEARCH PRODUCTS, INC., for its use of approximately 800 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus for a six-month period commencing April 1, 1993, through September 30, 1993, at the rate of \$800 per month.

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

MOTION CARRIED.

PROPOSED AMENDMENTS TO OAKDALE RESEARCH PARK AGREEMENTS AND CONSTRUCTION OF CENTER FOR BIOCATALYSIS AND BIOPROCESSING. The Board Office recommended the

Board (1) receive information pertaining to an amendment to the Oakdale Research Park land lease between the University of Iowa Research Park Corporation ("Research Park") and CPMI-CRE Coralville Venture ("CPMI") which will allow the Research Park the option to purchase property from CPMI, (2) authorize an amendment to the Oakdale Research Park lease agreement between the Board of Regents and CPMI for an additional 15,000 square feet of space and extension of the lease agreement to a 15-year term beginning April 1, 1993, and (3) authorize the university to proceed with planning and to negotiate an agreement for architectural services for the Oakdale Research Park--Multi-Tenant Facility--Center for Biocatalysis and Bioprocessing project.

Amendment to Oakdale Research Park Land Lease

Parties involved: Research Park and CPMI.

Purpose: To include the option for the Research Park to purchase the property from CPMI within a period of 30 months at a fixed price of \$5 million.

Amendment to Oakdale Research Park Building Lease

Parties involved: CPMI and Board of Regents.

Purpose: To expand the leased space from 33,000 square feet to 48,000 square feet (to include Pods 1, 2 and 3) and extend the lease agreement to a 15-year term beginning April 1, 1993.

Financing

Parties involved: CPMI and Firststar Bank of Des Moines.

Mechanism: 15-year mortgage at variable rate (initially at approximately 6 percent) made by Firststar to CPMI; assumable by the Research Park upon exercise of purchase option. After amortization of the mortgage, ownership would revert to the Board of Regents.

Authorization to Proceed with Planning and Negotiate Architectural Agreement for Construction of Center for Biocatalysis and Bioprocessing

Parties involved: University of Iowa and Herbert Lewis Kruse Blunck, Architects.

Purpose: Construction of undeveloped space within Pod 3 of the Multi-Tenant Facility for use by the College of Medicine.

The agreements were reviewed by the Attorney General's Office.

MOTION:

Regent Fitzgibbon moved to (1) receive information pertaining to an amendment to the Oakdale Research Park land lease between the University of Iowa Research Park Corporation ("Research Park") and CPMI-CRE Coralville Venture ("CPMI") which will allow the Research Park the option to purchase property from CPMI, (2) authorize an amendment to the Oakdale Research Park lease agreement between the Board of Regents and CPMI for an additional 15,000 square feet of space and extension of the lease agreement to a 15-year term beginning April 1, 1993, and (3) authorize the university to proceed with planning and to negotiate an agreement for architectural services for the Oakdale Research Park--Multi-Tenant Facility--Center for Biocatalysis and Bioprocessing project. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz, Tyrrell, Williams.

NAY: None.

ABSENT: Dorr.

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

## IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, March 17, 1993.

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

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

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

**ACADEMIC PROGRAM REVIEWS.** The Board Office recommended the Board (1) receive the reports on academic program reviews for 1991-92 and (2) request that the university pursue its planned assessment this spring of the program review policy and procedures and seek ways to strengthen the actual reviews under the university's policy.

Iowa State University officials reported on its academic program reviews for 1991-92.

The university report includes information on 11 reviews - 3 that are in progress, 3 that are provided in a summary report, and 5 that are reported in a somewhat more in-depth manner.

Three programs reviewed are still in progress. These include Agricultural Education and Studies, Agricultural and Biosystems Engineering, and Foreign Language and Literature.

Three reviews were reported in a summary manner. These include American Indian Studies, Chemistry, and Women's Studies. Five studies were reported in somewhat more depth. These include the reviews of the Department of English, the Department of Geological and Atmospheric Sciences, the Department of Journalism, the Department of Philosophy, and the Department of Statistics.

Combining program reviews with accreditation in a way that results in a comprehensive review is difficult at best. In the case of the Journalism program, it appears that the accreditation evaluation was undertaken at the expense of the university's own program review process--since the program review report is almost identical with the report on accreditation. Board

Office staff understood that the university will be decoupling most reviews from accreditation in the future.

The university's policies and procedures are not consistently followed in the reviews. For example, the university states that "the program review process should focus on improvements that can be made using resources that currently are available to the program" yet a number of the reviews focus almost exclusively on the need for new resources (i.e., teaching assistants, more faculty, better facilities and equipment, etc.)

Provost Kozak thanked Director Barak for his assistance given in moving forward with this effort.

**MOTION:** Regent Furgerson moved to (1) receive the reports on academic program reviews for 1991-92 and (2) request that the university pursue its planned assessment this spring of the program review policy and procedures and seek ways to strengthen the actual reviews under the university's policy. Regent Berenstein seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**RECOGNITION OF CONTRIBUTION OF ROY AND BOBBI REIMAN.** The Board Office recommended the Board adopt the following resolution honoring Roy and Bobbi Reiman.

Iowa State University officials brought to the attention of the Board of Regents the generous contribution of Roy and Bobbi Reiman, who donated \$1.3 million to Iowa State University for the creation of the Reiman Horticultural Gardens. The Reimans are long-time supporters of Iowa State University and have been most generous with the university. A resolution of the Board, honoring them, was recommended.

**BE IT RESOLVED:** That the State Board of Regents extends to Roy and Bobbi Reiman its thanks and appreciation for the continuing support of Iowa State University, and for their generous donation which will create the Reiman Horticultural Gardens on the campus of Iowa State University and provide a living laboratory of exceeding beauty for the enhancement of the environment.

**MOTION:** Regent Furgerson moved to adopt the resolution honoring Roy and Bobbi Reiman, as presented. Regent Fitzgibbon seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Regent Tyrrell asked if other people have been so honored. President Pomerantz responded that the initiative comes from the university and may not be based on the amount of money contributed.

**APPOINTMENT OF A VICE PRESIDENT.** The Board Office recommended that the Board approve the appointment of REID W. CRAWFORD as Vice President for External Affairs effective March 18, 1993, at an annual salary of \$110,000.

Mr. Crawford has served as Interim Vice President for External Affairs since July 1991, supervising the activities of the Department of Intercollegiate Athletics, Iowa State University Foundation, Iowa State Alumni Association and University Relations. He previously served as university legal advisor and executive assistant to the president.

Mr. Crawford received a bachelors degree in Political Science from Iowa State University and his J.D. from the Drake Law School.

MOTION: Regent Fitzgibbon moved to approve the appointment of REID W. CRAWFORD as Vice President for External Affairs effective March 18, 1993, at an annual salary of \$110,000. Regent Hendricks seconded the motion. MOTION CARRIED UNANIMOUSLY.

**REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.** The Board Office recommended that the capital register for Iowa State University be approved.

#### PROJECT DESCRIPTIONS AND BUDGETS

University officials submitted two revised budgets for Board approval.

#### College of Veterinary Medicine--Laboratory Animal Facilities Improvements

January 1991 Budget \$230,500  
Revised Budget \$291,275

Project Budget

	Budget Approved <u>Jan. 1991</u>	Revised Budget <u>March 1993</u>
Construction	\$ 162,080	\$ 209,511
Purchase Order Contracts	0	5,606
Design Services	20,800	20,616
Construction Administration	18,900	15,009
University Services	2,500	1,497
Miscellaneous	1,000	505
Fixed Equipment	0	24,437
Building Automation	0	14,094
Project Reserve	<u>25,220</u>	<u>0</u>
TOTAL	\$ 230,500	\$ 291,275
Source of Funds:		
National Institute of Health Grant	\$ 115,250	\$ 145,637
Income from Treasurer's Temporary Investments	<u>115,250</u>	<u>145,638</u>
TOTAL	\$ 230,500	\$ 291,275

University officials requested approval of a revised budget for this project in the amount of \$291,275, which is an increase of \$60,775 over the budget approved in January 1991. At that time, the budget was reduced from \$450,000 to \$230,500, the result of the receipt of favorable bids for the construction contract for this project.

The current budget increase is needed to accommodate additional fixed equipment and changes in the floor surfacing required for the completion of the facility. The increase is funded equally by the National Institute of Health Grant and Income from Treasurer's Temporary Investments. These expenditures represent the final activity for this project which is also included in this capital register as a final report.

Utilities--Heating Plant--Turbine Generator #3 Overhaul

Source of Funds: Utility Repairs

Original Budget \$300,000  
Revised Budget \$750,000

Project Budget

	Original Budget <u>Sept. 1991</u>	Revised Budget <u>March 1993</u>
Contracts	\$ 245,000	
Purchase Order Contracts	0	\$ 660,000
Design Services	5,000	5,000
University Services	20,000	35,000
Project Reserve	<u>30,000</u>	<u>50,000</u>
 TOTAL	 \$ 300,000	 \$ 750,000

University officials requested approval of a revised budget in the amount of \$750,000 which is an increase of \$450,000 over the initial project budget approved in September 1991.

Subsequent to approval of the project budget, the manufacturer disassembled, inspected and tested the generator. The manufacturer found extensive wear and damage to the unit which will require the repair and/or replacement of major rotating and stationary assemblies.

The last major overhaul on this unit was completed in 1986. Major overhauls on this type of equipment are normally scheduled every five to six years according to industry and insurance company standards. This overhaul was delayed approximately one year because of funding deficiencies. These repairs are extensive but will restore the unit to safe and reliable service. The current replacement cost for a turbine generator of this size is approximately \$7 million to \$8 million.

\* \* \* \* \*

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

\* \* \* \* \*

ARCHITECT/ENGINEER AGREEMENTS

Gilman Hall--North Wing--Replace HVAC System \$100,000  
 KJWW Engineering, Rock Island, Illinois/Des Moines, Iowa

University officials requested approval of an agreement with KJWW Engineering to provide design services for this project which will correct the heating, ventilation and air conditioning system in the north wing of the building.

The university is able to obtain funding at this time for the design phase only. Additional funding sources for the construction portion of the project have yet to be determined. University officials requested approval to enter into this agreement in order to proceed with design of the project at this time.

The agreement provides for a fee of \$100,000, including reimbursables.

#### CONSTRUCTION CONTRACTS

Willow and Wilson Halls--Facade Improvements \$250,186  
Award to: Mid-Continental Restoration, Fort Scott, KS  
(3 bids received)

#### ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Utilities--Increased Chilled Water Capacity--Phase I--  
Mechanical Package No. 7  
Manning-Seivert Mechanical Contractors, Inc., Granger, Iowa

#### FINAL REPORTS

College of Veterinary Medicine--Laboratory Animal Facilities  
Improvements \$291,274.82

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

**APPROVAL OF LEASES.** The Board Office recommended the Board approve the following leases:

With COHRON INVESTMENT COMPANY for the university's use of 1,900 square feet of office space located at 900 East Seventh, Atlantic, Iowa, for the Southwest Iowa Area Extension Office effective April 1, 1993, through June 30, 1996, at the rate of \$950 per month; and

With the CITY OF AMES for an extension of the university's firm power and energy agreement in the amount of \$4.04 per kilowatt, 7 megawatts, for the period commencing June 1, 1993, through June 1, 1994.

MOTION: Regent Hendricks moved to approve leases, as presented. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Fitzgibbon, Furgerson, Hendricks, Johnson-Matthews, Pomerantz,

Tyrrell, Williams.  
NAY: None.  
ABSENT: Dorr.

MOTION CARRIED UNANIMOUSLY.

**TELECOMMUNICATIONS SURPLUS FUND TRANSFER.** The Board Office recommended the Board approve the transfer of \$350,000 from the Telecommunications Surplus Fund to the Improvement and Extension Fund.

In 1985 bonds were issued for the Telecommunications System at Iowa State University. Section 3.6 of the bond resolutions creates a surplus fund which shall receive funds available after all other required deposits have been made.

The authorized uses of the surplus fund are to pay the costs of constructing, acquiring, repairing, maintaining and improving the Telecommunications System.

The university's expanding voice, data, and video telecommunication needs require the additional purchase and installation of switchgear, terminal equipment, bridges, routers, concentrators, voice mail and cable.

As of June 30, 1992, the surplus fund had a balance in excess of \$5.5 million.

University officials requested \$350,000 of the surplus fund balance be transferred to the Improvement and Extension Fund.

Board approval is required by the bond resolution for a transfer from the surplus fund to the Improvement and Extension Fund.

These funds will allow completion of the project in an orderly fashion while maintaining an appropriate balance in the surplus fund.

Mr. Richey said the surplus fund balance is covered by the bond covenant and remains with that enterprise. University officials do have plans for the funds.

MOTION:

Regent Furgerson moved to approve the transfer of \$350,000 from the Telecommunications Surplus Fund to the Improvement and Extension Fund. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

## UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, March 17, 1993.

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

Register of Personnel Changes for February 1993 which included promotion and tenure actions.

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

**ACADEMIC PROGRAM REVIEWS.** The Board Office recommended the Board receive the report on academic program reviews at the University of Northern Iowa in 1991-92.

University of Northern Iowa officials reported the results of academic program reviews at the university during 1991-92. All programs scheduled to be reviewed on the master calendar were reviewed.

Six program areas were reviewed representing programs from each of the university's five collegiate units except the College of Natural Sciences where no programs were scheduled to be reviewed in 1991-92.

The university's report was in compliance with Board procedures as contained in Section 6.05(B) of the Board of Regents Procedural Guide.

University officials provided summary reviews for six programs as well as in-depth reviews for all six programs.

The report included a calendar of reviews indicating the programs to be reviewed through 1997-98. All programs are scheduled to be reviewed in a seven-year cycle.

All reviews are well documented and consistent with university procedures and policies for review, to the extent that was possible to verify.

Assistant Vice President Strathe expressed appreciation for the kind words of the Board Office. She said the academic program reviews had been a very helpful process.

ACTION: President Pomerantz stated the Board received the report on academic program reviews at the University of Northern Iowa in 1991-92, by general consent.

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

PROJECT DESCRIPTIONS AND BUDGETS

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

\* \* \* \* \*

ARCHITECT/ENGINEER AGREEMENTS

Center for Energy and Environmental Education \$1,091  
Wells Woodburn O'Neil, Des Moines, Iowa

CONSTRUCTION CONTRACTS

Electrical Distribution System Improvements--Phase II

Award to: Esco Electric Company, Marion, Iowa \$157,928.00  
(7 bids received)

Award to: Terry-Durin Company, Cedar Rapids, Iowa \$65,280.00  
(4 bids received)

McCollum Science Hall HVAC--Phase I \$121,000.00

Award to: ACI Mechanical Corporation, Ames, Iowa  
(4 bids received)

Seerley Hall Equipment \$137,289.82

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Campbell Dining Center--HVAC System \$313,069.90

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

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

President Curris stated that the University of Northern Iowa student government had just held its elections. He introduced the newly-elected president of the student body, Keith Saunders.

President Curris stated that the University of Northern Iowa is hosting the April 1993 Board of Regents meeting. He said that on the Tuesday evening prior to the Board meeting the university would be hosting the annual recognition of distinguished faculty.

## IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, March 17, 1993.

**RATIFICATION OF PERSONNEL TRANSACTIONS.** The Board Office stated the Register of Personnel Changes had not been received in the Board Office and would be reported in April.

**REQUEST FOR APPROVAL OF SCHOOL CALENDAR FOR SCHOOL YEAR 1993-1994.** The Board Office recommended the Board approve the Iowa School for the Deaf school calendar for 1993-94 school year.

State law requires common schools to meet for at least 180 student/teacher contact days. The proposed 1993-94 calendar meets this standard.

The proposed calendar provides for 9 days in addition to the 180 days for in-service faculty development. The same number of in-service days has been set aside in previous years.

The Iowa School for the Deaf Faculty Senate was consulted in determining the most appropriate calendar and supports adoption of the proposed school year calendar.

**MOTION:**

Regent Furgerson moved to approve the Iowa School for the Deaf school calendar for 1993-94 school year. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Pomerantz then asked Board members and institutional officials if there were additional items for discussion pertaining to the Iowa School for the Deaf. There were none.

## IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, March 17, 1993.

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

Register of Personnel Changes for the period January 31, 1993, through February 27, 1993.

**MOTION:** Regent Williams moved to approve personnel transactions, as presented. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**REPORT ON PROGRAMS AND SERVICES.** The Board Office recommended the Board (1) receive the status report on programs and services at Iowa Braille and Sight Saving School and (2) request that the school continue to search for ways to improve its effectiveness and efficiency.

This report represents the last of a current round of reports on the review of programs and services. Iowa Braille and Sight Saving School officials provided an update on past accomplishments including elimination of the weekend residential program, continued review of the privatization of support services, and reductions in support staff.

New initiatives at the school include fund-raising activities, computer automation, professional support to visually-impaired children in public schools, and student work experience activities.

**MOTION:** Regent Furgerson moved to (1) receive the status report on programs and services at Iowa Braille and Sight Saving School and (2) request that the school continue to search for ways to improve its effectiveness and efficiency. Regent Berenstein seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

**APPROVE THE AMENDED STUDENT/STAFF RELATIONS POLICY.** The Board Office recommended the Board approve the proposed revision in the Staff/Student Relations Policy at the Iowa Braille and Sight Saving School, effective immediately.

Iowa Braille and Sight Saving School officials reviewed school policy on transportation in private vehicles and student visits to staff members' homes, and recommended that new controls be established.

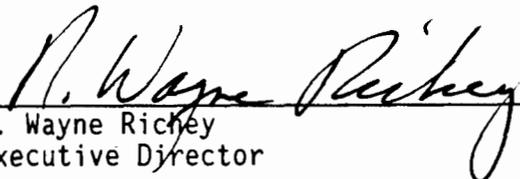
The new policy would permit the transportation of students in private vehicles only in cases of emergency. The new policy would permit student visits to staff member's homes only with parental and school permission, and proper supervision.

**MOTION:**

Regent Berenstein moved to approve the proposed revision in the Staff/Student Relations Policy at the Iowa Braille and Sight Saving School, effective immediately. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

**ADJOURNMENT.** The meeting of the State Board of Regents adjourned at 3:02 p.m., on Wednesday, March 17, 1993.

  
R. Wayne Richey  
Executive Director