

The State Board of Regents met on Wednesday, May 19, 1993, at Iowa State University, Ames, Iowa. The following were in attendance:

	<u>May 19</u>
<u>Members of State Board of Regents</u>	
Mr. Berenstein, President	All sessions
Mr. Dorr	All sessions
Ms. Furgerson	All sessions
Mrs. Hendricks	All sessions
Mrs. Johnson-Matthews	All sessions
Mr. Newlin	All sessions
Mrs. Pellett	All sessions
Dr. Tyrrell	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
Associate Director Rasmussen	All sessions
Compliance Officer Maxwell	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
General Counsel Schantz	All sessions
Legislative Counsel Stork	All sessions
Director Yerington	All sessions
<u>Iowa State University</u>	
President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Associate to the President Adams	All sessions
Treasurer Thompson	All sessions
Executive Assistant to the President Mack	All sessions
Assistant to President Bradley	All sessions
Director Jensen	All sessions
<u>University of Northern Iowa</u>	
President Curris	All sessions
Provost Marlin	All sessions
Vice President Conner	All sessions
Executive Ass't. to President Stinchfield	All sessions
Assistant to President Geadelman	All sessions
Director Chilcott	All sessions
<u>Iowa School for the Deaf</u>	
Superintendent Johnson	All sessions
Business Manager Nelson	All sessions
Interpreter Cool	All sessions
Interpreter Reese	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, May 19, 1993.

President Berenstein welcomed everyone to his first meeting as President of the Board of Regents. He asked that he be forgiven in advance for any faux pas along the way; they will learn together.

President Berenstein introduced the 2 new Regents: Nancy Pellett and Owen Newlin. He noted that one new Regent had not been appointed but that he hoped the new member would be on board soon.

APPROVAL OF MINUTES OF BOARD MEETINGS, APRIL 21 AND MAY 1, 1993. The Board Office recommended the Board approve the Minutes, as mailed.

President Berenstein asked for corrections, if any.

MOTION: Regent Tyrrell moved to approve the Minutes of the April 21 and May 1, 1993, meetings, as mailed. Regent Johnson-Matthews seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Adoption of Rule Relating to Community College Credits Required. The Board Office recommended the Board (1) give preliminary approval to the revised version of the proposed change in section 681-1.3(1) of the Iowa Administrative Code regarding the number of credit hours from a two-year college that can be applied toward a bachelor's degree from a Regent university, and (2) request the proposed change be reviewed by the Articulation Subcommittee of the Iowa Coordinating Council for Post-High School Education.

Per the Board's discussion at the April Board meeting, the Regents Committee on Educational Relations revised the proposal to change the policy and administrative rule on the applicability of two-year college credits to a Regent bachelor's degree.

The current policy is stated in the second paragraph of section 681-1.3(1) of the Iowa Administrative Code as follows:

"Transfer credit from a two-year college will not reduce the minimum number of credit hours required for a baccalaureate degree if that credit is earned after the total number of credit hours accumulated by the student at all institutions attended exceeds one half of the number of credit hours required for that degree."

The original change in policy proposed in April would have replaced the paragraph in section 681-1.3(1) with the following:

"Of the course work earned at a two-year college, students may apply up to, but no more than, one-half the credits required for a bachelor's degree toward that degree at a Regent university."

A revised version was now proposed (changes underlined):

"Of the course work earned at a two-year college, students may apply up to one-half, but no more than 65 hours of the credits required for a bachelor's degree toward that degree at a Regent university."

The policy currently in use places two restrictions on the applicability of two-year college credits to Regent bachelor's degrees:

- (1) No more than 1/2 the total credits required for a Regent bachelor's degree can be from two-year colleges; and
- (2) Once a student has earned 1/2 of the total credits needed for the bachelor's degree, no credit from a two-year college can be applied, even if none of the credit earned up to that point was from a two-year college.

The April proposal would have lifted the restriction on accepting two-year college credits after 1/2 of the total credits needed for the bachelor's degree have been earned, but retain the limit on total two-year college credits at 1/2 of the total needed for a bachelor's degree.

The change would allow juniors and seniors to take general education courses and course work to strengthen basic skills (e.g., writing and mathematics) at community colleges without delaying graduation.

The change was suggested by faculty at the Regent universities because of misunderstandings and difficulties that have occurred under the current policy.

In April, the Board noted that some Regent bachelor degrees extend beyond four years and that leaving the two-year college credit limit at 1/2 of the total could encourage two-year colleges to offer upper division courses and/or encourage students to take more than two years of course work at two-year colleges.

The revised proposal addresses the concerns raised by the Board by limiting total two-year college credits to an absolute maximum of 65 credit hours.

The Board Office did not recommend the adoption of a policy that would limit acceptance of two-year college credits to "lower division" credits for the following reasons:

- (1) There is no clear agreement as to which subject matter should be classified lower division and which should be upper division.
- (2) It is important for students to have as much flexibility as possible in fulfilling degree requirements.
- (3) Concerns over taking upper division courses at two-year colleges are adequately met through existing articulation agreements, course equivalency reviews, and residency requirements.

Preliminary Board approval is the first step in the administrative rules process; the Board Office will submit the required Notice of Intended Action and bring the proposal back to the Board for final approval after all required steps in the administrative rules process have been completed.

Provost Marlin stated that at last month's meeting the Regents had identified two concerns about this proposed rule change. The revision provided this month would address the issue of extended programs and the issue of upper and lower division courses. The revised proposal places an absolute limit of 65 credit hours on the number of two-year college credits applicable to a Regent bachelor's degree. Limiting acceptance of two-year college credits to "lower division" credits was not recommended because of the lack of agreement on classifying subject matter as lower or upper division, the need to maintain student flexibility in fulfilling degree requirements, and the existence of other agreements and regulations that effectively control the taking of upper division courses at two-year colleges.

Regent Dorr asked if the proposal as presented today adequately addressed the concerns. Provost Marlin responded that the rule revision is in the students' best interest. She said from that respect it helps articulation between the sectors.

MOTION:

Regent Hendricks moved to (1) give preliminary approval to the revised version of the proposed change in section 681-1.3(1) of the Iowa Administrative Code regarding the number of credit hours from a two-year college that can be applied toward a bachelor's degree from a Regent university, and (2) request the proposed change be reviewed by the Articulation Subcommittee of

the Iowa Coordinating Council for Post-High School Education. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Evaluation of the Southwest Iowa Regents Resource Center. The Board Office recommended the Board (1) receive the report on the Southwest Iowa Regents Resource Center, (2) recommend that the Regent universities work with the Iowa School for the Deaf and/or other entities to complete the hook-up of the fiber-optic line to appropriate classrooms to put the Southwest Iowa Regents Resource Center on line with the Iowa Communications Network, and (3) request completion of the evaluation of the Southwest Iowa Regents Resource Center following one year of operation after the Center has been able to utilize the Iowa Communications Network.

At the request of the Board of Regents, the State Extension and Continuing Education Council developed a report on the Southwest Iowa Regents Resource Center which is currently located at the Iowa School for the Deaf.

The Southwest Iowa Regents Resource Center was established as a pilot project to begin implementation of the Regents Strategic Plan for Off-Campus Credit Programming approved by the Board of Regents in 1990.

The Center was intended to be a coordinator and promoter of off-campus activities in southwest Iowa of the three Regent universities in such areas as credit and non-credit course offerings and information dissemination.

This Center is unique in that it is set up to make maximum use of the Iowa Communications Network (ICN) and have a broader mission, including a Regent university information function.

The Center has not yet been fully implemented due to the delays in establishing the Iowa Communications Network. The Center nonetheless has been active in accomplishing several of its objectives, including the coordination of various courses and other university activities.

President Berenstein recognized Von Pittman, Associate Dean of Credit Programs at the University of Iowa, who prepared the report for the State Extension and Continuing Education Council.

Associate Dean Pittman stated that he was joined by Glen Hansen, Dean of Continuing Education at Iowa State University, and Kathleen Stinehart, Director of Continuing Education at Iowa State University. He discussed the evaluation report submitted by the State Extension and Continuing Education Council as well as the Regents' strategic plan for statewide off-campus programming.

President Berenstein asked if the State Extension and Continuing Education Council members found there was any duplication with the Tri-State Center. Associate Dean Pittman stated that he believes it is a complementary situation. Most of the delivery of educational programs through the Southwest Iowa Center will be based on the Iowa Communications Network. He said it would be good to have both communities participating. There will need to be sites and facilities that could be used in both communities. He did not see any conflict or duplication. He stated that the Council Bluffs center complements the Quad Cities center even though they are in geographically diverse areas. They are dealing with this not necessarily as a western Iowa issue but as an Iowa issue. If there are small groups of very specialized professionals in one of the sub specialties of special education, for example, instead of having people come to a central site, they can deal with that in communities as geographically diverse as Dubuque and Council Bluffs.

Director Stinehart stated that studies conducted by the State Extension and Continuing Education Council have shown that most adult students will not drive more than 50 miles to a class. Therefore, until there are sites that are 45 or less miles apart, there will not be duplication.

Associate Dean Pittman stated that Jeanne Trachta, the director of the center, was present to answer questions.

Ms. Trachta referred to the report which indicated that enrollments come primarily from the geographic area served by the Southwest Iowa Resource Center.

Regent Dorr stated that if the Iowa Communications Network is as interactive as he believed it was supposed to be, then the community colleges, area education agencies, K-12 districts and private colleges would all have the ability to be hooked up to it. He asked about the potential issue of duplication of facilities in terms of program development and delivery. Could a student go into any local high school and attend a class delivered over the ICN?

Associate Dean Pittman responded that various disciplines demand various kinds of local support. Nursing would be one such discipline; engineering would tend to be less so. The State Extension and Continuing Education Council has found that some on-site coordination would be needed. The Southwest Iowa center would relieve Council Bluffs and other sites of the necessity to raise large classes of people in order to justify a course or program, i.e., a critical mass could be formed by combining students in Council Bluffs, Sioux City, Des Moines, Dubuque and other places. He said the final MGT report, which was accepted by the Board of Regents, rejected the idea of establishing a free-standing graduate center and instead recommended setting up this resource center with the idea that it should be, among other things, a terminus and a prototype for the delivery of programs and courses by the Iowa

Communications Network. This resource center will be part of the evolution once they have the ICN tested.

Regent Dorr asked if the evaluation would look at whether or not the center concept itself is valid. Associate Dean Pittman said that would be his preference.

Superintendent Johnson stated that every month individuals from all 34 school districts in the area served by the Southwest Iowa Resource Center have meetings for the purpose of coordination. They also break into smaller groups to focus on what they are asking these people to provide. He emphasized that they are all working together.

Associate Dean Pittman referred to the combination of functions of the center. He said the center also serves as a source for information about the Regent universities for people interested in sending their children to Regent universities. He emphasized that the local input is very important.

MOTION:

Regent Furgerson moved to (1) receive the report on the Southwest Iowa Regents Resource Center, (2) recommend that the Regent universities work with the Iowa School for the Deaf and/or other entities to complete the hook-up of the fiber-optic line to appropriate classrooms to put the Southwest Iowa Regents Resource Center on line with the Iowa Communications Network, and (3) request completion of the evaluation of the Southwest Iowa Regents Resource Center following one year of operation after the Center has been able to utilize the Iowa Communications Network. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) American Indian and Native Studies Program at Iowa State University. The Board Office recommended the Board approve the establishment of a minor program in American Indian and Native Studies at the University of Iowa.

The proposed minor program in American Indian and Native Studies is one aspect of a request by the Iowa Council on American Indians that the Board received last fall. Other aspects of the request included a request for tuition remission and the establishment of an American Indian Ambassador.

Last month, the Board denied the request for tuition remission and approved the establishment of an American Indian Coordinator.

It is estimated that 5-10 students will participate in the program over the next 5 years.

The cost of implementation over the next 3 years is expected to range from \$3,100 to \$5,000 per year and will be met by reallocating funds within the College of Liberal Arts.

Vice President Nathan noted that the proposed minor was in the process of formation well before the Board of Regents considered the 3 matters regarding Native American curriculum issues. He said it has been in the process of being established for several years.

President Berenstein questioned the statement in the docket memorandum that an estimated 5 to 10 students will participate in the program each year. Vice President Nathan responded that he would be surprised if the participation is that small. He hoped the enrollment would be 3 to 5 times the numbers referred to by the Board Office in 5 years.

President Berenstein asked for the anticipated increased cost. Vice President Nathan responded that there would be very little cost increase since most of the courses are currently offered. Eventually there may be the development of a major.

Regent Johnson-Matthews asked if students participating in the program would have available to them a certificate and a minor. Vice President Nathan responded affirmatively, stating that the minor requires fewer courses than does the certificate.

MOTION: Regent Furgerson moved to approve the establishment of a minor program in American Indian and Native Studies at the University of Iowa. Regent Johnson-Matthews seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ENVIRONMENTAL ASSESSMENT FOR STRATEGIC PLANNING. The Board Office recommended the Board receive the progress report on environmental assessment for Regents strategic planning.

The Board of Regents strategic planning process includes continual informal assessment of factors and trends affecting higher education and special education. As significant changes in the assessment occur, plans are updated and revised.

On an annual or biannual basis the Board Office and Regent institutions conduct a more formal assessment of the environment affecting them. The Board Office assessments take a broad view of the environment and the individual Regent institutions a more focused perspective.

The Board Office has recently prepared and distributed to Regent universities a draft higher education environmental assessment. Based on suggestions and

comments from the universities, a revised report will be presented to the Board of Regents at its June meeting.

The higher education environmental assessment covers key data and trends in five areas:

- * Demographics
- * Educational and Related Conditions
- * Economic and Fiscal Factors
- * Legal and Regulatory Environment
- * Technology

In developing the report, the Board Office consulted with planning officials at each university to prepare the general outline of topics.

The special schools during the coming year are undertaking a thorough environmental assessment. The special schools' assessments include personal interviews with 1) parents, faculty, and administrators from the Area Education Agencies, 2) regional and national leaders in special education, 3) federal officials in the Office of Special Education and Rehabilitation Services, and 4) federal legislative leaders.

The Board Office is working with schools' officials to prepare a formal report on their assessment efforts when complete. This report will be presented to the Board of Regents in May 1994.

In June the Board of Regents will receive presentations from the three universities on strategic planning progress. In July the Board will receive presentations from each of the special schools.

During May and early June members of the Board of Regents and institutional heads will be surveyed to determine their opinions on the existing Regent goals.

During the coming academic year planning seminars will be held at each Regent institution in conjunction with regularly scheduled Board meetings at those institutions as follows:

September 22-23	Iowa State University
October 20-21	University of Northern Iowa
November 17-18	Iowa School for the Deaf
December 15-16	University of Iowa
April 21-22	Iowa Braille and Sight Saving School

Mr. Richey stated that the Regents would be receiving a survey concerning strategic planning goals. He said they should feel free to add anything they felt should be included that was not. Strategic planning will be a major item starting in June and lasting throughout the year.

b) a list of any other sources of income if the source produces more than \$1000 per year in gross income. The sources of income may be listed under the following categories, or by other categories as may be established by rule:

- (1) Securities
- (2) Instruments of financial institutions
- (3) Trusts
- (4) Real estate
- (5) Retirement systems
- (6) Other income categories specified in state and federal income tax regulation

It is not clear whether income from stocks, for example, could be listed in aggregate or whether the disclosure would have to include income from specific stocks. Presumably, this would be addressed by rule.

Each executive department or independent agency shall adopt rules pursuant to chapter 17A to implement the requirements of the disclosure provisions. These rules will specify the time and manner for the filing of financial statements.

In the senate amendment, there is a new section designed to ensure public access to disclosure statements. This appears to apply only to those filed by candidates and elected officials, however.

No legislation was passed regarding the Iowa Telecommunication Network, centralized collections, the Midwest Higher Education Compact, or student employees.

More detailed analyses will be presented when the enrolled bills are available.

Mr. Richey stated that the Governor has until June 20 to sign bills. So far he has seen no items in any of the bills for which the Regents should ask the Governor to consider a veto. He said matters of concern that came up during the legislative session were handled at the appropriate level which is probably a first in at least a quarter of a century. That, he said, is an indication of just how well the Regents' legislative liaisons worked with the General Assembly.

With regard to appropriations, Mr. Richey stated that a revised table was distributed to the Regents that morning. One unknown at this time is the allocation by the Department of Management for salary increases for fiscal year 1994. He said that information would not be known until May 28. The Board Office may do some work with the institutions based on projected figures in order to proceed with budget planning. He said the Board Office has been unable to determine any minimum amount.

Mr. Richey referred to the ethics legislation and said the lobbyist language was improved during the session. With regard to the financial disclosure aspect of the ethics legislation, he said the language is still in generic terms. Until the ethics commission is formed and has filed its rules through the administrative process, the final requirements are unknown.

President Berenstein suggested that after the rules are adopted it would be a good idea for each of the Regents to use the same reporting form. He asked that Messrs. Schantz and Crawford prepare some kind of standard reporting form.

ACTION: President Berenstein stated the Board received the report on legislative activities, by general consent.

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board (a) approve Signature Guarantee Policy and (b) receive reports on current Banking Committee items.

Regent Hendricks asked to first address the three items that the Banking Committee recommended for Board action.

MOTION: Regent Hendricks moved to adopt a Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$7,440,000 Academic Building Revenue Bonds, Series U.N.I. 1993. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

MOTION: Regent Hendricks moved to approve the Iowa State University master lease financing of the Veterinary Medicine HVAC Renovation Project. Regent Tyrrell seconded the motion. **MOTION CARRIED WITH REGENT BERENSTEIN ABSTAINING.**

MOTION: Regent Hendricks moved to approve the signature guarantee policy. Regent Dorr seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

Regent Hendricks referred to the special schools' assessment and emphasized the importance of discussions with officials from the Iowa Department of Education's special education division. She said there has to be a close working relationship.

ACTION: President Berenstein stated the Board received the progress report on environmental assessment for Regents strategic planning, by general consent.

REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board receive the report on legislative activities.

The 75th General Assembly completed its first year of the session on the morning of May 2, 1993. The Governor has until June 1 to review legislation passed by the General Assembly in the last three days of the session.

The legislature passed a number of bills that impacted Board of Regents' appropriations, Board of Regents' policies and institutional policies.

The appropriations for all budget units under the control of the Board of Regents for fiscal year 1994 total \$525,030,458 and are contained in SF 233 (Education Appropriation Bill), SF 227 (Economic Development Appropriation Bill), and HF 623 (Agriculture/Natural Resources Appropriation Bill).

The appropriation in fiscal year 1994 for the Regent institutions--excluding tuition replacement, the Board Office, and Graduate Centers--is \$500,341,735. This represents an increase of \$3.4 million over the fiscal year 1993 appropriation, excluding an estimated additional \$12.5 to \$13.0 million for salary increases. Including the salary estimate, the increase is about \$16 million or 3.3 percent for the institutions.

Tuition replacement appropriations total \$23,608,580 for FY 1994.

The Board Office and institutions have identified the following items in SF 233 (Education Appropriation Bill):

- * Requires quarterly reporting of all institutional reimbursements to the Board Office for such services as presidential searches and interinstitutional studies.
- * The Board Office budget was cut \$20,000 from the Governor's recommendation, and stands at \$1,073,283 (excluding salary increases).
- * Requires that the Board expend annually on resolution of fire safety and deferred maintenance deficiencies at least the amount budgeted for these

purposes in FY 1993, in addition to state appropriations provided for these purposes.

The issues identified are under review.

SF 422 (Fiscal Year 1994 Salary Bill) provides funding for salary increases for State and Regent employees for fiscal year 1994. The bill funds increases for employees under negotiated collective bargaining contracts and similar increases for comparable non-contract employees. The amount to be allocated to Regent institutions has not been determined yet. Estimates range from \$12.5 million to \$13.0 million.

SF 227 (Economic Development Appropriation Bill) contains the following appropriations for Regent institutions:

State University of Iowa Advanced Drug Development	\$ 490,000
Iowa State University Institute for Physical Research and Technology	\$3,215,000
Iowa State University Small Business Development Center	\$1,035,000

Other bills that passed during the session that have policy implications include:

- * HCR 24 - Authorizes the Board to bond up to \$16,380,000 for the State University of Iowa Pharmacy Addition (\$8,939,000), and the University of Northern Iowa Library Addition (\$7,441,000).
- * HF 144 (Ethics Bill) (Analysis provided by Ann Rhodes)

Disclosure Provisions

1. Financial disclosure is specifically required of members of the Board of Regents. Disclosure is also required of executive agency heads and heads of major subunits or departments whose position involves substantial exercise of discretion in the expenditure of public funds. This will be further defined by agency rule.
2. The financial disclosure must contain all of the following:
 - a) a list of each business, occupation or profession in which the person is engaged and the nature of the business, occupation or profession, unless already apparent.

Regent Hendricks discussed the other business addressed at that morning's Banking Committee meeting. She said the committee members received a report on bonding capacity. She noted that bonds issued by the Board of Regents all have pre-identified revenue streams. The audit report for the University of Iowa Hospitals and Clinics' cash receipts, disbursements and fund balances was discussed. The committee members received a report from the Iowa State University internal auditor. With regard to the semi-annual master lease report presented to the committee, Regent Hendricks stated that \$10 million is still available for draw down.

President Berenstein stated that Regent Hendricks had assumed the chairmanship of the Banking Committee and had "hit the ground running". He then thanked her for a good meeting and a good report.

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

ANNUAL REPORTS ON GRADUATE STUDY CENTERS. The Board Office recommended the Board (1) receive the reports on the Quad-Cities Graduate Study Center, the Tri-State Graduate Center and the Southwest Iowa Regents Resource Center, (2) endorse the goals submitted by the Quad-Cities Graduate Study Center and the Tri-State Graduate Center, and (3) request that the Tri-State Center develop a strategic plan for addressing its goals and that the Southwest Iowa Resource Center develop both goals and a strategic plan for achieving them.

Quad-Cities Graduate Study Center

The Quad-Cities Graduate Study Center, formed in 1969, is the oldest of the three centers.

The mission of the Quad-Cities Center is to provide graduate-level educational opportunities to the Quad-Cities area. Its objectives are to:

- * Promote and coordinate graduate degree programs, graduate non-degree courses, and post-baccalaureate non-credit continuing professional education programs that are comparable to member institutions' on-campus programs and courses.
- * Promote interinstitutional cooperation/program efficiency by combining members' resources for program delivery.
- * Serve as a model for interinstitutional cooperation in the delivery of off-campus degree programs.

The Center offers 16 Master's level programs to residents of Illinois and Iowa by 11 participating public and private colleges and universities.

The Center reported that from FY 1992 to FY 1993, total headcount enrollments (each student counted once) decreased by 7.4 percent (from 2,775 to 2,569); total enrollments (by course) decreased by 0.7 percent (from 4,876 to 4,839).

Enrollments in Education programs increased by 0.7 percent (from 3,816 to 3,842) and enrollments in non-Education programs decreased by 5.9 percent (2,060 to 997).

Iowa residents comprised 40 percent of the 2,569 headcount enrollments and Illinois residents comprised 60 percent.

Enrollments by university included:

- * Western Illinois University, 3,753
- * University of Iowa, 704
- * Teikyo Marycrest University, 187
- * Northern Illinois University, 87
- * University of Northern Iowa, 30

Enrollments in programs from the remaining six institutions ranged from 0 to 23.

The Center is supported by appropriations from the states of Iowa and Illinois. Over the years, the states have striven to provide equal levels of support. The FY 1993 budget lists support of \$151,000 from the state of Illinois and \$142,100 from the state of Iowa.

Tri-State Graduate Center

The Tri-State Graduate Center has completed its second full academic year of operation--July 1, 1990, to June 30, 1992.

The Tri-State Center has a two-fold mission:

To develop in the 3-state Siouxland area (Iowa, Nebraska and South Dakota) coordinated programs of study at the graduate level which are applicable toward degrees from member academic institutions.

To expand continuing educational opportunities for individuals in the area.

Although the Center was created with a 3-state concept, the majority of the population of greater Siouxland resides in Iowa and approximately 94 percent of all FY 1992 registrants were residents of the State of Iowa.

The first program offering was announced during the summer of 1990--a Master's degree in Nursing offered by South Dakota State University. Each

year the programmatic offerings of the institution have increased. In FY 1992, graduate work was offered in 6 academic areas.

The Board of Directors and the staff of the Tri-State Center continue to seek general support funding from Nebraska. Both South Dakota State University and the University of South Dakota contributed to the Center for the first time in FY 1992.

A final external audit by Williams & Company for the year ended June 30, 1992, reported total revenues of \$103,599 and expenditures of \$99,354. A deficit from FY 1991 resulted in a year end balance of \$79.

Southwest Iowa Regents Resource Center

The Board of Regents in February 1991 approved establishment of the Southwest Iowa Regents Resource Center, the first such Center of its kind in the state, and assigned the responsibility for the Center to the State Extension and Continuing Education Council.

The establishment of the Resource Center was intended to address the issue of equity and to provide access for citizens living in southwest Iowa to the Regent universities.

The Resource Center, which opened August 1, 1991, in the Administration Building of the Iowa School for the Deaf, is a coordinating office which serves as a liaison between southwest Iowa residents and Iowa Regent universities.

The Center cooperates with Regent universities, Drake University, AEA 13, Iowa Western Community College, and local school districts.

Five graduate-level programs are available from the University of Northern Iowa; two each from the University of Iowa and Iowa State University, which also share a program; and two from Drake University.

Each semester selected courses of interest to teachers seeking recertification are offered.

Two undergraduate completion degrees are available--the Regents Bachelor of Liberal Studies degree (SUI, ISU, and UNI) and the Bachelor of Science in Professional Agriculture (ISU).

There were 334 enrollments in credit classes held face-to-face with the instructor, by videotape, and audio teleconference in academic 1992-93. Since the Center opened, there have been 798 enrollments in credit classes.

The Southwest Iowa Regents Resource Center operates on appropriated funds authorized by the Board of Regents and administered through the University

of Northern Iowa. An appropriation of \$67,300 for FY 1993 from the state covers the cost of a coordinator (1/2 time), a secretary (1/2 time) and operations.

A report of an evaluation of the Southwest Center was provided in an earlier docket item.

Janet Lessner, Director of the Quad-Cities Graduate Study Center, presented the Quad-Cities Graduate Study Center's annual report. She noted that the Regents had been provided with materials. One piece of material was the center's accomplishments for the year including new courses and new initiatives. She said the Regents may wonder how in these tough financial times the center is able to develop new initiatives. She said their programs are offered through the continuing education departments of the member institutions. The center is largely self supporting and is demand driven. She said there is a strong need for graduate nursing programs. For the most part, when new courses are offered it is at the recommendation of the universities.

Quad-Cities Graduate Study Center representatives are able to guide people to the various resources of the individual campuses. They are a small academic enterprise that serves as the Quad-Cities arm of the registrars' offices. The Quad-Cities center maintains waiting lists for students who are not able to get into certain courses. They are able to negotiate on behalf of the student to get into courses. Student counseling, other than academic counseling, is provided. They provide academic support services such as library. Ms. Lessner noted that students need a lot of "hand holding" to access the resources. Students have access to computer laboratories and computer classrooms.

Ms. Lessner discussed the governance structure including the organizational chart of the Quad-Cities Graduate Study Center. She stated that the Quad-Cities Center is a member in good standing of the community. Graduate Center representatives were instrumental in the formation of the Quad-Cities Education Roundtable. The center representatives are viewed in the community as delivering on their promises. They are a resource for the continuing education opportunities on campus.

Regent Dorr referred to the total enrollment of 4,829 students with a total budget of \$310,000, and said that was an incredible set of numbers. How are they able to be so cost effective and so successful? Ms. Lessner responded that the Graduate Study Center is an administrative unit and does not have instructional costs. It does not pay faculty; instructional costs are borne by the campuses. Its budget consists of administrative costs in delivering services. It is a bureaucracy that supports interinstitutional cooperation.

Regent Dorr said he was very impressed.

President Jischke stated that costs are borne on each of the campuses for administration, instruction and implementation of courses provided at the Graduate Study Centers.

Vice President Nathan stated that he had heard of the possibility of an Illinois coordinating board requiring that Iowa Regent institutions submit their courses to Illinois for approval before they are offered at the Quad-Cities Center.

Ms. Lessner said there has been some lively debate concerning that issue. She said it is not a new issue. The Illinois Board of Higher Education has statutory authority to regulate courses coming into the state which has been the policy of the board for years. Ms. Lessner has prepared a report for the staff of the Illinois Board of Higher Education which notes the historical accident of location of the Quad-Cities Graduate Study Center on the Illinois side of the river. She stressed that the member institutions are charged with serving the interests of the people of their states. Ms. Lessner will be meeting with Dr. Barak's counterpart at the Illinois Board of Higher Education to pursue this issue. She said the most drastic response is that no programs will be offered on the Iowa side. It is potentially a serious issue.

Director Barak stated that the Illinois Board of Higher Education is a coordinating board over the higher education governing boards of the state of Illinois. He will be meeting with the person from the Illinois Board of Higher Education tomorrow concerning this issue.

Mr. Richey said he would be very surprised if this turns out to be a major issue. It is probably as simple as a couple of telephone calls.

Associate Dean Pittman said there are several areas of concern.

President Berenstein stated that Vice President Nathan raised a good point that the Regents should be aware of so they are prepared to give a response.

Ms. Lessner stated that Quad-Cities Graduate Study Center officials have asked the Illinois Board of Higher Education for an exception to their rule.

Regent Hendricks asked whether Iowa's fiber optics network would be connected to the Quad-Cities Graduate Study Center. Ms. Lessner stated that she has been investigating the issues of crossing state lines, cost to rent a line, etc. She has not explored the issue in-depth because of this other issue with the Illinois board. Until that is cleared up there is no sense in even talking about the fiber optics possibilities.

President Berenstein introduced the director of the Tri-State Graduate Study Center, Helen Morten.

Dr. Morten stated she was pleased that Marvin Berenstein was in the position of President of the Iowa Board of Regents. She then thanked the Board of Regents for its continued support of the Tri-State Graduate Study Center. She said the center serves 3 states. A major part of the population is in Iowa. The center deals with 12 academic institutions. She thanked the Regent institutions for their full participation in bringing course work to Siouxland.

The annual report for the Tri-State Graduate Study Center was sent to the Regents. Dr. Morten called their attention to the goals for 1992-93. The funding goal for fiscal year 1994 is to stabilize their funding source. She discussed the revenue and expenditure report as well as the actual budget figures for fiscal year 1994. She noted that this was her 4th week as director of the center this "go 'round". She said she depends heavily on community support. She then introduced Dr. Bruce Hopkins of the Sioux City area.

Dr. Hopkins welcomed Dr. Morten as the new director of the Tri-State Center and congratulated Marvin Berenstein on his election as President of the Iowa Board of Regents. Dr. Hopkins said he has served as vice president of the Tri-State Graduate Center since its inception. He said ninety-four percent of the students served in the last census were Iowa students. He said that when students are asked where they prefer to have their degrees from, the response is overwhelmingly the Iowa Regent universities. He concluded by stating that he looked forward to hosting the Regents when they come to Sioux City.

President Berenstein said he believes the Tri-State Center is gaining great credibility. The greater Siouxland is still a major contributor. He then asked Dr. Morten whether or not she felt everyone was still as enthusiastic as when they started. He had the sense that everyone was happy and content with the way things are going.

Dr. Morten stated that yesterday was the Tri-State Center's annual board meeting. She said that one-half the board is composed of business people from surrounding areas. The business people are extremely cooperative and organize fund-raising efforts themselves. They inform the center on what they need in their businesses. She said they have great support from the business community as well as the community at large.

President Berenstein recognized Jeanne Trachta, Coordinator of the Southwest Iowa Regents Resource Center, and Glenn Hansen, State Extension and Continuing Education Council.

Ms. Trachta stated that under the auspices of the State Extension and Continuing Education Council, the Southwest Iowa Regents Resource Center is under the Board of Regents. She highlighted a couple of the area advisory committees which have requested certain programs. Graduate programs they

would like offered include Master in Business Administration, Master in Public Administration, and nursing. She said the ability to respond will be highly dependent upon the Iowa Communications Network. She discussed areas in which the Resource Center is different from the Graduate Study Centers. Activities this week include an Iowa State University dance and theater production to take place in three local communities in southwest Iowa in cooperation with the local arts council. She shared with the Regents some of the newspaper coverage the center has received.

Dr. Hansen stated that the State Extension and Continuing Education Council asked University of Northern Iowa to serve as the host administrative unit for the Southwest Iowa Center. The funds come to the university and Dr. Hansen provides administrative oversight for the program. He noted that this is a pilot program.

ACTION:

President Berenstein stated the Board, by general consent, (1) received the reports on the Quad-Cities Graduate Study Center, the Tri-State Graduate Center and the Southwest Iowa Regents Resource Center, (2) endorsed the goals submitted by the Quad-Cities Graduate Study Center and the Tri-State Graduate Center, and (3) requested that the Tri-State Center develop a strategic plan for addressing its goals and that the Southwest Iowa Resource Center develop both goals and a strategic plan for achieving them.

President Berenstein asked to "turn the tables" on the media. He asked each of them to stand and tell their names and who they represent, which they did.

ANNUAL REPORTS OF CERTAIN AFFILIATED ORGANIZATIONS. The Board Office recommended the Board receive reports on affiliated organizations.

Reports were presented from 11 organizations in January. Reports from the University of Iowa Foundation, the University of Iowa Facilities Corporation and the University of Northern Iowa Foundation were included this month. The remaining 2 reports will be on the June docket.

The organizations' annual reports and financial information are on file at the Board Office.

UNIVERSITY OF IOWA ORGANIZATIONS

The University of Iowa Foundation was organized in 1956 to solicit, receive, and administer gifts for the sole benefit of research and education at the University of Iowa.

The audit by McGladrey & Pullen for the year ended June 30, 1992, reported General Fund current income of \$4.8 million and operating expenses of \$4.6 million. Income exceeded expenses by \$239,376.

The Foundation report notes increases in giving and numbers of givers. More than 42,400 contributors gave and pledged \$52.2 million in 1992. This brings giving and commitments to over \$443 million in the Foundation's 36 years.

The University of Iowa Facilities Corporation was incorporated in 1967 as a supporting organization of the University of Iowa Foundation to assist in maintaining, developing, increasing, and extending the facilities of the university.

The constructing and leasing to the university of the Human Biology Research Facility are examples of Facilities Corporation assistance. Financing was provided by private gifts and the issuance of revenue bonds. Favorable construction costs and savings on interest costs made possible the addition of an administrative wing to the facility which houses the College of Medicine Administration.

The Corporation is governed by a Board of Directors who are elected by the Board of Directors of the Foundation.

The audit by McGladrey & Pullen for the year ended June 30, 1992, lists income of \$187,374 and operating expenses of \$90,319. Income exceeded expenses by \$97,055.

UNIVERSITY OF NORTHERN IOWA ORGANIZATION

The University of Northern Iowa Foundation was formed in 1959 to assist the university in projects which are vital to its growth and development, but are most appropriately financed from private funds.

The financial statement from Carney, Alexander, Marold & Co. for the year ended June 30, 1992, indicates that public support and revenue totaled \$5.1 million. Operating expenditures were \$2.8 million, for an excess of revenue over expenses of \$2.2 million.

The Foundation has embarked on its first major campaign for private dollars in 20 years and the first comprehensive campaign in the history of the university.

The Foundation is seeking to raise \$25 million which includes the following components:

- \$9 Million - Performing Arts Center with Academic Facilities
- \$7 Million - Endowed Chairs and Professorships
- \$5 Million - Student Scholarship Programs
- \$3 Million - Academic Program Support
- \$1 Million - Intercollegiate Track Facility

ACTION: President Berenstein stated the Board received reports on affiliated organizations, by general consent.

ANNUAL REPORT ON CHILD CARE. The Board Office recommended that the Board (1) receive the annual reports on the child care programs at the University of Iowa, Iowa State University, and the University of Northern Iowa; (2) encourage Regent universities to continue to assist students and employees to gain access to child care services including such activities as obtaining work-study funds, establishing or expanding child care referral services and participating in community efforts to recruit child care providers; (3) encourage the child care committees of the three universities to continue to cooperate by sharing ideas and innovations in the delivery of child care services; and (4) require the universities to continue to provide the Board with annual progress reports on child care programs as well as update five-year plans.

This was the fourth annual report on the child care programs at the three Regent universities. The universities continue to be very successful in cooperating with many different organizations both on the campuses and in the private and public sectors in the community.

Each university offers a flexible benefits program which allows nonbargaining unit employees to establish a spending account to be used for child care. Employees covered under the agreement with AFSCME may elect to take a pre-tax reduction in wages to be paid to an account for allowable dependent care expenses.

The University of Iowa Student Association sponsors three centers in four different sites. Currently the centers have 138 students of whom 100 are children of either university students or staff.

The Iowa State University child care center serves 80 children (60 percent are children of students) in full-time care; eight children in sick child care; and 25 in part-time care (100 percent children of students).

The University of Northern Iowa Child Development Center serves 45 children (66 percent children of students).

Each university provides general fund support to the campus child centers.

University of Iowa: \$130,000 which is used for salaries, insurance, and utilities. In addition, the reduced university rent provides a subsidy of \$25,000 for total university subsidy of \$155,000.

Iowa State University: \$176,000 which includes salary and related expenses for the university child care consultant as well as equipment, utilities, renovation, and supplies for the center.

University of Northern Iowa: \$81,038 is part of the center's total budget of \$157,460 which includes fees and revenue from a food subsidy program.

The annual reports address progress in the following areas:

UNIVERSITY OF IOWA

The university has had an ongoing objective to assist the University of Iowa Student Association (UISA) child care centers to achieve financial stability. In fiscal year 1992, the salaries of the center directors were increased; and in fiscal year 1993 the salaries of the center teachers were increased. In the past year the university has assisted the centers by providing rent subsidies, liability insurance, assistance with payment of utilities and subsidizing the centers which accept Title XX payment (low income, government-funded child care program).

There are ongoing discussions with the centers to formalize the relationship between the UISA child care centers with the university.

A Request for Proposals was developed for the establishment and management of a day care center at the University Hospitals. Plans are to open the center in early 1994.

A sick child care program for the university community was implemented in fiscal year 1993.

University officials developed a plan in consultation with the Iowa Department of Health to remediate the lead-based paint in the child care centers.

The Parenting Subcommittee of the Council on the Status of Women proposed that a university-wide charter committee on child care and family issues be created. This proposal was endorsed by the Staff Council, student government, and the Faculty Council. This committee will replace the current Ad Hoc Committee on Child Care in advising the university's administration on child care planning.

At the initiative of the Parenting Subcommittee of the Council on the Status of Women, a child care expert from Ohio State University was brought to campus to provide the university community with advice regarding future child care efforts.

IOWA STATE UNIVERSITY

The Comfort Zone, day care for mildly ill children, began operation in August 1992.

A comprehensive needs assessment is currently being conducted to determine child care needs of the university community.

Enrollment continues to increase in the Flex-care program, a part-time child care program designed for student families.

A survey conducted in fiscal year 1992 indicated the need for on-site day care at the Veterinary Medicine Complex. An advisory committee is working with Facilities Planning and Management to identify an appropriate site. Work will continue in fiscal year 1994 on this project.

The university continues to collaborate with the community resource and referral agency which relocated to the university campus in January 1991.

College work-study funds were again available in fiscal year 1993 for students to work with nonprofit community child care centers.

The university child care consultant continues to work with other community organizations to encourage the Ames Community Schools to open additional before and after day care programs.

Preliminary discussions have begun regarding the development of a satellite infant care pilot project. This initiative will continue in fiscal year 1994.

The list of college students willing to provide in-home evening child care has been expanded through the efforts of the university child care consultant and the YWCA.

UNIVERSITY OF NORTHERN IOWA

Following extensive renovation, the University of Northern Iowa child care center was relocated to the Malcolm Price Laboratory School. The center was renamed to the UNI Child Development Center to indicate the educational value of high quality early childhood programming.

The University Apartments continues to offer free supervised recreation programs for children who reside in the apartments.

Members of the campus community continue to utilize the services of the Child Care Coordination Referral Services of Exceptional Persons, Inc. Records kept by the referral service indicate there is an ongoing need for child care services and an ever increasing need for child care for children under the age of two.

Associate Vice President Small stated that this was the fourth in a series of annual reports to improve the provision of child care services on Regent campuses. She noted that there were slight differences in the tack taken at the different campuses. She said it was impressive how many of the initial goals have been met.

Regent Dorr asked what percent of the children clients at the University of Iowa are children of faculty and employees versus students. Associate Vice President Small responded that university officials tried to survey clients this year; however, there is a problem distinguishing between the status of parents. She said it was fair to say that about one-half of the students in the centers have at least one parent who is a student.

Regent Dorr asked how the services are paid for. Associate Vice President Small responded that tuition is charged for each center. University officials are attempting to standardize the university subsidy.

Regent Hendricks said she was pleased to see the progress that had been made in the child care efforts. She then asked for their charge.

Associate Vice President Small responded that \$360/month is the average charge with a tuition break for student parents at some of the centers.

Regent Hendricks said she was pleased that all the universities were making significant strides in this area.

Iowa State University Assistant to the Provost Mary Ann Evans stated that Iowa State University began a major initiative this year with its center for mildly ill children. She said that in February there were 8 children with chickenpox in the center. It seems to be working very well. She noted that one item which was left out of the university's report was that residence halls provide in-kind contributions.

Provost Marlin stated that University of Northern Iowa officials had made great strides this last year in their child care efforts. There is a separate infant area. Teachers are certified in early childhood education.

ACTION: President Berenstein stated that the Board, by general consent, (1) received the annual reports on the child care programs at the University of Iowa, Iowa State University, and the University of Northern Iowa; (2)

encouraged Regent universities to continue to assist students and employees to gain access to child care services including such activities as obtaining work-study funds, establishing or expanding child care referral services and participating in community efforts to recruit child care providers; (3) encouraged the child care committees of the three universities to continue to cooperate by sharing ideas and innovations in the delivery of child care services; and (4) required the universities to continue to provide the Board with annual progress reports on child care programs as well as update five-year plans.

IOWA COMMUNICATIONS NETWORK 28E AGREEMENT. The Board Office recommended the Board approve the 28E Agreement (intergovernmental agency agreement) for utilization of the Iowa Communications Network System (ICN) by Regent institutions for telephonic, data and video traffic--Iowa Department of General Services and Iowa State Board of Regents.

Regent institutions will use the state-owned Iowa Communications Network (ICN) for intra-state telephone service, data transmission and video traffic.

The agreement pertains to official institutional uses. Students, patients and others may be encouraged, but will not be required, to use ICN. The Regents-ICN 28E agreement sets forth operating principles relating to rates and services for Regent institutions. More detailed operating agreements will be developed between each campus and ICN tailored to specific campus needs, but within the general principles outlined in this 28E agreement.

The ICN agrees to set rates no higher than rates available to Regent institutions from other carriers. ICN will develop a quarterly mechanism for setting rates in which users such as the Regents will participate.

ICN agrees to provide high quality service at the standard for the industry.

Start-up costs incurred by the institutions to connect to the network will be treated as customer advances by ICN, to be subsequently refunded to the institutions through future rate discounts, rebates or other ways.

The Regents and the institutions retain the full decision-making authority of their own telephone operations, and over their traffic through ICN's lines and switches.

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President Berenstein asked if the agreement had been reviewed by the Attorney General's staff. Director Specter responded affirmatively, adding that Mr. Schantz had been instrumental in drafting the language.

Mr. Schantz stated that he had worked with Kathy Skinner of the Attorney General's Office as well as representatives from all the campuses. He noted that the agreement was in the nature of a Letter of Intent.

Regent Berenstein asked when it was anticipated there would be a definitive agreement. Mr. Schantz said it was in the drafting stage and he believed it was near completion. They want to go on line with the intrastate traffic system.

Director Specter stated that the Regents' intrastate traffic system could come up as early as June 1 if these agreements are completed. He said the universities are working to complete them now.

Mr. Richey stated they had been very careful to require that any authority of the Iowa Communications Network stops at the switching point that it enters the campuses. That is a very important issue with the Regents.

President Berenstein asked if Mr. Richey was saying that the jurisdiction of the Iowa Communications Network ends at the start of the campus and the campus takes over at that point. Mr. Richey said that was correct, that it was a very important issue to the Regents and the institutions. Another important matter is the financial issue.

Regent Hendricks asked for the "certain one-time costs" referred to in paragraph 7. Director Specter responded that those were start-up and connection costs estimated at \$220,000 Regentwide. He noted that a large percentage of that amount was attributable to the University of Iowa. The Regent institutions will be "up-fronting" those costs.

Regent Hendricks asked if the money would come from the general fund. Vice President Madden responded that it would be a telecommunications cost at the universities.

Regent Dorr said the agreement also addresses termination fees assessed by their present carrier. He asked what kind of redundancy there would be when they hook into the telecommunications system. Can they still hook into U.S. West and other telephone systems?

Vice President Madden responded that points of presence would be maintained on the campuses with all the major long distance carriers which eliminates paying for the transmission to their other centers. All the equipment will remain in place. He said Iowa Communications Network officials also assured Regent representatives that appropriate levels of redundancy would be maintained. Regent representatives are relatively satisfied with the

assurances they have been given. Their system has not been down to a point where they were not able to maintain access outside the campus.

Vice President Conner stated that all of University of Northern Iowa's technical personnel have been working on the agreement. They believe the university is covered similar to what Iowa State University is covered.

President Berenstein noted that the Regents created a priority study group to deal with telecommunications which Regent Dorr will chair. He said it was his feeling that they should dovetail all aspects of this to make sure everybody understands what the other members of the group are doing including Regents and institutional officials. They are breaking new ground. He did not want anything "swept under the rug" with the excuse that they did not understand it.

MOTION:

Regent Hendricks moved to approve the 28E Agreement (intergovernmental agency agreement) for utilization of the Iowa Communications Network System (ICN) by Regent institutions for telephonic, data and video traffic--Iowa Department of General Services and Iowa State Board of Regents. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

CHANGE IN DOCKET SUBMISSION DATE. The Board Office recommended the Board approve the proposed docket submission schedule.

The Board asked that the Board Office develop recommendations to improve the timing of the receipt of completed dockets by Board members. In response, the Board Office proposed the following schedule:

1. Institutional submission of docket materials to the Board Office twelve working days prior to the Board meeting. Docket materials would be due in the Board Office by noon of this day.
2. Board Office mailing of the completed docket to Board members by the end of the work day on Wednesday one week prior to a Board meeting (assuming the Board meeting is on Wednesday).

In addition to this change in docket schedules, the Board Office and the institutions are exploring the possibility of up-grading Board Office and institutional communications to see if there may be ways to submit docket materials electronically.

An interinstitutional subcommittee met in the Board Office on May 13, 1993, to evaluate the status of Board Office technology and ascertain how the institutions could provide materials to the Board Office in a more usable

and timely manner. The committee determined that there was a need for the institutions to provide materials to the Board Office in standard format prescribed by the Board Office.

The group came up with a three-step approach:

1. Set up an electronic hook-up by modem at one station in the Board Office through Internet and send some test documents to determine compatibility and usefulness (this will be done immediately);
2. Determine what is needed to bring all office computers up to a level of technology which would enable each station to utilize the same software and design a network for the Board Office which would be capable of receiving/transmitting documents through Internet or electronic mail and disseminating the materials electronically to personal computer stations in the office (the draft plan will be developed by Mike Yohe from University of Northern Iowa and will be done as soon as possible); and
3. Develop a policy which will ensure proper use of the system.

If these new procedures permit, the Board Office will recommend a shorter lead time for submission by the institutions.

Mr. Richey stated that the Board Office was working with institutional officials on a very cooperative basis. Once the details are worked out and equipment arranged for they will know how well this is going to work. The proposed process will give the institutions more time in which to transmit docket information.

Regent Furgerson said she realized how hard the institutions work at getting information to the Board Office. She hoped they understood that the Regents have to read information from all five institutions plus the Board Office. If the Regents do not receive the information until Friday or Saturday prior to the Board meeting, it is very difficult to become very familiar with the material. She said she likes to read the material twice before a meeting.

President Berenstein said he is uncomfortable making decisions when he has only had a short period of time in which to review the material. If he does not understand the material, he is not going to vote "yes". He told his fellow Regents that he felt it was more important to hesitate rather than vote on something they are not familiar or comfortable with based on the material they can discern. That, he said, is their obligation.

MOTION:

Regent Furgerson moved to approve the proposed docket submission schedule.
Regent Tyrrell seconded the motion.

Regent Hendricks cautioned institutional officials that their planning will have to be long-range enough to make sure they have allowed enough time so if something happens a week prior to the meeting it can be put off to the next meeting.

President Berenstein stated that something received by the Regents 2 days before a meeting is not enough time for them to give it adequate scrutiny. It will have to wait until the next meeting.

Regent Dorr said he suspected that this time schedule dictates that institutional officials tomorrow begin preparing next month's information. He cautioned that there will have to be a tolerance both ways. He asked about investigating the possibility of the Regents receiving information electronically.

President Berenstein said that was something to consider. He then referred to the Board Office on docket day with green sheets everywhere, and said there has to be a better system.

Vice President Nathan stated it was ironic that he can use Internet and BITNET all over the world but he does not have the capability of sending information electronically to the Board Office.

Regent Hendricks stated the technology is available, and asked if anyone had looked into the cost.

Director Barak said the Board Office has been meeting with institutional representatives and talking about getting the Board Office onto one of these networks. It was his understanding that a hookup is supposed to be made with Iowa State University's Internet and the Board Office this week as a test.

Regent Furgerson said she hoped that institutional officials would let the people on the campuses know that the Regents take their responsibilities seriously. She noted that she was one of the people who has complained about the timing of receipt of docket materials.

President Berenstein reminded everyone that when the Board Office is put on common access the information can be accessed by many difference sources. The Regents' governance, he believed, would be somewhat impaired. This was not an easy solution. The issue was somewhat complicated but important to be addressed. He said they should go forward with mutual cooperation.

VOTE ON THE MOTION:

MOTION CARRIED UNANIMOUSLY.

APPOINTMENTS TO COMMITTEES. The Board Office recommended the Board (1) approve the assignments of Regents to committees and organizations as recommended by President Berenstein and (2) approve the establishment of a

priority committee to study health insurance for Regent non-contract employees and a priority committee to study information systems technology.

A new study group was recommended to review group health insurance coverage for non-contract employees of the Board of Regents. Its function would be to review the work of interinstitutional committees established to prepare detailed studies of employee group health insurance issues and to make recommendations to the full Board of Regents. The report on health insurance should be completed by late fall.

A proposed study group to conduct a study of information systems technology at the Regent institutions was recommended to replace the telecommunications committee that was authorized about two years ago. That study was interrupted by the loss of key personnel, including the chair who was out of the country for several months studying reparations arising out of the war in the Persian Gulf. One purpose of the committee would be to develop a long-range plan encompassing all areas of information technology.

President Berenstein said he tried to give every Regent some area of responsibility and to equalize the various duties and functions. He said he assumed the prerogative to make changes when the new Regent is appointed.

MOTION:

Regent Tyrrell moved to (1) approve the assignments of Regents to committees and organizations as recommended by President Berenstein and (2) approve the establishment of a priority committee to study health insurance for Regent non-contract employees and a priority committee to study information systems technology. Regent Dorr seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office stated there were no personnel transactions for the month.

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

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

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

The faculty member was appealing the decision of the institution with respect to the denial of promotion and tenure.

The Board Office and Attorney General's Office reviews of the documents submitted by the faculty member and the university relative to this matter concluded that the process and conclusion were consistent with the laws and regulations governing public employees and were substantially in compliance with policies and procedures of the Board and the university.

The Board Office recommended that the Board not review the final institutional decision. The Board's decision in this matter represents final agency action for which the faculty member may seek judicial review as permitted by law.

MOTION: Regent Furgerson moved to deny the request of the University of Iowa faculty member for review of a final institutional decision. Regent Hendricks seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

President Berenstein stated he felt comfortable that this matter was tabled last month. He said it was a good example of the Regents not having enough time to go through the materials. This typifies that they need to take time to be fair.

REPORT ON THE IOWA COLLEGE STUDENT AID COMMISSION MEETING. The Board Office recommended the Board receive the oral report of the May 18 College Student Aid Commission meeting.

Mr. Richey stated that the Iowa College Student Aid Commission met yesterday afternoon. He noted that they missed Regent Pellett at the meeting. He said the majority of the discussion was about the future of the commission regarding the proposed direct loan program. Commission members have severe concerns about the process for granting student loans. He noted that the actions of the General Assembly were identical to the Governor's recommendation concerning the Iowa College Student Aid Commission.

Regent Tyrrell asked if there was any discussion about the oversight committee. Mr. Richey responded negatively, stating that the matter was not discussed.

ACTION: President Berenstein stated the Board received the oral report of the May 18 College Student Aid Commission meeting, by general consent.

VENDOR WITH CONFLICT OF INTEREST. The Board Office recommended the Board approve the request of the University of Iowa to add the names of Canoe Creek

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Pottery and Apple Valley Baskets to the list of approved vendors with a conflict of interest.

University of Iowa officials requested that the names of Canoe Creek Pottery and Apple Valley Baskets be added to the list of approved vendors with a conflict of interest.

The University Book Store and the Volunteer Hospital Gift Store wish to purchase handmade stoneware specialty products from Canoe Creek Pottery. Joy Tlou is a partner in Canoe Creek Pottery and the Senior Admission Counselor for the University of Iowa.

The University Book Store and the Volunteer Hospital Gift Store also wish to purchase functional and decorative hand-woven baskets and accessories from Apple Valley Baskets whose owner, Cheryl Cullers-Hoard is employed by the University of Iowa as a Clerk III in the Department of Obstetrics and Gynecology.

MOTION: Regent Hendricks moved to approve the request of the University of Iowa to add the names of Canoe Creek Pottery and Apple Valley Baskets 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, Dorr, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

APPEAL OF AN UNSUCCESSFUL BIDDER. The Board Office recommended the Board affirm the award of the book binding contract to American Bindery Midwest (ABM).

Hertzberg-New Method, Inc. (HNM), an unsuccessful bidder for providing book binding services to the three Regent university libraries and the University of Iowa Law Library, appealed to the Board of Regents.

Hertzberg-New Method, Inc., contends that the successful bidder is in non-compliance with the university's Request for Quotations (RFQ) and that HNM was penalized for compliance with the RFQ.

The major point of contention is whether the successful bidder is complying with the RFQ with respect to the method of book binding and specifically the binding procedure known as the "hinge."

HMN contends that ABM bid on a hinge known as the "flexible" hinge which does not comply with the RFQ.

The record shows that ABM bid on the required "Class A hinge" and offered the optional "flexible hinge" for consideration.

HMN contends that because the universities tested but later rejected the optional flexible hinge proposed by ABM, that the process was non-competitive since HMN did not have an opportunity to bid on the "flexible hinge."

The material submitted by the university was reviewed by the Attorney General's Office and the Board Office, and appeared to indicate that the successful bidder was in compliance and that HMN had not been penalized.

Regent Dorr asked if the Attorney General was comfortable about this original award. Mr. Richey stated that the Board Office was assured by the Attorney General's Office of its concurrence with the recommended action. He noted that Mark Schantz was also involved.

MOTION: Regent Dorr moved to affirm the award of the book binding contract to American Bindery Midwest (ABM). Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

The projections of expenditures for the remainder of the fiscal year includes some adjustments since the report to the Board in April. The amount for the cost of travel by members of the Board of Regents has been increased by about \$3,500 to reflect additional activities by Regents. The travel by Board staff has been reduced substantially primarily because of the delay in hiring an Associate Director of Business and Finance. The equipment budget has been increased by \$1,500 primarily for fax machines. Some of the increased costs are off-set by institutional reimbursements.

The budget for fiscal year 1994 will be such that one position must be eliminated. The position identified is the Administrative Assistant to the Executive Director. This action is necessary because the legislature did not provide an additional \$15,000 in appropriations for the office as recommended by the Governor and because allocations for salary adjustments are expected to be about \$12,000 short of the amount required. The shortfall is primarily for rate increases in employee health insurance and for annualization costs for merit pay increases granted in the current year that must be paid for a full year in fiscal year 1994. The elimination of the position and the consequent lay-off of a staff member will require a payout of about \$6,500 in accumulated vacation and fringe benefits in the last pay period of fiscal year 1993.

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A proposed budget for fiscal year 1994 will be presented to the Board at its June meeting after the allocations from the salary adjustment fund are known.

ACTION: This report was received by consent.

CONSENT ITEMS.

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

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

Receive the report from the University of Iowa regarding the proposed change in curriculum for the Doctor of Pharmacy degree;

Refer the University of Iowa proposed Master of Science and Ph.D. Major in Oral Science to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the University of Iowa proposed name change for the Departments of Leisure Studies and Physical Education and Sports Studies to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation; and

Refer the University of Iowa proposal to establish a new degree program leading to the Master of Fine Arts in Film and Video Production to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

MOTION CARRIED UNANIMOUSLY.

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

June 16-17, 1993
July 21-22
September 22-23

University of Iowa
University of Northern Iowa
Iowa State University

Iowa City
Cedar Falls
Ames

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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	Iowa State University	Ames
March 16-17	To Be Determined	Sioux City
April 20-21	Iowa Braille and Sight Saving School	Vinton
May 18-19	University of Northern Iowa	Cedar Falls
June 15-16	University of Iowa	Iowa City
July 20-21	Iowa State University	Ames
September 21-22	University of Northern Iowa	Cedar Falls
October 19-20	University of Iowa	Iowa City
November 16-17	Iowa State University	Ames
December 21-22	To Be Determined	Des Moines

President Berenstein pointed out that the April 1994 meeting will be held in its entirety in Vinton. He then asked to make some comments about the meetings. The Regents have never had a Board meeting that was solely designated for the purpose of the University of Iowa Hospitals and Clinics. Perhaps in August they will constitute as the Board of Trustees of the University of Iowa Hospitals and Clinics for a meeting in that capacity alone. They could meet in the morning for a Board meeting and in the afternoon they could hold a Board retreat possibly at Belle Plaine. He asked Mr. Staley, Regent Hendricks and Mr. Richey to put something together in that regard. He said it was obligatory on the Board to consider some of the germane issues that are facing hospital boards. The Board members would be delighted to know some of the things that are going on. It would be a good educational experience. He asked that the meeting take place in the early part of August. He asked that the Regents communicate the dates in early-August that they would not be available to Mr. Richey.

President Berenstein stated that another idea he had was that next month in Iowa City the Regents would have a one-hour session called "Meet the Regents". In July a similar meeting would be held at the University of Northern Iowa and in September at Iowa State University. There would be three different Regents at each meeting. For instance, if the meeting in June is held during the time the Banking Committee meeting takes place, three Regents who are not on the Banking Committee would be involved in the "Meet the Regents" session. He said he envisioned that it would be an opportunity for people to talk to the Regents on an informal basis. Everyone was invited to participate and the meeting would take place without the benefit of microphones. It would be an informal opportunity to get to know each other a little better. If the Regents' meeting takes place at the Iowa Memorial Union next month then a meeting place should be found at the Union for the informal gathering. He asked that the "Meet the Regents" session be publicized in the campus newspaper to negate any ideas that the Regents are not interested in hearing comments outside of a public Regents meeting.

GENERAL
May 19, 1993

ACTION:

President Berenstein stated the Board approved the Next Meetings Schedule, as revised, by general consent.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, May 19, 1993.

President Rawlings stated that university officials were extremely proud and pleased to learn yesterday that Rita Dove was named the poet laureate of the United States. He said Ms. Dove is a graduate of the Iowa Writer's Workshop. He noted that the last 3 poet laureates of the United States have all been graduates of the University of Iowa's workshop. This continues a tremendous tradition of the workshop turning out the best writers across the country. She is the first black poet laureate in the United States.

Regent Furgerson asked to comment on a dinner that the University of Iowa held for minority graduates on the Thursday before commencement. She said awards were given in two areas -- for those students receiving academic honors and those receiving recognition for leadership roles. All students honored were recommended by faculty members. She said all of those students had grade points of 3.5 or better. They were a wide variety of students -- African American, Native American and Hispanic. She recommended that next year if any other Regents receive invitations that they attend.

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

The Register of Personnel Changes had not been received in the Board Office and will be reported next month;

Ratify the following appointments:

- a. ELIZABETH M. ALTMAIER, Ph.D, as Associate Vice President for Faculty Personnel and Development, effective July 1, 1993, at an annual salary of \$95,000;
- b. JOHN W. FOLKINS, Ph.D, as Associate Vice President for Academic Review and Academic Support Services, effective July 1, 1993, at an annual salary of \$92,000; and
- c. JUDITH AIKEN, Ph.D, as Dean of the College of Liberal Arts, effective May 1, 1993, at an annual salary of \$125,000.

MOTION:

Regent Furgerson moved to ratify personnel transactions, as presented. Regent

Hendricks seconded the motion. MOTION
CARRIED UNANIMOUSLY.

CHANGES IN THE LISTING OF APPROVED COURSES. The Board Office recommended the Board refer the proposed course changes to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials submitted proposed course changes for Board approval consistent with Board policy. Courses are precursors of new program development. Course changes include additions, courses dropped, changes in course credit, and changes in course titles.

The data indicate that since the last report 332 courses were added to the curriculum while 227 were dropped for a net increase of 105 courses.

The course additions that are related to new program requests were reported to the Board in separate actions in the university's docket.

ACTION: This matter was referred by consent.

CURRICULUM CHANGE: DOCTOR OF PHARMACY DEGREE. The Board Office recommended the Board receive the report from the university regarding the proposed change in curriculum for the Doctor of Pharmacy degree at the University of Iowa.

University officials submitted this report to keep the Board informed of the direction of curricular activities in the College of Pharmacy.

The proposed change would make the Doctor of Pharmacy an entry-level degree program that could be completed within 6 years, rather than the 7 years required for the present program.

It is likely that the bachelor's degree program in Pharmacy will be dropped in future years.

The changes will bring the College of Pharmacy's programs into compliance with the recommendations of the accrediting agency for Pharmacy programs.

The increased costs associated with the change are estimated at \$500,000 to \$750,000 per year.

Possible sources of funding for the increased costs are tuition increases, increased revenues from the College's Pharmaceutical Services operation, and the use of local pharmacists as part-time instructors.

ACTION: This matter was referred by consent.

NAME CHANGE: CHEMISTRY-BOTANY BUILDING TO CHEMISTRY BUILDING. The Board Office recommended the Board approve the University of Iowa's request to rename the Chemistry-Botany Building the Chemistry Building.

The Board Office reported that the name change was prompted by the elimination of Botany as a separate department due to the merger of the Biology and Botany departments.

The change was approved by the Campus Planning Committee, the Advisory Committee on the Naming of Buildings, and the academic departments that might be affected by the change.

MOTION: Regent Hendricks moved to approve the University of Iowa's request to rename the Chemistry-Botany Building the Chemistry Building. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

NEW PROGRAM: MASTER OF SCIENCE AND DOCTOR OF PHILOSOPHY IN ORAL SCIENCE. The Board Office recommended the Board refer the university's proposal to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

University of Iowa officials proposed a Master of Science and Ph.D. major in Oral Science in the College of Dentistry.

The proposed program is intended to provide dental graduates with advanced training and research to prepare for academic and research positions.

This will be a small program consisting of 2-3 students per year, utilizing existing resources and a grant from the National Institutes of Health.

ACTION: This matter was referred by consent.

NAME CHANGE: DEPARTMENT OF SPORT, HEALTH, LEISURE AND PHYSICAL STUDIES. The Board Office recommended the Board refer the university's proposal to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials proposed that the name of the merged Departments of Leisure Studies and Physical Education and Sports Studies be changed to the Department of Sport, Health, Leisure and Physical Studies.

This action was necessary as a result of the approval of the merger of the Departments of Leisure Studies and Physical Education and Sports, as part of the University of Iowa's report to the Board in December 1991 on the review of programs and services.

The Board Office stated that the proposed name appeared to be appropriate and should be referred to the Interinstitutional Committee for review and recommendation.

ACTION: This matter was referred by consent.

NAME CHANGE: COMMUNICATION STUDIES BUILDING TO SAMUEL L. BECKER COMMUNICATIONS STUDIES BUILDING. The Board Office recommended the Board approve the University of Iowa's request to rename the Communication Studies Building the Samuel L. Becker Communications Studies Building

Professor Becker is retiring this year after a 50-year association with the university.

The change was approved by the Campus Planning Committee, the Advisory Committee on the Naming of Buildings, and has the support of the Communication Studies Department, the College of Liberal Arts, and the University Administration.

MOTION: Regent Tyrrell moved to approve the University of Iowa's request to rename the Communication Studies Building the Samuel L. Becker Communications Studies Building. Regent Furgerson seconded the motion.
MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION. President Berenstein requested that the Board enter into closed session pursuant to Code of Iowa section 21.5(1)(j) to discuss the purchase of real estate where disclosure could reasonably be expected to increase the price for the property; and section 21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent.

MOTION: Regent Tyrrell moved to enter into closed session. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: None.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 1:05 p.m. on Wednesday, May 19, 1993, and arose therefrom at 1:33 p.m. on that same date.

The Board of Regents reconvened in open session at 1:35 p.m. and took up the following business.

NEW PROGRAM: MASTER OF FINE ARTS IN FILM AND VIDEO PRODUCTION. The Board Office recommended the Board refer the university's proposal to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials proposed establishment of a new degree program leading to the MFA in Film and Video Production. The program will provide what is accepted as the terminal degree in creative and artistic areas of study.

Few new costs are estimated due to existing resources of the unit.

ACTION: This matter was referred by consent.

AMENDMENTS TO APPOINTMENT POLICY FOR PROFESSIONAL AND SCIENTIFIC STAFF. The Board Office recommended that the Board approve amendments to the personnel policies for University of Iowa professional and scientific (P & S) staff that were proposed to clarify employee rights to career status appointment.

The amendments were intended to ensure that:

1. career status is not lost as a result of a reclassification of an incumbent's position - Section 5.d;
2. career status is not lost because of an involuntary break in service caused by a loss in grant funding - Section 5.e; and
3. the period a staff member serves in term status is properly taken into account in appointments made after the maximum of six years in term service has been served - Section 6.a(1) and 6.a(2).

The proposed changes were developed in cooperation with the university staff council and will clarify existing practice and strengthen the protection provided professional and scientific staff.

Regent Dorr asked if this, in essence, confers property rights status on employment. He said it was a fairly significant change in terms of employer/employee status.

Associate Vice President Small said that was true with regard to employees who have career status. This proposed language deals with employees who are appointed to term status. She said it was not fair to distinguish those employees in a negative way.

Regent Dorr stated that it was important to understand that IBM, GM and other large companies are going through difficult times. He said he was empathetic to what university officials were trying to do but was concerned about resource allocations down the road.

Mr. Richey pointed out that this proposed language would not in any way affect the university's lay off authority.

Regent Hendricks said the change appeared to change the at-will status of some of the employees.

Associate Vice President Small stated that the proposed language would make it easier for those employees to get other jobs within the university. It would also make it easier to keep research groups together during down times.

MOTION:

Regent Furgerson moved to approve amendments to the personnel policies for University of Iowa professional and scientific (P & S) staff that were proposed to clarify employee rights to career status appointment. Regent Tyrrell seconded the motion. MOTION CARRIED WITH REGENT DORR OPPOSED.

APPOINTMENT OF VICE PRESIDENT FOR FINANCE AND UNIVERSITY SERVICES. The Board Office recommended that the Board approve the appointment of DOUGLAS K. TRUE as the University of Iowa's Vice President for Finance and University Services at an annual salary of \$110,000.

Mr. True served as Deputy Director of the Iowa Energy Council from 1978 to 1981, Deputy Director of the Iowa Office for Planning and Programming from 1981 to 1984 and Director of Business and Finance for the State Board of Regents from 1985 to 1988.

Mr. True came to the University of Iowa in 1988 as University Treasurer and became Assistant Vice President for Finance and University Services in January 1991. He has served as interim Vice President for Finance and University Services since December 1991. Mr. True was identified as the leading candidate following a nationwide search to fill the position.

President Rawlings stated that university officials were very pleased to bring this appointment to the Board for approval.

MOTION:

Regent Hendricks moved to approve the appointment of DOUGLAS K. TRUE as the University of Iowa's Vice President for Finance and University Services at an

annual salary of \$110,000. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Berenstein congratulated Douglas True, on behalf of the Board of Regents, on his appointment as Vice President for Finance and University Services, University of Iowa.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the university's capital register for May 1993.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Hancher Auditorium Renovation

The University of Iowa has undertaken a major fund raising initiative in support of the refurbishment of Hancher Auditorium, the university's principal performing arts facility.

Since Hancher Auditorium opened in the fall of 1972, over three million people have attended events in the auditorium. One result of this activity has been a deterioration of the internal furnishings, including the carpeting and auditorium seating. The stage floor has also experienced deterioration as a result of its use for Broadway shows, operas, symphonies, orchestras, and dance performances. Accessibility requirements for the disabled, which have increased since the facility was constructed, also need to be addressed.

University officials proposed to initiate a project to correct these and other deficiencies in the building. This renovation project will include replacement of lobby and auditorium carpet and auditorium seating, repair and painting of lobby and hall interior, replacement of the stage floor and lighting, replacement of the house curtain and refurbishment of backstage dressing rooms. Accessibility for the disabled to backstage areas will also be improved. The estimated cost for this project is \$2 million.

In anticipation of these needs, Hancher Auditorium and the University of Iowa Foundation initiated the Hancher Ovation Campaign to raise funds to finance the project. A grant from the National Endowment for the Arts in the amount of \$150,000 will assist in meeting the goal of \$2 million required for the project. Funding has now progressed to the point where planning for the project must begin if actual work is to occur, as planned, during the summer of 1994.

University officials requested permission to proceed with the selection process for an architect to provide design services for this project. In

view of the very special nature of the work, they proposed to solicit proposals from architects with specialties and experience in theater design.

PROJECT DESCRIPTIONS AND BUDGETS

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

University Hospitals and Clinics--Development of Overhead \$5,332,150
Patient, Visitor and Staff Walkways Linking the Pappajohn
Pavilion to the Eye Institute and Final Phase Facility
Source of Funds: University Hospitals Building Usage Funds

PRELIMINARY BUDGET

Construction	\$4,388,600
Contingency	438,860
Architectural and Engineering Support	285,260
Planning and Supervision	<u>219,430</u>
Total	<u>\$5,332,150</u>

University officials requested approval of a project description and budget for this project to develop the structural shell for a four-level, overhead pedestrian walkway linking the John Pappajohn Pavilion and the Eye Institute and South Pavilion (Final Phase Facility).

The project entails constructing the shell for this pedestrian walkway system between the second, third, fourth and fifth levels of the Pappajohn and South Pavilions. The interior of each level of shelled-in walkway space will be completed in conjunction with projects to finish the corresponding levels within the South Pavilion. Each walkway level will be approximately 165 feet in length and will provide a public corridor width of ten feet which corresponds to the width of building corridors on each end of the link.

The main roadway system, which will be developed to serve the south entrance of the Pappajohn Pavilion and the main entrances to the South Pavilion and future Hospital Parking Ramp #4, will be located directly below this pedestrian walkway. This project is being undertaken now to avoid closing this essential roadway and creating multiple access problems for patients and essential services, such as emergency vehicles, after the Eye Institute is completed on Level One of the South Pavilion in the summer of 1994.

Director Specter introduced John Staley, University of Iowa Hospitals and Clinics.

Mr. Staley reviewed the major components of the University of Iowa Hospitals and Clinics' phased capital replacement program. He emphasized that no

State capital appropriations were utilized. Since the projects were accomplished in a phased fashion, they came before the Regents quite often for approval. He stated that everything done to date has been to replace antiquated facilities. He said the final phase, which will be known as the South Pavilion, will replace the clinic facilities. With regard to the construction of the Eye Institute, he said the University of Iowa has one of the foremost ophthalmology departments in the country; it is one of the 6 best in the United States. Hospital officials wish to develop the shell now for the linkage facility for the South Pavilion. When complete, the components of the South Pavilion will have 3,800 visitors, patients and staff utilizing it per day. It is estimated that by proceeding with the shell now will save \$2.5 million over doing it as a phased project.

Regent Hendricks asked if hospital officials "costed out" what 2 floors with a walkway versus 4 floors would cost. Mr. Staley responded that hospital officials looked at the possibility of constructing each floor as a separate project.

Regent Hendricks clarified that what she was asking was whether university hospital officials considered what it would cost to scale down the project to 2 floors of walkways. Mr. Staley responded that had not been done since there will be clinics on all 4 floors. He noted that a lot of the cost of this project is associated with developing the base of the system.

Regent Hendricks said it seemed to her that the project was over elaborate without considering the alternatives.

Mr. Staley said the cost of the base and the roof system would be the same regardless of how many floors they develop.

Regent Dorr stated that his understanding of what Regent Hendricks was asking was, on a present value basis, what is the most cost effective way to proceed with this project.

Mr. Staley stated that from an efficiency standpoint it is best if they develop each level of the project at this time.

President Berenstein asked if it was the Board's pleasure to receive additional cost information to be presented next month.

MOTION:

Regent Dorr moved to defer action on this portion of the capital register until University Hospitals officials bring back additional information to address concerns raised by Regents. Regent Hendricks seconded the motion.

Mr. Staley stated that one consideration was that the project was scheduled to be presented to the Health Facilities Council the day before the June Board of Regents meeting. He asked if there was another way to handle this through information to be provided to the Regents after this meeting but before the next Regents meeting.

Mr. Richey suggested the Board could approve the project as presented subject to the receipt of additional information with the understanding that at the request of any Board member the project could be put on hold.

Regent Hendricks said she was uncomfortable taking action on this project without a cost-effective analysis of alternatives. When projects come before the Board, the Regents need to know that type of analysis has taken place.

President Berenstein said he was uncomfortable accepting a project subject to "unaccepting" it. He recommended they defer to next month.

Regent Dorr said he did not realize that this project was to come before the Health Facilities Council next month. He stated that his wife was a member of the Health Facilities Council.

WITHDRAWAL OF MOTION: Regent Dorr withdrew his motion.

MOTION: Regent Hendricks moved to defer action on this project until June. Regent Tyrrell seconded the motion. MOTION CARRIED WITH REGENT DORR ABSTAINING.

Medical Laboratories--HVAC and Building Upgrade--Phase III \$1,158,650
Source of Funds: Income from Treasurer's Temporary Investments

Preliminary Budget

Design, Inspection and Administration	
Consultant	\$ 11,000
A/E Services	71,100
Construction	
Phase III	833,400
Adjustment from Phase I	159,850
Contingencies	<u>83,300</u>
TOTAL	<u>\$1,158,650</u>

University officials requested approval of a project description and budget for Phase III of this project. The Phase III project will provide HVAC systems and the associated support equipment to serve 38,000 square feet on the ground through third floors of the northeast section of the Medical

Laboratories Building. Included will be the central air handling unit, return exhaust air fans, humidification system, heating hot water system, building chilled water pumps, HVAC control system and the extensions of the existing building steam, condensate, electrical, sanitary and storm sewer systems to meet the revised requirements.

All central equipment and building systems will be sized to meet the requirements of the area indicated above and will be housed in a new mechanical room to be located within the courtyard space of the Medical Laboratories. The mechanical room portion of the project was originally included in Phase I of the project at a cost of \$159,850. Due to budget and scheduling considerations, the mechanical room was being incorporated into the Phase III project, and was shown as an adjustment to the Phase III budget.

Areas adjacent to the space improved by the Phase III project will be able to be added to this system as needed with reduced cost and effort. Similar systems can be added to the building by expanding the mechanical equipment room and adding new equipment until all Medical Laboratories' areas on ground through third floor are served.

North Capitol Improvements Project

\$929,000

Source of Funds: Gifts to the university, Treasurer's Temporary
Investments, and John Pappajohn Business
Administration Building Project Budget

Preliminary Budget

Design, Inspection and Administration	
Consultants	\$ 82,580
A/E Services	22,720
Construction	748,800
Contingencies	<u>74,900</u>
TOTAL	<u>\$ 929,000</u>

University officials requested approval of the project description and budget. This project will extend construction of the T. Anne Cleary Walkway into the block of North Capitol Street between Jefferson and Market Streets. The project area is in the former right-of-way of North Capitol Street between Jefferson and Market Streets and includes the area between Calvin Hall and Trowbridge Hall and to the east of the Iowa Memorial Union Parking Ramp. The project will have focal points in the area east of the parking ramp and at the entrance to the west wing of the new John Pappajohn Business Administration Building.

The North Capitol Improvements Project will be constructed according to the master plan prepared in the fall of 1990. The master plan was prepared by

Croese-Gardner Associates, the designers of the current project. The existing street pavement and sidewalks will be removed and replaced by a pedestrian walkway/plaza with landscape paving, seating areas, bicycle parking, new lighting, trees and other plantings. A new, accessible pedestrian route into the Iowa Memorial Union Parking Ramp will be constructed as a part of the project. A kiosk-type structure will be constructed in the area just to the east of the parking ramp. Underground utilities and storm drainage will be modified and replaced as required.

Biology Building--Animal Quarters Renovation \$475,640

Source of Funds: Building Renewal or Treasurer's Temporary
Investments and Grant Funds from the National
Institutes of Health

Preliminary Budget

Design, Inspection and Administration	
Consultants	\$ 50,450
A/E Services	19,390
Construction	368,900
Contingencies	<u>36,900</u>
TOTAL	<u>\$ 475,640</u>

University officials requested approval of a project description and budget for this project, which will provide for the renovation and expansion of the animal quarters on the ground floor of the Biology Building, a 3,000 square feet area. The remodeled space will encompass a suite of seven new animal care rooms and associated support spaces. The project will include required demolition and the installation of new partitions, doors, and finishes. It will also include the relocation of the existing cage washer, and the installation of new utilities, including plumbing, electrical and HVAC systems.

Bowen Science Building--Microbiology Laboratory Remodeling-- \$383,440
Core 3-700

Source of Funds: Treasurer's Temporary Investments and/or
Gifts to the College of Medicine

Preliminary Budget

Design, Inspection and Administration	
Consultants	\$ 37,640
A/E Services	13,900
Construction	301,700
Contingencies	<u>30,200</u>
TOTAL	<u>\$ 383,440</u>

University officials requested approval of the project description and budget for the Core 3-700 project. The Core 3-700 project comprises the first phase of the Microbiology Laboratory Remodeling program. This project will convert a 4,000 square foot former teaching laboratory into a research laboratory, three offices and a conference room. (The displaced teaching laboratory will be enlarged and reequipped in the Medical Education Building). Subsequent projects within this program will remodel other areas of the third floor.

Work will include removal of laboratory casework and plumbing; installation of partitions, doors, finishes, a cold room, and laboratory casework; relocation of a fume hood and the installation of sinks, emergency showers and gas outlets; and installation of new lighting and electrical raceways. The project will also include necessary modifications to the HVAC system.

* * * * *

University officials presented a revised budget on the following project.

Medical Laboratories--HVAC and Building Upgrade--Phase I

Source of Funds: Income from Treasurer's Temporary Investments

Original Budget \$687,500
Revised Budget \$527,650

Project Budget

	Original Budget Nov. 1992	Revised Budget May 1993
Design, Inspection and Administration		
Consultants	\$ 84,000	\$ 84,000
A/E Services	4,000	4,000
Construction	550,000	390,150
Contingencies	<u>49,500</u>	<u>49,500</u>
TOTAL	<u>\$ 687,500</u>	<u>\$ 527,650</u>

University officials requested approval of a revised project budget for Phase I of this project in the amount of \$527,650, reflecting a reduction of \$159,850 from the budget approved in November 1992.

One bid was received for Phase I of the project which exceeded the construction budget by approximately 10 percent. The Executive Director

authorized the university to reject the bid, reevaluate and re-bid the project. The analysis following the bid opening indicated the need for modification to the mechanical room design to comply with the project budget.

The revised budget reflects a reduction of \$159,850 for the deletion of the mechanical room from the Phase I project. The mechanical room will be incorporated into the Medical Laboratories--HVAC and Building Upgrade--Phase III project.

* * * * *

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

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Medical Laboratories--Renovate Radiation Research Laboratories \$57,600
Wehner Pattschull Pfiffner, Iowa City, Iowa

University officials requested approval to enter into an agreement with Wehner Pattschull Pfiffner to provide preliminary design services for this project which will renovate interior space in the Radiation Research Laboratories. Work will include the extension of existing mechanical, electrical, and plumbing, plus new lighting, painting, floor covering and miscellaneous casework improvements.

The agreement provides for a fee of \$57,600, including reimbursables.

Bowen Science Building--Microbiology Laboratory Remodeling \$35,740
Core 3-700
Brooks Borg and Skiles, Des Moines, Iowa

University officials requested approval to enter into an agreement with Brooks Borg and Skiles to provide design services for this project. The agreement provides for a fee of \$35,740, including reimbursables.

Van Allen Hall--Repair Exterior, Replace Roof--Asbestos Abatement/ \$15,892
Exterior Repair Package
Shive-Hattery Engineers and Architects, Inc., Iowa City, Iowa

University officials requested approval of an agreement with Shive-Hattery Engineers and Architects for the preparation of abatement project specifications. The agreement will also provide for air monitoring services, periodic construction observation and contract administration.

The agreement provides for a fee of \$15,892, including reimbursables.

Pharmacy Building--Pharmaceutical Services Renovation
United Engineers and Constructors, Inc., Philadelphia, PA

University officials requested approval to enter into an agreement with United Engineers and Constructors, Inc., Philadelphia, Pennsylvania, to provide preliminary design services for this project which will renovate 2,500 square feet of space in the basement of the Pharmacy Building. The estimated cost of this project is approximately \$850,000, which will be funded from Pharmaceutical Services revenues.

The Division of Pharmaceutical Services of the College of Pharmacy contracts to manufacture clinical supplies for a large number of pharmaceutical companies. The proposed renovation is needed to maintain compliance with the federal regulations that govern the pharmaceutical industry.

To initiate the renovation project, the university sought expressions of interest from eight qualified engineering design firms. Responses were received from three firms, none of which were from Iowa. A group of staff, administrators and users of the proposed facility selected two firms for interviews, Lockwood Greene Engineers, Atlanta, Georgia, and United Engineers and Constructors, Inc., of Philadelphia, Pennsylvania.

The committee recommended the selection of United Engineers and Constructors, Inc., to provide design services for this project. The committee selected the firm based on its record of success on other projects and the high quality of design work.

University officials will proceed with the negotiation of an agreement with United Engineers and Constructors, Inc., for Executive Director approval.

Amendments:

Recreation Building--Athletic Facilities Improvement Program Amendment #1 \$102,740
Herbert Lewis Kruse Blunck, Des Moines, Iowa

University officials requested approval of Amendment No. 1 with Herbert Lewis Kruse Blunck Architecture, Ltd. in the amount of \$102,740. The amendment provides for additional services required due to the expansion of the project to include the renovation of 30,420 square feet of the

Recreation Building for non-revenue sports and the inclusion of site utility design.

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

University Hospitals and Clinics--Development of an Amendment #5 \$61,000
Eye Institute
Hansen Lind Meyer, Iowa City, Iowa

University of Iowa Hospitals and Clinics officials recommended approval of Amendment #5 to the Standard Form of Agreement between Owner and Architect, Hansen Lind Meyer, Iowa City, Iowa for the design of the Development of An Eye Institute project.

Amendment #5 involves services which are not part of the original agreement. The expanded services included designs for: building electrical entrance, construction site temporary electrical power, a new sanitary sewer, a new storm sewer, and design of the telecommunication duct bank. The design of the utilities corridor outside of the Eye Institute south side was reviewed and monitored. Evaluations of chilled water and steam distribution routings serving the Eye Institute were made.

Amendment No. 5 will not result in an increase in the total project budget.

Quadrangle--Renovate Rest Rooms \$4,244.25
Pierce King Architects and Associates, Iowa City, Iowa

CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Development of a Surgical \$4,530,200
Intensive Care Unit in the John Pappajohn Pavilion
Award to: Mid-America Construction Company of Iowa, Iowa City, Iowa
(4 bids received)

Steam Distribution Improvements--Power Plant to South Grand Avenue \$1,714,400
Award to: ACI Mechanical Corporation, Ames, Iowa
(7 bids received)

University Hospitals and Clinics--Pappajohn Pavilion Public \$590,100
Rest Rooms, Stairwells, and Cartlift Finishing
Award to: Merit Construction Company, Cedar Rapids, Iowa
(5 bids received)

University Hospitals and Clinics--Development of Obstetrics and \$497,997
Gynecology Support Services
Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(8 bids received)

Medical Laboratories--Construct Fire Stairs, East Wings \$402,576
Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(5 bids received)

Steam Distribution System Improvements--Power Plant to South Grand Avenue--Asbestos Removal \$133,416
Award to: Iowa-Illinois Thermal insulation, Inc., Davenport, Iowa
(4 bids received)

Currier Hall--Replace Piping, East and South Wings
Reject Bids

Four bids were received for this project on March 16, 1993. All bids exceeded the engineering estimate by at least 30 percent. On April 8, 1993, the Executive Director authorized the university to reject the bids, reevaluate and re-bid the project.

* * * * *

University officials reported the following purchase orders for projects funded by Academic Building Revenue Bonds.

Iowa Advanced Technology Laboratories \$539,593.97

73rd General Assembly Revenue Bonds Equipment \$686,340.89

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Pneumatic Tube System Installation
M. A. Mortenson Company, Minneapolis, MN

FINAL REPORTS

Main Power Plant Boiler Replacement Program--Phase II \$3,971,989.02

Hancher Auditorium/Music Building--Heating Pipes Replacement \$1,481,637.90

University Hospitals and Clinics--Positron Emission Tomography Imaging Center \$1,357,391.56

Hancher Auditorium--Steam Line Construction \$448,331.82

Indoor Practice Facility--Replace Fabric \$445,955.89

University Hospitals and Clinics--Development of General Administrative Service Functions \$429,694.04

<u>University Hospitals and Clinics--Material Services Office Consolidation--Phase 4 of Consolidated Material Distribution System</u>	<u>\$417,191.89</u>
<u>University Hospitals and Clinics--2 Boyd Tower Obstetrics/Gynecology Clinic Remodeling</u>	<u>\$407,181.98</u>
<u>University Hospitals and Clinics--Ophthalmology Minor Surgery, Nurse Station and Support Rooms Relocation</u>	<u>\$400,153.81</u>
<u>Music Building--Asbestos Abatement</u>	<u>\$353,048.05</u>
<u>University Hospitals and Clinics--Emergency Generator Sets Interconnection System</u>	<u>\$295,695.30</u>

MOTION: Regent Hendricks moved to approve the university's capital register for May 1993 with the exception of the University of Iowa Hospitals and Clinics walkways project. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

With RESPONSE TELEVISION CORPORATION for its use of 355 square feet of business incubator space located in the Technology Innovation Center on the Oakdale Campus at the rate of \$251.46 per month for the six-month period commencing June 1, 1993, through November 30, 1993;

With G.W.G. INVESTMENTS for the university's use of 23,400 square feet of office space in the former Iowa City Public Library Building, 307 East College, Iowa City, Iowa, at the rate of \$4,500 per month for the two-year period commencing July 1, 1993, through June 30, 1995;

With the UNITED WAY OF CENTRAL IOWA for the university's use of 2,435 square feet of classroom and office space located at the United Way of Central Iowa's Human Services Campus, 1111 Ninth Street, Des Moines, Iowa, at the rate of \$2,390.36 per month for a three-year period commencing June 1, 1993, through May 31, 1996; and

With various tenants in the university-owned apartments, rooms, duplexes and houses for 101 units ranging in rent from \$150 to \$700 for a term established by the university not to exceed one year beyond the date of June 30, 1994.

MOTION: Regent Dorr moved to approve leases, as presented. Regent Tyrrell seconded the

motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Furgerson,
Hendricks, Johnson-Matthews, Newlin,
Pellett, Tyrrell.

NAY: None.

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

MANDATORY STUDENT FEE DISTRIBUTION OF DESIGNATED TUITION. The Board Office recommended that the Board approve the university's proposed distribution of the portion of tuition designated for student activities, student services, and building fees for the 1993-94 academic year, including summer session 1993.

The proposed increase in designated tuition was 1.1 percent. University officials proposed that the portion of designated tuition for student activities increase 3.7 percent and that designated tuition for student services and building fees remain at the 1992-93 level.

Total income from designated tuition is projected to be \$3,336,447, a decrease of 3.1 percent from 1992-93 income. An expected slight decline in enrollment accounts for this decline.

A portion of the tuition paid by students is allocated to student services and activities as well as for the costs of buildings supporting these services and activities. These fees are called designated tuition and amounted to 6.4 percent of tuition revenues in fiscal year 1993.

Designated tuition is to be distinguished from the following:

- a) Regent-wide mandatory fees such as the computer and health service fees approved at the same time as full-time tuition, and
- b) miscellaneous fees largely dependent on individual student choices and circumstances.

Chapter 262.34B of the 1993 Code of Iowa requires that a ten-member student fee committee consisting of five student government appointees and five university employees make recommendations to the university administration on student fees by April 15.

The student fee committee for the University of Iowa was duly formed and made recommendations to the president of the university as required. These recommendations were shared with University of Iowa Student Association (UISA), the student government association. The president of UISA was a member of the student fee committee and concurred with the final

recommendations. The president of the university supports the recommendations.

Increases in fees are directed primarily to those programs where students have set priorities and desire to maintain services.

Fees are determined separately for fall/spring semesters and the summer semester. This pattern is consistent with previous years at the University of Iowa.

The proposed fall and spring semester rate is \$67.05. The proposed summer rate is \$21.43. The fall and spring semester rate is 6.1 percent of total tuition, a decline from the 6.4 percent of 1992-93.

The total amount generated is projected at \$3.3 million. Of this amount, \$946,764 is projected for student activities, \$980,860 for student services of health and transportation, and \$1,408,823 for building project debt service.

The largest specific categories for allocation of designated tuition are as follows:

<u>Category</u>	<u>Amount</u>	<u>Rate Per Student</u>
Arena/Recreation Project Debt	\$654,538	\$12.86
Iowa Memorial Union	\$588,962	\$11.46
Student Health Center	\$510,580	\$10.09
Cambus/Bionic Bus	\$470,280	\$ 9.64
UI Student Association	\$403,468	\$ 8.53
Student Publishers, Inc. (Daily Iowan)	\$234,253	\$ 4.70

All recommended increases were in the area of student activities. Student services for health and bus transportation and debt service for buildings were not recommended for any rate increases.

University officials recommended a \$.70 (3.7 percent) increase from \$18.80 to \$19.50 in the semester student activity fee and a \$.15 (4.8 percent) increase from \$3.10 to \$3.25 in the summer session activity fee to pay for increased operational costs of student organizations. Among these student organizations

There was an increase from \$.27 to \$.79 (192.6 percent increase) allocated to the Student Commission on Programming and Events (SCOPE) to provide seed money to attract more popular entertainment to the campus and allow the organization to be more self-supporting in the future.

There was a decrease from \$.62 to \$.45 (27.4 percent decrease) to the United Students of Iowa and a decrease from \$8.74 to \$8.53 (2.4 percent decrease) for the University of Iowa Student Association itself. These reductions reflect a commitment to provide support for other on-campus student activities.

The Tenant Landlord Association will receive no increase. Other fall/spring semester increases range from \$.02 for Student Publishers, Inc., to \$.14 for Student Legal Services.

Vice President Nathan introduced John Robert Gardner, newly-elected president of the University of Iowa Student Association. He said Mr. Gardner is a graduate student in the School of Religion.

Mr. Gardner stated that the budget before the Regents represented an 18 percent amount going to the political groups.

MOTION:

Regent Johnson-Matthews moved to approve the university's proposed distribution of the portion of tuition designated for student activities, student services, and building fees for the 1993-94 academic year, including summer session 1993. Regent Furgerson seconded the motion.
MOTION CARRIED UNANIMOUSLY.

BUDGET CEILING INCREASE. The Board Office recommended the Board approve fiscal year 1993 budget ceiling increases for the following:

SUI General Educational Fund	\$680,000
Psychiatric Hospital	\$146,700

University of Iowa officials requested a budget ceiling increase in its budget for the General Educational Fund for fiscal year 1993 of \$680,000. This represents a 0.24 percent increase over the original fiscal year 1993 budget.

The increase in revenue at the University of Iowa in the budget of the General Educational Fund is expected to come principally from indirect cost recoveries earned from sponsored grant and contract activities. Part of the reason for the increase is the change in the approved indirect cost rate from 43 percent to 45 percent as of July 1, 1992, which applies to on-campus research awards received after that date.

University officials proposed to direct the income outlined above to the following research-related support activities:

(1)	Space Physics research administrative and grant preparation support	\$250,000
(2)	Sponsored grant equipment match	225,000
(3)	Research facilities building renewal projects	103,000
(4)	Research Office and Sponsored Programs database development and research oversight support costs	76,000
(5)	Grant Accounting Office support costs	26,000

Psychiatric Hospital officials requested a budget ceiling increase for fiscal year 1993 of \$146,700 which is a 1.0 percent increase over the original fiscal year 1993 budget.

The increase in revenue at the Psychiatric Hospital is the result of productivity increases and does not affect the rates of charge. The increase includes:

- (1) 3.1% increase in the acute inpatient census in the psychiatric units
- (2) 1.0% increase in the acute inpatient census in the psychiatric units
- (3) 5.1% increase in total inpatient admissions
- (4) 1.0% decrease in the ambulatory patient clinic census

The additional income flowing from the productivity increase will be used to support a concomitant operating expense budget increase for the Psychiatric Hospital of \$146,700 for cost increases which could not be accommodated through internal reallocations. The expenses include:

- (1) \$11,800 for purchased departmental laboratory services
- (2) \$34,400 for dietary services
- (3) \$100,500 for utilities (change in methodology for allocating chilled water costs from the Utilities Enterprise)

The planned continuation of these 1992-93 adjustments in the 1993-94 budget will be accomplished entirely from perpetuation of the current paying patient earnings level; and, therefore, has no impact on the 1993-94 state appropriation requests.

MOTION:

Regent Furgerson moved to approve fiscal year 1993 budget ceiling increases for the

following: SUI General Educational Fund
\$680,000 and Psychiatric Hospital \$146,700.
Regent Dorr seconded the motion. MOTION
CARRIED UNANIMOUSLY.

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

President Rawlings introduced Jerald Schnoor, newly-elected President of the University of Iowa Faculty Senate. He said Jerald Schnoor is a Professor in the College of Engineering.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, May 19, 1993.

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

Register of Personnel Changes for April 1993, which included four requests for early retirements, and one phased retirement request.

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

APPROVAL OF IOWA STATE UNIVERSITY HONORARY DEGREE. The Board Office recommended the Board approve Iowa State University's request to award on honorary degree to Charles Concordia.

Mr. Concordia is an eminent engineer who has made important contributions to the science and technology of electric power systems.

The award was consistent with the policy approved by the Board.

MOTION: Regent Newlin moved to approve Iowa State University's request to award on honorary degree to Charles Concordia. Regent Hendricks seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended (1) that the Register of Capital Improvement Business Transactions for Iowa State University for May 1993 be approved and (2) approve use of Master Lease financing for the Veterinary Medicine--Energy Conservation Remodeling project.

PERMISSION TO PROCEED WITH PROJECT PLANNING

Engineering Teaching and Research Building

The estimated cost of this project is \$58 million, not including campus infrastructure improvements necessary to serve the new facility. The projected funding for the project includes a combination of state, federal,

and private funds, including \$29 million in state funds, \$15 million in federal funds, and \$14 million in private funds..

This project has been included in the university's capital program for the last several years, at priority #9 for the Board in the FY 1994 request. \$1 million was included in the Board's capital request for FY 1994 for planning of the project. No state funding was provided by the Governor or General Assembly. The project is also the fourth Iowa State University project in the Board's overall capital plan after fire safety, deferred maintenance, and the Intensive Livestock Research Facility. The Board's Five-Year Capital Plan included funding for this project in the amount of \$8 million for fiscal year 1995 and \$20 million for fiscal year 1996.

The university has received a grant from the Federal Aviation Administration in the amount of \$1.5 million for planning of the university's Center for Aviation Systems Reliability. University officials anticipate that additional funding will become available over a number of years, necessitating phased planning and construction for the facility. Receipt of the grant from the Federal Aviation Administration, in conjunction with private funding, will allow the university to develop a master plan for the total project and to complete detailed planning for Phase I. University officials must decide whether to accept the grant and begin planning a phased project by September 30, 1993.

It would be inappropriate to approve the entire \$58 million project budget at this time because funding is not available. Given the September deadline for committing to the project or risk losing the federal funds, the Board Office recommended that the Board grant authority to apply the federal planning funds to initiate planning for the project. The project budget would be brought back to the Board for its consideration after a thorough planning review is complete.

This project will meet the needs of the Department of Aerospace Engineering and Engineering Mechanics in the College of Engineering, and the University Centers for Nondestructive Evaluation and Aviation Systems Reliability. This proposed building is a key to the Engineering College reorganization plan to increase graduate and research productivity and to apply innovative teaching technologies and methods to large numbers of undergraduate courses.

The proposed facility will contain approximately 190,000 net square feet of space (320,000 gross square feet), consisting of two approximately equal components. The first component will house the College of Engineering and the Department of Aerospace Engineering and Engineering Mechanics. This component will provide space for emerging technology research laboratories and interdisciplinary research among collaborating faculty and graduate students from different departments. It will also provide modern, innovative teaching facilities for class sizes from 40 to 300 students.

The second component will house the university's Center for Nondestructive Evaluation and Center for Aviation Systems Reliability and will include research, training, and support facilities for ongoing research programs in aircraft reliability in both centers. This component will include research laboratories and classrooms, seminar rooms, lecture halls, and a large high bay area for use in training of technicians in the use of center-developed new detection equipment for flaws in aircraft structure. This area will be large enough for five to six inspection stations for testing of actual aircraft components such as a section of fuselage or wing or complete tail assembly.

University officials recognize there is some risk associated with beginning the planning for the project. However, the alternative is to indicate to the federal government that the university is not in a position to accept the Federal Aviation Administration grant, risking the loss of future federal support and the university's strategic planning commitment to long-term research and education in the College of Engineering and technology transfer initiatives. Private fund raising has resulted in commitments of \$7 million to \$8 million. The Governor has supported the project but has indicated that state funding is not likely to occur until a future fiscal year. No financial commitments beyond those funds actually available will be made but the project will be planned based upon the state eventually providing funding for one-half of the facility.

President Jischke stated that Iowa State University officials were requesting permission to proceed with project planning for the Engineering Teaching and Research Building. He said the project was brought before the Board at this time because of the importance of the project to the strategic plan of the university and because the university risks losing \$1.5 million in federal planning funding if the federal funds are not committed by September 30, 1993. The building will house 3 kinds of activities: 1) the aerospace engineering and engineering mechanics department which is one of the stronger departments in the Iowa State University College of Engineering; 2) two major applied research centers -- the Center for Nondestructive Evaluation and the Center for Aviation Systems Reliability; and, 3) new teaching laboratories and student design studios that will have an impact on how engineering is taught at Iowa State University.

Iowa State University officials believe the building will contribute to the college's efforts to develop innovative teaching technologies for the future. The research that will be conducted in the building attacks national issues relating to aging aircraft and their safety and reliability. They believe this research will impact not only industry in Iowa but could have the potential of attracting industry into the state. President Jischke stated that this project enjoys strong support from alumni, the corporate community, business and industry of the state, and various chambers of commerce.

President Jischke said funding for the Engineering Teaching Research Building will be accomplished through a combination of federal, state and private

support. The total project cost is \$58 million, \$15 million of which university officials hope to get from the Federal Aviation Administration, \$29 million in state funding and \$14 million in private funding. Of that \$14 million in private funding, he said university officials have already raised between \$7 million and \$8 million. Funding for this project will come over the course of several years. To accommodate the timing and availability of the funding from these various sources, university officials would phase in the planning and construction. He said they will not at any time make commitments until the funding is in hand. University officials were asking today to proceed with planning of the project that will include evaluation of prospective sites for the building, completing the schematic design of the total project and the detailed drawings for the first phase.

Regent Tyrrell asked about the university's obligation to the Federal Aviation Administration if it accepts their planning money and then is unable to consummate the total funding. President Jischke responded that in the worst case they would have to refund the money. The only obligation if they keep the funding is that in time they match the contribution.

Regent Tyrrell asked when the building was expected to be completed. President Jischke responded that a time line had not been developed. The project will have to be designed flexibly so it can proceed as the money becomes available. He said that at this point they cannot predict with certainty when the money will become available. Once the federal government appropriates the money there is a time frame over which the funds must be committed and spent.

Regent Tyrrell asked about the ranking of this project on the Regents' capital projects listing. Mr. Richey responded that it is the second project for Iowa State University and is behind the Wellness Center at University of Northern Iowa. Livestock Research is the first priority of Iowa State University.

President Jischke reinforced that this is a multi-year project. It will take a number of years to complete.

Regent Dorr asked if the Centers for Nondestructive Evaluation and the Aviation Systems Reliability center are called centers because they are generally construed as having been financed with soft money. President Jischke responded that they are financed by a combination of state and research dollars which are largely federal dollars.

Regent Dorr expressed concern about what happens if the soft monies become somewhat scarce. What is the contingency?

President Jischke stated that the university has seen over the last 7 or 8 years a consistent significant growth in the scale of research activities. It has gone from a sponsored research budget of about \$40 million 7 years ago to one this year of approximately \$110 million to \$115 million. He said this is

a very broad-based growth of research. Those centers are one piece of that. If it turned out in time that funding would slip, he believes the research activities of the campus are growing at such a rate that university officials would find plenty of uses for this kind of space. They will be able to use it for other research programs; however, he did not think the money would slip. The issue they are dealing with is absolutely fundamental to the competitiveness of one of the major industries of our country. The technology is quite generic. It is the question of whether one can inspect solid materials without destroying them. One of the applications is in determining the reliability of aircraft. The question of replacing the aging aircraft fleet of our country is an absolutely pivotal question. It is an issue that will be with the United States for a decade or more. President Jischke stated that Iowa State University has one of the 2 leading centers in the United States for this kind of technology.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

Carrie Chapman Catt Hall Remodeling

University officials presented the schematic design as prepared by the project architects. University officials will proceed with design development, construction documents, and construction of the project.

The schematic design was approved by the appropriate university personnel. The project architects were present at this Board meeting to make a brief presentation on the project.

Vice President Madden introduced the two architects working with the university on this project from Baldwin Clause architects in Des Moines, Thomas Baldwin and Sherry Peterson.

The architects reviewed the schematic design.

President Berenstein stated that he had some of the same questions of the architects that Regent Hendricks had of the architects for the UIHC walkway project. When dealing with a remodeling project, they have to consider total cost involved as opposed to different ways to do it to conserve costs. He said there were some things that he did not understand very well concerning knocking out the walls and saving the floors, etc. He questioned what the cost factor was on that. They were talking about a lot of money per square footage.

Mr. Baldwin stated that the architects had figured that the approximate gross square footage cost of this building remodeling project was around \$177/square foot. He said costs for new construction are somewhat higher. It was his opinion that saving and utilizing this historic building at a cost less than new construction had a lot of merit. He said the heritage of Iowa State

University was well represented by a restoration project of this type. He said new construction would cost around \$190/square foot.

Regent Tyrrell asked for what purpose the building was now used. Vice President Madden responded that the majority of the building is vacant now because it does not meet the fire and life safety code. There is a limited amount of activity on the ground floor level.

Regent Tyrrell asked for the present location of the facilities that university officials intend to move into this building. Vice President Madden responded that Carver Hall is the current location of the College of Liberal Arts and Sciences. It will be relocated to this building when the remodeling is finished. The Carver Hall space then will become part of the College of Business which is very constrained in its space needs.

Regent Hendricks said it seemed that when talking about new construction costs versus remodeling costs they need to take into account what it would cost to demolish the building.

Mr. Baldwin said they had not figured demolition costs into the budget because it was not part of the plan. He could not say how much demolition costs would be if the building were not to be maintained. The university would have the cost to either maintain the building empty or to demolish it.

Regent Hendricks stated that when talking about new construction costs they probably would have to add demolition costs if the building were unusable; therefore, that would be considerably more than \$190/square foot.

Mr. Baldwin estimated that demolition costs would be around \$1/2 million because along with demolition comes utility unhooking, abatement, etc.

President Jischke said there were two fundamental reasons for performing this remodeling project. This is one of only 2 buildings on campus from the 19th century. It is the building where George Washington Carver worked. It is historically very important to Iowa State University. It is a classic piece of architecture in a stunning location and, when renovated, will be a very beautiful building that captures that early history. Also, the university desperately needs more space for the College of Liberal Arts and Sciences and the College of Business. They have to build space for administration of the College of Liberal Arts and Sciences in order to free up space in Carver Hall for the College of Business. He said that while the costs are not low they are reasonable costs that led university officials to pursue this project. He believes it is important for the history of Iowa State University that this building be preserved.

Regent Dorr asked if the architects felt they had covered most of the contingencies and were not going to come back to the Board with another 20

percent budget overrun because they found something in the attic, for example, that they did not consider earlier.

Mr. Baldwin stated that as a matter of fact they were just in the attic that morning. They have done selective demolition in this schematic design phase. They rely on the drawings of the architect who designed this building 100 years ago. Since they do not really know what is there they have taken out all the plaster from the ceilings and most of the walls. There has been necessary abatement of certain elements. They have done surveys, tested the levelness of the floors, and structural tests. They will continue to do that throughout the design of the project so that when they get to construction they will know about as much as they can know about the project. They have tried to open up as much of the surfaces as they can to probe and do selective demolition and discovery.

Mr. Baldwin stated that this building, although it is 100 years old, is a very sound, very solid, well-built building. Through their analysis so far they feel they pretty much know what to expect.

Regent Dorr said he believes this is probably a very worthwhile project. He then suggested that if it turns out as successfully as Seerley Hall at University of Northern Iowa, they will all be very happy!

President Berenstein stated that he believes this building should be preserved. He is a little uncomfortable with the cost and would be more comfortable if they looked at alternatives for cost savings. He would rather wait another 30 days and look at potential cost savings with the idea of not building a new building but keeping this building, doing some remodeling and trying to figure out a better source of funds rather than trying to get it from 5 different sources.

Regent Hendricks questioned whether funds might be available from the National Historic Register. Vice President Madden said university officials have explored funding choices and there does not appear to be that alternative available. He then stated that university officials believe these are realistic cost estimates. He said President Jischke has stressed all through this project to stay within budget. What was presented appears to be the best financing plan to accomplish this project in a reasonable time period.

Regent Dorr spoke on behalf of letting the university move along on this project. He said the administration has done a very extensive space analysis over the last 2 years and they have a fairly good handle on their space needs. He said he shared President Berenstein's concerns but was not sure they would gain a great deal in delaying this.

Regent Tyrrell asked university officials if they were going to build new, would they build every square foot that is proposed to be put into this

remodeling project? If they were going to build to meet their needs, would they build it this big?

President Jischke stated that if they could identify the money they would build more space. This project will allow them to make progress in meeting some of the needs in the College of Liberal Arts and Sciences and most of the needs in the College of Business.

Regent Newlin stated that, having some familiarity with this project, they should move forward.

PROJECT DESCRIPTIONS AND BUDGETS

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

Veterinary Medicine--Energy Conservation Remodeling \$4,200,000
Source of Funds: Norwest Master Lease

Preliminary Budget

Contracts	\$ 3,200,000
Design Services	395,200
Construction Administration	103,440
University Services	20,000
Miscellaneous	21,000
Building Automation	48,000
Project Reserve	<u>412,360</u>
TOTAL	<u>\$ 4,200,000</u>

University officials requested approval of a project description and budget for this project which will provide energy conservation improvements at the College of Veterinary Medicine through the design and implementation of heating, ventilating and air conditioning system improvements.

The HVAC systems at the College of Veterinary Medicine are the most expensive building systems to operate on the campus in terms of energy costs, which exceed \$3.4 million per year or approximately \$7.75 per gross square foot. A study completed in the mid-1980s by an engineering consulting firm indicated a significant potential for HVAC operational improvements and energy savings. Subsequently, the energy audits completed in 1989 reconfirmed the viability of the operational improvements and the potential of energy savings of approximately \$700,000 per year, for a simple payback of approximately six years. New technologies, control strategies, and hardware developed in the past three to five years now make the HVAC system improvements feasible.

Lease financing from the present Norwest Master Lease Purchase Agreement was the most reasonable of several financing alternatives reviewed. The interest

rate and other costs for the lease are now low, plus the payback could be structured to use the energy savings in the General University operations to pay the debt service.

An energy conservation bond issue, though authorized by statute, was not deemed to be feasible. A small bond issue of \$4 to \$5 million would involve the full costs of starting a new series of bond financing, plus require the funding of a bond reserve. Other possible bonding, including Department of Natural Resources Iowa Energy Bank and Iowa State University Utility System Revenue Bonds posed higher costs, made the payment of debt service from the energy savings of the General University difficult, had high issuance costs, required bond reserves, used fifteen-year long maturities, had limited coverage margins, and faced restrictive bond covenants.

The term of the lease is flexible, closely aligned with the project. This alignment better matches the General University's energy savings to payment of the debt service. Limiting the term of the lease to seven years means any budget cost ceases after the lease expires, freeing energy savings and financial capacity for other uses.

It was estimated the savings from using the lease financing, rather than bonding, will exceed \$175,000 over the seven year term. In addition, a budget burden of about \$150,000 is added each year because of a 20 percent debt service coverage in each year.

It was expected the lease financing would be used in September 1993. Semi-annual payments of principal and interest constitute the lease payment. This timing locks in the rate and the funds needs for completion of the project. Until drawn and expended, the funds would be held in a Norwest escrow account. Iowa State University would earn the interest on the escrow account. Iowa State University will use moneys previously budgeted for repairs in 1994 and early 1995 to cover lease payments not fully recovered from interest on the escrow account and the energy savings.

Energy Management System Modernization and Upgrade \$1,250,000
Source of Funds: Utility Savings

Preliminary Budget

Contracts	\$ 276,000
Construction Administration	2,760
University Services	62,000
Building Automation	750,000
Telecommunications	30,000
Project Reserve	<u>129,240</u>
TOTAL	<u>\$ 1,250,000</u>

University officials requested approval of a project description and budget for energy conservation improvements through the installation of modern direct digital controls in 39 facilities to replace the original energy management system equipment and supporting pneumatic control systems.

In 1976 the university installed an energy management system in conjunction with the construction of the Veterinary Medicine facility. Subsequently, the energy management system was expanded to include a number of other facilities on campus. The energy management system has been successfully operated and incrementally expanded for the past 16 years and is largely responsible for the significant reduction in energy consumption that has occurred since 1976.

The initial equipment is now 16 years old and has reached the end of its useful life. Reduced reliability, parts availability, high maintenance costs, and limited capability for implementing new energy conservation strategies have prompted the need for this modernization and upgrade project.

Through improved environmental system control and reduced maintenance, engineering analysis indicates a potential savings in the range of \$253,000. This will result in a simple payback of approximately five years.

Due to favorable winter weather, the university has generated substantial fuel savings which will fund this project.

* * * * *

University officials presented an amended budget on the following project.

Carrie Chapman Catt Hall Remodeling

Original Budget \$5,000,000
Amended Budget \$5,000,000

Project Budget

	Original Budget <u>Oct. 1992</u>	Amended Budget <u>May 1993</u>
Contracts	\$ 3,375,000	\$ 3,300,000
Demolition	75,000	0
Design Services	68,100	406,320
Construction Administration	109,450	116,950
University Services	40,000	40,000
Miscellaneous	10,000	10,000
Landscaping	20,000	20,000
Utility Extensions	80,000	80,000
Movable Equipment	385,000	385,000
Art Work	25,000	25,000
Building Automation	50,000	50,000
Telecommunications	70,000	70,000
Project Reserve	<u>\$ 362,150</u>	<u>346,730</u>
TOTAL	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>
Source of Funds:		
FY 1993 Building Repair Fund (Supplemental Allocation)		\$ 1,000,000
FY 1993 Building Repair Fund (Initial Allocation)	\$ 1,350,000	450,000
Income from Treasurer's Temporary Investments	1,500,000	1,400,000
ISU Foundation	1,250,000	1,250,000
Academic Revenue Bonds	<u>900,000</u>	<u>900,000</u>
TOTAL	<u>\$ 5,000,000</u>	<u>\$ 5,000,000</u>

The amended budget on this project reflects a supplemental allocation of fiscal year 1993 Building Repair Funds in the amount of \$1 million in accordance with the provisions of Section 8.33 of the Code of Iowa.

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Reiman Garden

\$38,863

Coe Lee Robinson Roesch, Inc., Philadelphia, PA
(Landscape Architectural Services)

The university's Architectural Selection Committee evaluated proposals from 20 architectural firms and selected six firms for interviews. The committee

selected those firms which it believed were capable of providing the necessary design services. In the committee's view, the Iowa firms which expressed interest in the project did not demonstrate the necessary depth of experience in the design of public horticultural gardens, and none were selected for interviews.

University officials requested approval of the selection of Coe Lee Robinson Roesch, Inc., of Philadelphia, Pennsylvania, to provide design services for this project. This firm was selected by the committee based on its exemplary ability and experience in areas specifically related to this project. Although not an Iowa firm, Coe Lee Robinson Roesch intends to associate with an Iowa firm, to be selected in consultation with the university, for the architectural and engineering aspects of the project.

The agreement with Coe Lee Robinson Roesch provides for a fee of \$38,863, including reimbursables.

<u>Buchanan and Wallace Halls--Elevator Upgrade and Modernization</u>	<u>\$30,000</u>
Lerch, Bates Engineering, Highlands Ranch, CO (Engineering Services)	

University officials requested approval of a negotiated agreement with Lerch, Bates Engineering of Highlands Ranch, Colorado, to provide engineering services for this project. The firm was selected because of its unique expertise in all aspects of elevator design, construction, and maintenance.

The agreement provides for a fee of \$30,000, including reimbursables.

Amendments:

<u>Sweeney Hall Addition and Renovation</u>	<u>\$1,405</u>
Brown Healey Stone and Sauer, Cedar Rapids, Iowa	

CONSTRUCTION CONTRACTS

<u>LeBaron Hall Supplemental Contract</u>	<u>\$64,109</u>
Story Construction Company, Ames, Iowa	

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

<u>LeBaron Hall Addition</u>	
Story Construction Company, Ames, Iowa	

<u>Utilities--Increased Chilled Water Capacity--Phase I--</u>	
<u>Mechanical Package No. 8</u>	
ACI Mechanical Corporation, Ames, Iowa	

MOTION:

Regent Hendricks moved to approve the capital register, as presented. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF LEASES AND EASEMENTS. The Board Office recommended the Board approve the following leases and easements:

With the MEMORIAL UNION for the Iowa State University Book Store's continued use of approximately 20,000 square feet of space at a rate of \$7.65 per square foot per year, for an annual rent of \$153,000 commencing July 1, 1993;

With the MEMORIAL UNION for the Iowa State University Administrative Data Processing Department's continued use of approximately 380 square feet of space at a rate of \$9.25 per square foot per year, for an annual rent of \$3,515 commencing July 1, 1993;

With the MEMORIAL UNION for the Iowa State University Copy Center's continued use of approximately 1,400 square feet of space at a rate of \$3.15 per square foot per year, for an annual rent of \$4,410 commencing July 1, 1993;

With MCI TELECOMMUNICATIONS CORPORATION for its use of 188 square feet of space in the basement of the Communications Building on the Iowa State University campus with the elimination of local loop charges totaling \$329.25 per month as compensation to the university for a one-year period commencing June 1, 1993, through May 31, 1994; and

With the STATE DEPARTMENT OF GENERAL SERVICES for an easement agreement for the installation of cable across the university's Poultry Farm located in Story County, Iowa, to serve the distribution system for the Iowa Communications Network, with no payment of funds.

MOTION:

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

MOTION CARRIED.

DESIGNATED TUITION FOR 1993-94. The Board Office recommended that the Board approve the university's proposed distribution of the portion of tuition

designated for student activities, student services, and building fees for the 1993-94 academic year, including summer session 1993.

The student fee committee for Iowa State University made recommendations to the president of the university by the designated date. These recommendations were discussed with the student government association. The president supports the committee recommendations.

Increases in fees are directed primarily to those programs where students have set priorities and desire to maintain services.

Increases in designated tuition average 5.0 percent, the same amount by which tuition was increased. This increase maintains the proportion of total tuition at 9.7 percent.

All fees are stated on a semester basis and apply to academic semesters and the summer term. This pattern is consistent with previous years at Iowa State University.

Fees for the Memorial Union, Hilton Coliseum, and Recreation Facility support existing debt service costs and must be maintained at their current level.

Following were the only increases proposed for 1993/94:

- * a \$1.25 (5.9 percent) increase for the Memorial Union to pay for increasing costs of contemporary concert programming, increases in the student employee wage matrix, and longevity and performance pay increases.
- * a \$1.60 (8.2 percent) increase in fees supporting student government to accommodate both inflationary cost increases and increased demand for approximately 450 student organizations.
- * a \$1.70 (13.7 percent) increase for Cy-Ride public transportation to maintain the existing level of services at a time when Federal transit support is decreasing.
- * a \$.53 (6.8 percent) increase for recreation associated with increased demand and inflationary increases.

A continuation of the reserve for student debts was proposed: a reduction from \$.65 to \$.62. This fund is designed to cover costs for those time periods between expenditure of funds and receipt of revenues. For example, last year the student book and hockey clubs needed to spend funds in advance of receipt of revenues.

No changes in fees were proposed for Intercollegiate Athletics, Student Union Board Space Remodeling, and United Students of Iowa.

The total amount of designated tuition allocated to student services and activities for the entire fiscal year was projected to be \$5,726,740. The largest categories are

Memorial Union	\$1,205,820;	21.0%
Student Government	\$1,141,560;	19.9%
Recreation Facility Debt	\$ 823,500;	14.4%
City Transit	\$ 761,400;	13.3%
Intercollegiate Athletics	\$ 526,500;	9.2%
Hilton Coliseum Debt Service	\$ 513,000;	9.0%
Recreation Operations	\$ 449,280;	7.8%

President Jischke introduced the newly-elected President of the Government of the Student Body, Denis Klein.

Mr. Klein congratulated President Berenstein on his election. He then stated that Veishea at Iowa State University this year was a good example of what can be done when students and administration work together. He said the idea of bringing the Regents to an open forum level at the different universities was a good one but suggested they wait until the semester starts at University of Iowa and University of Northern Iowa before the forums take place on those campuses.

MOTION:

Regent Johnson-Matthews moved to approve the university's proposed distribution of the portion of tuition designated for student activities, student services, and building fees for the 1993-94 academic year, including summer session 1993. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

TRAFFIC AND PARKING REGULATIONS FOR 1993-94. The Board Office recommended the Board approve Iowa State University's proposals for initiation of a bicycle registration fee and changes in student parking permit fees for Lot 29 and the Veterinary Medicine Lot, and approve changes in penalties and hourly charges for parking.

Iowa State University officials requested Board approval of changes in its traffic and parking regulations for 1993-94, as required by section 10.07 (C) of the Board of Regents Procedural Guide.

The cost of operating the traffic system and the construction and maintenance of parking lots is funded by permit fees, fines, and penalties.

Fee Related Changes Requiring 30 Days Notification to Students:

Proposed increases in parking permit fees at Lot 29 and the Veterinary Medicine Lot were:

	<u>Current</u>	<u>Proposed</u>	<u>% Increase</u>
Student Parking on Campus Lot 29 or Vet Med			
Fall Semester	\$ 24.00	\$ 26.40	10%
Spring Semester	\$ 12.00	\$ 13.20	10%
Summer Session	\$ 6.00	\$ 6.60	10%

Bicycle registration is currently required in the traffic regulations. The proposed \$5 fee would validate registration for two years. The proceeds would be used for bike routes and bike racks.

The parking fee increases were approved by the university's Transportation Advisory Committee. The bicycle registration fee proposal was approved by that committee, the Ames-ISU Bicycle Committee, and the Bicycle Subcommittee of the Student Environmental Council of GSB.

Proposed changes in penalties and hourly charges were:

Penalties:

Failure to purchase a parking receipt	\$ 10.00	N/A
Improper affixing or failure to display a permit	\$ 5.00	N/A

Hourly parking rate at all Tic-Fac and metered parking will be increased from \$0.25/hour to \$0.50/hour.

MOTION:

Regent Johnson-Matthews moved to approve Iowa State University's proposals for initiation of a bicycle registration fee and changes in student parking permit fees for Lot 29 and the Veterinary Medicine Lot, and approve changes in penalties and hourly charges for parking. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.

NAY: None.

ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

President Berenstein then asked Board members and institutional officials if there were additional items for discussion pertaining to Iowa State University.

IOWA STATE UNIVERSITY
May 19, 1993

Regent Tyrrell commended Iowa State University students, faculty and administrators for successful completion of Veishea.

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, May 19, 1993.

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

Register of Personnel Changes for April 1993.

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

PROPOSED NEW MASTER OF ARTS IN WOMEN'S STUDIES DEGREE PROGRAM. The Board Office stated that the docket material for this item was not received in the Board Office in a timely fashion. The item was removed from the docket for that reason.

PROPOSED NEW MASTER OF SCIENCE IN ENVIRONMENTAL SCIENCE/TECHNOLOGY, COMBINED BS/MS OR BA/MS DEGREE PROGRAM. The Board Office stated that the docket material for this item was not received in the Board Office in a timely fashion. The item was removed from the docket for that reason.

UNIVERSITY CALENDAR HOLIDAY 1995. The Board Office recommended that the Board approve the holidays proposed for 1995 as follows:

New Years Day	Monday, January 2, 1995
Memorial Day	Monday, May 29, 1995
Independence Day	Tuesday, July 4, 1995
Labor Day	Monday, September 4, 1995
Thanksgiving Day	Thursday, November 23, 1995
Friday after Thanksgiving	Friday, November 24, 1995
Christmas Day	Monday, December 25, 1995
University Holiday	Thursday, December 28, 1995
University Holiday	Friday, December 29, 1995

Board policy provides for seven specified holidays annually, two additional days that are to be designated by the head of the institutions, and two more days to be accrued as vacation.

The proposed 1995 holiday calendar for the University of Northern Iowa was consistent with Board policy and applicable collective bargaining agreements.

MOTION: Regent Ferguson moved to approve the holidays proposed for 1995, as presented. Regent Johnson-Matthews seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

PROJECT DESCRIPTIONS AND BUDGETS

University officials reported a revised budget on the following project.

1993 Institutional Roads--Dakota Street, University Avenue
Pedestrian Underpass and Hudson Road Pedestrian Overpass
Source of Funds: 1993 and 1994 Institutional Roads Funds

Original Budget \$229,000
Revised Budget \$272,000

Project Budget

	Original Budget <u>Sept. 1992</u>	Revised Budget <u>May 1992</u>
Contracts/Purchase Orders	\$ 191,000	\$ 234,000
Consultant and Design Services	28,450	34,000
Contingencies	<u>9,550</u>	<u>4,000</u>
TOTAL	<u>\$ 229,000</u>	<u>\$ 272,000</u>

Four bids were received for the above-referenced project on April 20, 1993. The low bid in the amount of \$238,153.24 exceeded the engineering estimate of \$218,229 by approximately nine percent.

The revised budget was approved by the Executive Director on May 10, 1993, to allow award of the construction contract to the low bidder. The contract was awarded by the Executive Director on May 10, 1993, for the base bid and seven alternates (one add alternate and six deduct alternates), for a total award of \$233,948.73.

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

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ARCHITECT/ENGINEER AGREEMENTS

Amendments:

<u>Electrical Distribution System Improvements</u>	<u>\$1,873.57</u>
Design Engineers, P.C., Cedar Rapids, Iowa	

CONSTRUCTION CONTRACTS

<u>Institutional Roads--Dakota Street, University Avenue</u>	<u>\$233,948.73</u>
<u>Pedestrian Underpass and Hudson Road Pedestrian Overpass</u>	
Award to: Youngblut Contract, Inc., Washburn, Iowa	
(4 bids received)	

<u>Seerley Hall Renovation--Landscaping</u>	<u>\$44,2890</u>
Award to: Platts, Inc., Waterloo, Iowa	

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

<u>Seerley Hall Renovation--Office Furnishings</u>	<u>\$119,649.35</u>
Office Concepts, Ltd., Waterloo, Iowa	

FINAL REPORTS

<u>Power Plant Replacement--Power Plant No. 1, Phase I--</u>	
<u>Utilities Relocation</u>	<u>\$629,861.26</u>

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

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

With TAU KAPPA EPSILON FRATERNITY for its use of property located at 1203 West 23rd Street, Cedar Falls, Iowa, at the rate of \$710 per month for the five-year term commencing August 1, 1993, to July 31, 1998; and

With GAMMA PHI BETA SORORITY for its use of property located at 1209 West 23rd Street, Cedar Falls, Iowa, at the rate of \$710 per month for the five-year term commencing August 1, 1993, to July 31, 1998.

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

ALLOCATION OF STUDENT ACTIVITY FEES AND DESIGNATED TUITION. The Board Office stated that complete information on this docket item was not received until 8 days after the due date. Therefore, this item was removed from consideration on this month's docket.

PRELIMINARY BOND RESOLUTION, LIBRARY ADDITION PROJECT. The Board Office recommended the Board adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$7,440,000 Academic Building Revenue Bonds, Series U.N.I. 1993.

The bond sale is expected to take place at the June Board meeting.

\$7 million in proceeds from the sale of these bonds will be used for constructing, equipping and improving a 61,000 gross square feet addition to the Donald O. Rod Library on the University of Northern Iowa campus. The remainder will be used to capitalize the reserve fund.

The initial funding for the Library Addition project was deappropriated by the 1991 legislative session. House Concurrent Resolution 24 as passed by the 1993 legislative session will restore funding for the project for fiscal year 1994.

ACTION: The motion for this item can be found under the Report of the Banking Committee, page 786 of these Minutes.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, May 19, 1993.

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

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

MOTION:

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

REQUEST FOR APPROVAL OF THE IOWA SCHOOL FOR THE DEAF FOUNDATION. The Board Office recommended the Board consent to the incorporation of the Iowa School for the Deaf Foundation.

The purpose of the foundation is to serve as a development tool for the school for the benefit of the school and its students.

The proposed foundation document was drafted by a Council Bluffs attorney, based on similar documents from the Regent universities, and was reviewed by the University of Iowa Foundation Director and attorney.

The foundation would be headed by a Board of Directors consisting of 9 voting members and 3 ex-officio members as follows:

- 2 - appointed by the Superintendent
- 1 - current President of the ISD Senate (consisting of faculty and staff)
- 1 - appointed by the Board of Regents
- 1 - appointed by the Iowa School for the Deaf Alumni Association
- 4 - appointed by the Board of Directors
- Up to 3 - ex-officio members

Superintendent Johnson stated that this request was consistent with the strategic goals for the school.

MOTION:

Regent Dorr moved to consent to the incorporation of the Iowa School for the Deaf Foundation. Regent Furgerson seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

PROJECT DESCRIPTIONS AND BUDGETS

School officials presented three projects for Board approval.

Second Floor, Elementary Residence \$65,000
Source of Funds: Building and Repair Maintenance Funds

Preliminary Budget

Asbestos Abatement/Monitoring/Management	\$ 30,000
Paint/Carpet/Drywall	<u>35,000</u>
TOTAL	<u>\$ 65,000</u>

This project is a continuation of the school's master plan initiated during fiscal year 1988 to upgrade and renovate the dormitory living areas. The plan addressed the first floor of the Elementary Residence in fiscal year 1992.

De-Aerator Tank Replacement \$56,500
Source of Funds: Building and Repair Maintenance Funds

Preliminary Budget

Asbestos Abatement	\$ 6,500
New Tank/Construction	45,000
Engineering Fees	<u>5,000</u>
TOTAL	<u>\$ 56,500</u>

This project will address concerns raised by the State Boiler Inspector during a routine review of the school's facilities. Ultrasonic testing has shown the shell thickness of the boiler is dangerously thin and total system failure is imminent. A new de-aerating system will assist the school in complying with State standards.

Administration Building Roof Replacement \$375,000

Preliminary Budget

Engineering Fees	\$ 50,000
Construction	275,000
Contingency	<u>50,000</u>
TOTAL	<u>\$ 375,000</u>

Source of Funds:

Building and Repair Maintenance Funds	\$ 75,000
FY 1993 Tuition Replacement Funds	<u>300,000</u>

TOTAL	<u>\$ 375,000</u>
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This project will replace 35,000 square feet of the roofing felts and underlayment of the Administration Building. The roof is currently experiencing numerous failures which warrant replacement of the entire roof in order to prevent further deterioration of the roof and further damage to interior finishes. Routine patching and repairs are no longer practical solutions to stop the leaks due to the serious nature of the deterioration.

The project budget will be presented to the Board again in June 1993 for a possible modification based on a report on the outcome of an asbestos assessment and review of a variety of bid alternatives.

MOTION: Regent Tyrrell moved to approve the school's capital register. Regent Newlin seconded the motion. MOTION CARRIED UNANIMOUSLY.

REQUEST FOR APPROVAL OF BUDGET CEILING INCREASE. The Board Office recommended the Board approve fiscal year 1993 budget ceiling increase of \$40,000 for Iowa School for the Deaf.

Iowa School for the Deaf officials requested a budget ceiling increase for fiscal year 1993 of \$40,000. This represents a 0.63 percent increase over the original fiscal year 1993 budget.

The increase in revenue at Iowa School for the Deaf is due to higher-than-anticipated income interpreting service agreements with AEA XIII and LEAs of \$28,000, increased interest income of \$8,000, and increased farm revenue of \$4,000.

Iowa School for the Deaf officials requested permission to expend the additional income during FY 1993 toward the renovation of the Elementary Residence's second floor. The project would be approved separately according to Board capital procedures.

Business Manager Nelson noted that the school achieved 230 bushels per acre corn yield.

MOTION: Regent Furgerson moved to approve fiscal year 1993 budget ceiling increase of \$40,000 for Iowa School for the Deaf. Regent Pellett seconded the motion. MOTION CARRIED UNANIMOUSLY.

IOWA SCHOOL FOR THE DEAF
May 19, 1993

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, May 19, 1993.

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

Register of Personnel Changes for the period March 28 through April 24, 1993.

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

ACCREDITATION RENEWAL 1992-93, NORTH CENTRAL ASSOCIATION. The Board Office recommended the Board receive the report on the accreditation renewal of the Iowa Braille and Sight Saving School by the North Central Association of Colleges and Schools.

Elementary and secondary schools in Iowa are accredited by the North Central Association of Colleges and Schools, the U.S. Department of Education recognized accrediting agency for this region of the country.

Each school undertakes a major review every 7 years and a review of progress reports every year -- this renewal is based only on progress reports.


Iowa Braille and Sight Saving School is in a transition period between accreditation under old North Central Association procedures and standards and accreditation under the Association's new outcomes-based accreditation.

ACTION: President Berenstein stated the Board received the report on the accreditation renewal of the Iowa Braille and Sight Saving School by the North Central Association of Colleges and Schools, by general consent.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL
May 19, 1993

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 3:08 p.m., on Wednesday, May 19, 1993.



R. Wayne Richey
Executive Director