

C O R R E C T E D

The State Board of Regents met on Wednesday, November 20, 1991, at Iowa State University, Ames, Iowa. The following were in attendance:

	<u>November 20</u>
<u>Members of State Board of Regents</u>	
Mr. Pomerantz, President	All sessions
Mr. Berenstein	All sessions
Mr. Dorr	All sessions
Mr. Fitzgibbon	All sessions
Ms. Furgerson	All sessions
Ms. Hatch	All sessions
Ms. Johnson	All sessions
Dr. Tyrrell	All sessions
Mrs. Williams	All sessions
<u>Office of the State Board of Regents</u>	
Executive Director Richey	All sessions
Deputy Executive Director Barak	All sessions
Director Smith	All sessions
Director Volm	All sessions
Associate Director Hollins	All sessions
Assistant Director Hudson	All sessions
Minutes Secretary Briggle	All sessions
<u>State University of Iowa</u>	
President Rawlings	All sessions
Vice President Nathan	All sessions
Vice President Phillips	All sessions
Associate Vice President Small	All sessions
Director Gibson	All sessions
<u>Iowa State University</u>	
President Jischke	All sessions
Interim Provost Swan	All sessions
Vice President Madden	All sessions
Treasurer Thompson	All sessions
Executive Assistant to the President Mack	All sessions
Assistant to the President Bradley	All sessions
Assistant Vice President Pickett	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
Vice President Follon	All sessions
Assistant to the President Geadelmann	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 Milligan	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, November 20, 1991.

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session pursuant to the Code of Iowa Section 21.5(1)(i) upon the request of an employee whose performance was being considered.

MOTION:

Regent Dorr moved to enter into closed session. Regent Berenstein seconded the motion, and upon the roll being called, the following voted:

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

NAY: None.

ABSENT: None.

The Board having voted by at least two-thirds majority resolved to meet in closed session beginning at 10:16 a.m. on Wednesday, November 20, 1991, and arose therefrom at 10:58 a.m. on that same date.

APPROVAL OF MINUTES OF BOARD MEETING, OCTOBER 16, 1991. President Pomerantz asked for corrections, if any, to the Minutes.

ACTION:

President Pomerantz stated the Board approved the Minutes of the October 16, 1991, meeting, by general consent.

CONSENT ITEMS. Regent Williams referred to the University of Iowa post-audit report for the Master of Science in Quality Management and Productivity, and asked which College the program was in. Director Barak responded that the program was offered in the University of Iowa College of Business.

MOTION:

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

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Receive information concerning the Board of Regents budget presentation to the Governor, receive a report of the legislative program for the 1992 legislative session, and receive an update on legislative interim committee activities;

Receive a status report on the Board Office budget as of October 31, 1991;

Approve the Next Meetings Schedule;

Refer the University of Iowa request to discontinue the B.A. in Physical Education/Teacher Preparation and the B.A. in Physical Education/Department of 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 post-audit report for the Master of Science in Quality Management and Productivity to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

The motion carried unanimously.

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

The Council approved a mechanism for improved articulation effective Fall 1992. The Council approved the first component of a marketing plan for higher education in Iowa. The Council approved proposed new programs for University of Northern Iowa, University of Iowa, Grandview, and two community colleges.

Regent Furgerson referred to the report on marketing. She said some research needs to be done to determine who they are marketing to and what they are marketing. She stated that Susan Chilcott presented a very good marketing report.

Regent Williams stated that the Articulation Committee which is chaired by Tom Westbrook of Drake University made its first report in a series of reports it will be making. The report addressed the need for a mechanism to facilitate

discussion of anticipated changes in academic curriculum and institutional policies to and from colleges, universities and secondary schools. This is the first step in reforming and refining the articulation process among the various sectors of higher education. She feels positive that they are on their way. She said she was a little discouraged that there are still some serious problems in terms of the ability of each sector of higher education to understand the need for information relating to articulation as they bring forward proposals for new programs. There were a couple of programs that were offered at the community college level where there was some misunderstanding of the articulation those programs would need to have with the other two sectors of higher education, whether the programs were vocational/technical or whether they were transferable programs. That issue has not been dealt with well. She hoped that within this next year's time they will resolve that as people bring programs forward so they know how that articulation works and what the intent is from the beginning, rather than having to deal with articulation from the backside after the errors have been made.

Regent Williams stated that Susan Chilcott has offered a lot of leadership in the area of marketing. She has looked at it very realistically and represented the Regents quite well as well as all sectors of higher education in proposing what she did.

ACTION: President Pomerantz stated the Board received the report on the November meeting of the Iowa Coordinating Council for Post-High School Education by general consent.

FALL ENROLLMENT REPORT - PART II. The Board Office recommended the Board receive the Enrollment Report, Part II.

Special Report A: Regent University Enrollments by Collegiate Unit

At the University of Iowa, enrollment of undergraduates decreased but four of the five undergraduate colleges gained enrollment. Increases were in the Colleges of Business Administration, Engineering, Nursing, and Pharmacy. The University of Iowa professional schools enrolled three percent fewer students than last year. The College of Dentistry made a small increase and the law and medicine professional levels lost enrollment.

Health related and non-health related University of Iowa graduate colleges experienced the highest overall enrollments in five years. All colleges gained except nursing.

At Iowa State University, undergraduate enrollment declined in each of the last five years and experienced the greatest decrease in 1991. Enrollment in five of the seven undergraduate colleges declined.

Total enrollment for Iowa State University graduate colleges increased in each of the past five years and made the greatest gain in Fall 1991. Colleges of Design, Family and Consumer Sciences, and Business Administration lost enrollment.

At the University of Northern Iowa, undergraduate enrollment grew in each of the colleges with the College of Natural Science making the greatest percentage gain. The Humanities and Fine Arts College and the College of Education at the University of Northern Iowa gained the most graduate students and contributed to the overall gain in graduate enrollment.

Special Report B: Quality of Entering Freshmen

About 89 percent of the new freshmen at Regent universities ranked in the upper one-half of their graduating high school class. The University of Iowa enrolled 88.0 percent from the upper one-half, Iowa State University enrolled 91.3 percent, and the University of Northern Iowa enrolled 93.1 percent.

The University of Iowa and Iowa State University admitted and enrolled a larger number of students who ranked in the lower one-half of their senior high school class. The University of Northern Iowa admitted and enrolled fewer students from the lower half than in previous years.

ACT scores indicated that Iowa high school seniors obtained higher scores than the national mean and that more students are taking college preparatory courses in high school.

Special Report C: Enrollment by Race, Sex, and Handicap Categories

Total minority enrollments attained their highest levels at each university in Fall 1991. The combined enrollment of minority students for the Regent universities reached 3,895 and represented 5.88 percent of the total enrollment.

In 1986, the Board set a goal to increase minority enrollment to at least 8.5 percent of the undergraduate, graduate, and professional student enrollment by 1991.

The University of Iowa enrollment of 2,134 minority students included 1,323 undergraduates and 811 graduate students. Minority students represented 6.99 percent of the undergraduates and 9.05 percent of the graduates. These were the highest percentages for minority enrollment for ten years.

Total minority enrollment at Iowa State University reached 1,321 and included 1,168 undergraduates and 153 graduate students. Minority students comprised 5.69 percent of the undergraduate enrollment.

The University of Northern Iowa enrolled 440 minority students who represented 3.34 percent of the enrollment. There were 383 undergraduate minority students and 57 graduate minority students.

The percentage of entering freshmen who were minority students increased to seven percent compared with 5.9 percent in Fall 1990. The 567 freshmen who identified themselves as minority students included 287 Iowa residents. Resident minority freshmen included 87 Black students, 134 Asian American, 14 American Indian, and 52 Hispanic students at Regent universities.

The increased participation of Iowa minority students in high school preparatory courses should contribute to improved recruitment of resident minority students.

The total Regent enrollment of 32,525 women represented 49.1 percent of the overall enrollment and included 26,006 undergraduates, 5,706 graduate students, and 813 professional level students. Women represented 50.2 percent of the enrollment at the University of Iowa, 41.2 percent at Iowa State University, and 61.8 percent at the University of Northern Iowa.

The Iowa School for the Deaf reported 197 physical handicap conditions among students receiving on-campus services. Seven students were visually impaired, three were permanently mobility impaired, and 116 on-campus students were acoustically impaired.

The Iowa Braille and Sight Saving School determined that 135 physical handicap conditions existed among students enrolled on campus. Five students were acoustically impaired, 65 students were permanently mobility impaired, and 65 were visually impaired.

Regent universities reported that 1,598 students identified handicapping conditions, a 13.8 percent increase over 1990.

Special Report D: Enrollment of Foreign Students

Foreign student enrollments at the Regent universities continue to grow and are at an all time high. Regent enrollment includes 4,557 foreign students, or 6.9 percent of the total enrollment.

Foreign students at Regent universities follow national trends. The majority of foreign students come to Regent universities from Asian countries and enroll in business, engineering and sciences.

Countries with the highest enrollments at Regent universities are Taiwan, China, Korea, India, Malaysia, and Japan. These same countries provide the largest enrollments in educational institutions across the United States.

Special Report E: Enrollments by Residency Status

Enrollment of resident freshmen has decreased at all three universities in Fall 1991.

The percentage of non-resident new freshmen enrollment at the University of Iowa is higher than the percentage for total enrollment or undergraduate enrollment. Non-residents represent 36.4 percent of the new freshmen, 28.2 percent of the undergraduates, and 32.9 percent of the total enrollment.

At Iowa State University, 26.3 percent of the new freshmen are non-residents compared with 20.7 percent of the undergraduates, and 26.1 percent of the total enrollment.

The University of Northern Iowa non-residents represented 3.8 percent of new freshmen compared with 3.1 percent of undergraduates and 4.1 percent of total enrollment.

The enrollment of non-Iowa resident and foreign graduate students reached an all time high in 1991 at the University of Iowa and represented 42.9 percent of graduate student enrollment.

University of Iowa resident enrollment has been decreasing for most of the decade and is at a decade low of 18,706.

Special Report F: Transfer Students

The number of students who transfer into Regent universities comprise a small but growing portion of the undergraduate enrollment. Of the overall enrollment of 66,294 students, 4,546 were new students who transferred from other institutions.

Transfer students represented 6.9 percent of the total enrollment at Regent universities for Fall 1991. The total number of transfer students is 4,546 and is the highest number in the decade.

Transfer students from colleges outside Iowa comprise 50.3 percent of the current transfer enrollment at the University of Iowa and represent the largest category of transfer students for the university.

The total number of transfers from Iowa independent four-year colleges and universities decreased to 535 students and represented the lowest percentage of transfers to Regent universities for any year in the decade.

Special Report G: Iowa College and University Enrollment

Total enrollment in post-high school education in Iowa increased by 1.8 percent or an increase in enrollment of 2,952 over the Fall 1990 enrollment of 168,441.

Enrollment increased in all types of institutions except for the private junior/colleges and business school categories.

The largest increases in Iowa post-high school enrollment were at the nursing and medical technical schools.

The only sectors with gains in new freshmen enrollments were the medical technology schools and the Regent institutions.

Overall new freshmen enrollment declined 3.2 percent for all of post-high school education in Iowa.

The Board of Regents' share of post-high school education enrollments was the lowest percentage in 14 years.

The enrollment of 66,294 students at Regent universities represented 39.6 percent of the total Fall enrollment in Iowa colleges and universities exclusive of business, nursing, and medical technology schools. Total Fall enrollment in Iowa colleges and universities was 167,295.

Special Report H: Ten-Year Enrollment Projections

Projections indicate that total combined enrollment for the Regent universities will decline in the short term and then begin yearly increases through the remainder of the decade.

The latest projections for twelfth grade public school enrollment are slightly higher for the next five years than previous projections had indicated.

Short-term enrollment projections indicated a decrease of approximately 1.3 percent over the next three years, with increases projected to be 2.4 percent at Iowa State University and 5.4 percent at the University of Northern Iowa. The University of Iowa predicts that enrollment will decrease 7.9 percent.

The University of Iowa expects enrollment to be 27,516 in the year 2001, which is lower than the current enrollment of 27,881.

Iowa State University predicts that enrollment in the year 2001 will be 28,707, which is an increase over the 1991 enrollment of 25,250.

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The University of Northern Iowa anticipates that enrollment in the year 2001 will be 15,343, which is an increase in enrollment over the 1991 enrollment of 13,163.

The number of students who are 25 years of age or over increased at all Regent universities at the undergraduate and graduate levels.

The Iowa School for the Deaf and the Iowa Braille and Sight Saving School projected moderate growth in on-campus enrollment. The number and types of outreach services provided by the two schools are growing and reaching students throughout the state.

Director Barak stated that the fall enrollment report was prepared by Martha Kirker. This was her last report for the Board. She is the one person in the office who has been laid off at this time. Dr. Barak then reviewed the reports with the Regents. He noted that in 1986 the Board of Regents set a goal of at least 8.5 percent minority enrollment by 1991. The Board may want to have the priority study group revisit that goal and perhaps do some revisions.

Regent Williams stated that recruitment of minority students is very critical. The Regents need to decide what they mean by the recruitment of minority students. Historically, certain groups of minority students have been under-represented in the Regent universities. Currently, minorities are all lumped into one group whether they are under-represented, over-represented or about right. She said it was important for the Regents to let the institutions know they support their aggressive recruitment of students who have traditionally been under-represented in the institutions. She acknowledged that university officials have improved considerably in terms of the percentages of minority students enrolled; however, the African American students, the Native American students, and the Hispanic students are still very under-represented at the Regent institutions. She found it interesting that at all three Regent universities there are 87 black resident students in the freshman class, 14 American Indian resident students and 52 Hispanic resident students. That is a number they need to work on. The Asian American students have traditionally been well represented in higher education. She encouraged the institutions to continue that but suggested they review the definition of under-represented minority students.

Director Barak said it was his understanding that the definition of under-represented minorities that has been used in the past is the one that the federal government uses for federal reporting purposes, and that it includes Asians.

Regent Furgerson referred to the under-represented groups and said those are the groups who, in a sense, had their cultures destroyed when Europeans came to this country. As a result, they have different views of the Regent institutions than those groups who have been able to maintain their culture.

She acknowledged that she could not speak for Native Americans or Hispanics particularly those who are Mexican American, Puerto Rican or Southwest Spanish Americans. She could, however, speak for African Americans in this state in terms of the lack of contact with Regent institutions regarding recruitment. She knows students in Waterloo who have been contacted by the private colleges and have not heard from the Regent institutions. She said that sometimes high school counselors are the worst ones to rely on for information on higher educational opportunities. She brought this up about two years ago and gave a whole list of suggestions of things that could be done. She said they need to do something differently; otherwise, the students in those under-represented groups will not know what is going on.

President Pomerantz stated that the macro numbers would indicate that enrollment at Regent universities represented 39.6 percent of the fall 1991 enrollment. He said that is the lowest percentage in the last 14 years. While they beat their expectations for the fall enrollment they did, in fact, lose some market shares. This points out that on an overall basis they need to be more effective in getting students to the Regent institutions, even more effective than they were in the fall. The market share computation is an important one because it is a snapshot of how effective their recruiting is. He said he did not mean to detract from the significant efforts of the fall but they still have plenty of work to do and plenty of opportunity in which to do it.

Regent Berenstein stated that the numbers indicated that in 1988 the University of Iowa had 29,230 students. He suggested that perhaps those students were not being benefitted and the university had reached an infrastructure which was not adequate to meet the needs of the students. He was not sure the decrease in students is all bad. They have to look at the students and the facilities and determine whether they are better off now with less students than they were two years ago with more students.

Regent Dorr stated that the obvious increase in entering freshmen enrollments has been at University of Northern Iowa. He suspected there was an overall policy issue that ultimately reflects on enrollment success or lack thereof. It is important that the Board as well as the rest of those involved in public policy be cognizant as to whether or not they wish to direct these institutions to be research and development engines and aggressive economic development institutions or institutions of higher learning, particularly undergraduate education. He said there is a risk that they send mixed signals frequently and what they get versus what they think they demand sometimes are not always related.

Regent Fitzgibbon said they need to address the numbers and justify enrollment levels matching facilities, staffing, etc. There is a delicate balance that he did not think they had met. They need to keep in mind that unless they meet the numbers they are focusing on, there will be a tremendous loss of revenue to the state of Iowa through the university system.

President Pomerantz referred to Regent Dorr's comment. He said he thinks it is a fair statement that the number one priority of the Board of Regents, which needs to be affirmed and reaffirmed from time to time, is in fact undergraduate education. That does not preclude research activity and research emphasis but undergraduate education is their priority. To the degree the Board of Regents sets policy and directs the universities within that policy that should not be forgotten. They need to emphasize undergraduate education even more than they have historically done.

Regent Hatch said they may even need to ask that all tenured faculty members teach at least one undergraduate class.

Regent Berenstein said that he did not believe that was a decision that the Board of Regents should be making.

Regent Hatch said it was a decision that should be discussed.

President Pomerantz referred to the question of whether or not it is appropriate policy to have tenured faculty teach a required amount of hours, and said that implies input from the institutions. However, it is clear that the quality of the education and the quality of the instruction is part of the Regents' policy-making activity. They have a quality education as a fundamental cornerstone of their policy. The two go together: undergraduate emphasis and a quality education. Their other priorities follow.

Regent Williams said they seem to be saying that their emphasis and number one priority is undergraduate education. However, in reviewing page 6 of the revised exhibit H where the universities project ahead in terms of lower division projected enrollment, it is going to be 1997 before the University of Iowa, for example, predicts it will have as many students as it has now. That did not tell her that the institution's goal is necessarily the same as the Regents'. Maybe they need fewer undergraduates in order to emphasize undergraduate education at the University of Iowa. Maybe they have too many undergraduate students. With regard to the current student mix at the University of Iowa, it has the greatest proportion of graduate students than on any other Regent campus. There is all this discussion about focusing on undergraduate education; however, when they hear from the universities on programmatic cuts being proposed now to meet budget constraints, there has been a disproportionate amount of cutting in the undergraduate area. She agreed that program cuts are needed and, perhaps, some of the undergraduate programs need to be cut. However, she does not necessarily agree on all the proposals on program cuts. If their number 1 priority is providing an excellent undergraduate education and access to undergraduate education, she was not sure that their programmatic proposals, whether they be cuts or additions, fit that goal.

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Regent Williams stated that next year when the budgets come down they will have to cut again. She did not believe they would have more money next year than they have this year. Even if they do have a little extra money, she said something far more systemic needs to occur in order for sufficient funds to be freed up to meet the needs of the programs and students within each university. There must be something far more systemic than cutting program by program. One of the things they need to do in order to meet their missions is to cut programs or to refocus money into programs where they can have strength. She stated that faculty workloads also need to be addressed. They are wrong if they think they can continue to balance budgets at the universities by eliminating certain faculty. They can probably eliminate some duplication and become more efficient; however, at a certain point that becomes self defeating and then they have to ask if they are doing it right. Are they having people devote the proper amount of focus on the teaching side of their responsibilities to the universities? It was her feeling that they are not looking at that issue or, if they have looked at the issue, the Regents are unaware of it.

With regard to the Peat Marwick report on faculty workload, Regent Williams said it was her recollection that at the two research institutions approximately 5.5 semester hours/week on average are being devoted to teaching by the faculty members. She said that is too little from her perspective. At research institutions the faculty have a big commitment to scholarship, to creating new knowledge, to being on the cutting edge of research. However, Iowa's Regent universities have agreed to be leaders in the area of athletic reform in this country. She commended the institutions for taking that position. She said they also need to be on the cutting edge of academic reform in this country and encouraged them to do the same. That means looking at themselves in a different way and not just cutting out programs.

President Pomerantz suggested the Regents ask for an update on faculty workloads for the February meeting.

Regent Furgerson asked that with that update the Regents also be given some idea of what is considered the national average.

Regent Hatch asked if it would be possible to look at faculty workload by graduate versus undergraduate in the departments that have both graduates and undergraduates.

Regent Berenstein suggested that all the schools report in the same format.

President Pomerantz asked the Board Office to work that out with the institutions.

Regent Dorr stated that the Board needs to be cognizant of the kinds of signals it sends the administrations of these institutions on a regular basis. He said he was involved in the early-1980s in an economic development group

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that pointed at the research institutions and said they were to lead the state out of the economic morass, develop jobs and embellish their research programs to the extent that they benefit the state. He strongly believes that is correct in the areas in which they have strengths. However, to the extent that they send them out this way this year, this way next year, it is not only a Regents' problem but also a leadership problem en masse in the state. The Regents need to be cognizant of that so they do not have the institutions "chasing their tails" on a regular basis.

Regent Williams said the strategic planning process is well underway. The fact is they are still doing things in a way that does not work to achieve the strategic plans.

Regent Dorr said the Regents need to support the administrations to the extent they can.

ACTION: President Pomerantz stated the Board received the Enrollment Report, Part II, by general consent.

TUITION POLICY. The Board Office recommended that the Board:

(1) approve increases in basic tuition averaging 7 percent for all resident categories except Graduate Resident at the University of Northern Iowa, and 9 percent for nonresident categories and Graduate Resident at the University of Northern Iowa, at the Regent universities for 1992-93, effective summer session 1992, as shown in the table below;

(2) approve increases in the University of Iowa's 1992-93 Master of Business Administration (MBA), Law, and Medicine tuitions of \$750 in addition to the basic 7 percent and 9 percent increases, effective summer session 1992, as shown in the table below:

PROPOSED 1992-93 REGENT UNIVERSITIES TUITION AND MANDATORY FEES

	Tuition	% Incr.	\$ Incr.	Student Health Fee*	Computer Fee**	Total Tuition & Fees	% Incr.	\$ Incr.
UNIVERSITY OF IOWA								
Undergraduate Resident	\$2,088	7.0%	\$136	\$60	\$80	\$2,228	7.5%	\$156
Undergraduate Nonresident	\$7,052	9.0%	\$582	\$60	\$80	\$7,192	9.1%	\$602
Graduate Resident	\$2,478	7.0%	\$162	\$60	\$80	\$2,618	7.5%	\$182
Graduate Nonresident	\$7,350	9.0%	\$606	\$60	\$80	\$7,490	9.1%	\$626
MBA Resident	\$3,228	39.4%	\$912	\$60	\$80	\$3,368	38.3%	\$932
MBA Nonresident	\$8,100	20.1%	\$1,356	\$60	\$80	\$8,240	20.0%	\$1,376
Law Resident	\$3,444	36.8%	\$926	\$60	\$80	\$3,584	35.9%	\$946
Law Nonresident	\$9,476	18.4%	\$1,670	\$60	\$80	\$9,616	18.3%	\$1,490
Medicine Resident	\$7,344	19.2%	\$1,182	\$60	\$80	\$7,484	19.1%	\$1,202
Medicine Nonresident	\$18,150	13.7%	\$2,186	\$60	\$80	\$18,290	13.7%	\$2,206
Dentistry Resident	\$4,746	7.0%	\$310	\$60	\$80	\$4,886	7.2%	\$330
Dentistry Nonresident	\$13,596	9.0%	\$1,122	\$60	\$80	\$13,736	9.1%	\$1,142
Pharmacy Resident	\$2,694	7.0%	\$176	\$60	\$80	\$2,834	7.4%	\$196
Pharmacy Nonresident	\$8,726	9.0%	\$720	\$60	\$80	\$8,866	9.1%	\$740
IOWA STATE UNIVERSITY								
Undergraduate Resident	\$2,088	7.0%	\$136	\$60	\$80	\$2,228	7.5%	\$156
Undergraduate Nonresident	\$6,982	9.0%	\$576	\$60	\$80	\$7,122	9.1%	\$596
Graduate Resident	\$2,478	7.0%	\$162	\$60	\$80	\$2,618	7.5%	\$182
Graduate Nonresident	\$7,282	9.0%	\$602	\$60	\$80	\$7,422	9.1%	\$622
Veterinary Medicine Resident	\$4,748	7.0%	\$310	\$60	\$80	\$4,888	7.2%	\$330
Veterinary Medicine Nonresident	\$12,942	9.0%	\$1,068	\$60	\$80	\$13,082	9.1%	\$1,088
UNIVERSITY OF NORTHERN IOWA								
Undergraduate Resident	\$2,088	7.0%	\$136	\$60	\$80	\$2,228	7.5%	\$156
Undergraduate Nonresident	\$5,430	9.0%	\$448	\$60	\$80	\$5,570	9.2%	\$468
Graduate Resident	\$2,346	9.0%	\$194	\$60	\$80	\$2,486	9.4%	\$214
Graduate Nonresident	\$5,986	9.0%	\$494	\$60	\$80	\$6,126	9.2%	\$514

* The proposed increase in the Student Health Fee is \$20 per year, a 50% increase.

** No increase in computer fees is proposed.

At the University of Iowa, students in the College of Engineering pay a computer fee of \$200 per year.
At Iowa State University, students in the College of Engineering and those majoring in Computer Science pay a computer fee of \$200 per year.

(3) continue with the third year of a four-year phase-in of student health fees by approving increases in the student health fee of \$10 per semester to a total of \$30 per semester, effective summer session 1992;

(4) approve general institutional financial aid to students be increased at the same rate as the proposed increase in tuition and mandatory fees to offset the impact on students now receiving institutional financial aid; and

(5) approve the proceeds of the tuition increase be earmarked for improvement of instructional and student services.

The Board Office reduced its recommended tuition increase for residents from 9 percent to 7 percent in recognition of the concerns regarding the ability of Iowa students and their families to pay the increased charges and the anticipated growth in the price and income indices.

The estimated total cost of attending Regent universities, including the recommended tuition and mandatory fees and other expenses, is expected to rise in 1992-93 by 6.5-6.7 percent for resident undergraduates and by 7.7-7.9 percent for nonresident undergraduates.

The reduced tuition recommendation significantly increases the risk that institutional quality and effectiveness will suffer if State appropriations are insufficient to finance increases in costs.

A tuition increase of at least the level recommended is essential to the maintenance and improvement of instructional and student services.

To pay the estimated cost increases due to price inflation, utilities, salary policies, and operation of new facilities, the universities will need to make internal reductions and reallocations of more than \$20 million in fiscal year 1993, assuming increases in appropriations equivalent to the percentage increase in total State revenues.

The universities will not have the benefit of \$20 million in bonding in fiscal year 1993 that was available to them in fiscal year 1992 for equipment, building repair and utility projects.

Gross proceeds of \$12.731 million from the 7 percent increase in resident tuition and 9 percent increase in nonresident tuition are expected, which would be allocated as follows:

	Total	Instructional and Student Services	Student Aid Set Aside
SUI	\$5,947,000	\$4,971,000	\$976,000
ISU	5,104,000	4,448,000	656,000
UNI	<u>1,680,000</u>	<u>1,381,000</u>	<u>299,000</u>
Total	\$12,731,000	\$10,800,000	\$1,931,000

First priority use for the additional proceeds is increased student aid.

The net proceeds from the tuition increase would be reserved and earmarked to protect and improve instructional and student services.

The University of Iowa will spend the additional proceeds on programs that were an integral part of its fiscal year 1993 budget request and have been identified as critical to the institution's strategic plan, including:

- * Improving recruitment and retention programs, particularly for disadvantaged students,
- * Restoring library services curtailed during earlier budget reversions and reallocations,
- * Increasing instructional support staff and teaching/research assistance to faculty to assist in grading, advising, tutoring, and laboratory supervision,
- * Upgrading undergraduate laboratories and improving student laboratory experiences in the College of Engineering,
- * Addressing a backlog of critical building repair and preventative maintenance needs,
- * Increasing graduate student stipends to more competitive levels to attract better quality graduate teaching assistants and students.

Iowa State University will spend the additional proceeds on high priority needs and/or identified problem areas, including:

- * Increasing course sections in areas where a lack of sections has impeded student progress toward graduation,
- * Expanding student help services in courses with large section enrollments where students often need individual, outside help,
- * Purchasing additional instructional equipment, services, and supplies to enhance and expand computer-aided instruction, and to address needs in areas of enrollment growth,
- * Establishing a Teaching Effectiveness Center to improve faculty teaching skills, particularly those of graduate teaching assistants,
- * Expanding student support services, especially for at-risk students,
- * Implementing the Writing Across the Curriculum program to improve students' written communication skills.

The University of Northern Iowa will use the proceeds to hire additional faculty and purchase instructional equipment needed to deal with its increase in enrollment.

- * The University's instructional and student services are currently being strained by the largest enrollments in its history.

- * The additional tuition revenues are needed if the larger enrollments are to be accommodated without sacrificing educational quality and effectiveness.
- * Current tuition levels for resident undergraduates at Regent universities are one-third less than the average of similar institutions in the Big Ten including Penn State.

With the proposed rate increases in fiscal year 1993, Regent tuitions will remain the lowest among the Big Ten institutions.

The proposed increase in tuition and mandatory fees totals \$68 per semester, \$136 per year for resident undergraduates. The increase is modest compared to the average increase of \$755 a year at the private institutions in Iowa that occurred in 1991-92.

The proposed increase in student financial aid will offset the negative impact of the higher tuition and mandatory fees on students now receiving institutional financial aid.

The United Students of Iowa's proposed 4 percent increase in tuition and mandatory fees would not generate enough revenue to ensure the continued quality and effectiveness of the Regent institutions.

RECOMMENDED TUITION DIFFERENTIAL FOR UNIVERSITY OF IOWA
MBA, LAW, AND MEDICINE PROGRAMS

It was recommended by the Board Office and the University of Iowa that the university's Master of Business Administration (MBA), Law, and Medicine tuitions be increased by \$750 in addition to the basic 7 percent and 9 percent increases.

In October the Iowa Student Bar Association proposed that law tuition be increased at the same basic percentage as the annual increase in undergraduate tuition, plus \$350 in additional law tuition "surcharges" in each of the next three years. The Iowa Student Bar Association's proposal was not recommended by the Board Office because (1) it would put law tuition on a different premise than the other professional programs, (2) it would limit the Board's future flexibility, and (3) the Law College, as well as the MBA and Medicine programs, needs the revenues from the full \$750 increase as soon as possible.

The three programs would each retain the proceeds of the \$750 tuition differential, which in 1992-93 are estimated at \$300,000 for the MBA program, \$570,000 for Law, and \$515,000 for Medicine.

The additional revenues generated by the tuition differential would be used for: (1) MBA - increased tuition support for high quality students and targeted minorities, placement support, and support for numerous programmatic

activities; (2) Law - additional faculty support, support of the writing center, and general expense relief; (3) Medicine - increased support of instructional efforts.

MBA tuition at the University of Iowa has been the same as the general graduate tuition, though comparable institutions frequently charge higher tuition rates for their MBA programs.

MBA, Law, and Medicine are high student demand programs and University of Iowa officials state that the tuition differential could be added without distorting application and admission patterns.

A similar tuition differential added to other professional programs (Dentistry and Pharmacy at University of Iowa, and Veterinary Medicine at Iowa State University) would be a handicap in attracting students to those programs and could result in lower net revenues.

The University of Iowa's professional programs, as a group, have tuition and mandatory fees well below the average for comparable institutions. Even with the tuition differential added, the University of Iowa's MBA, Law, and Medicine tuition rates would remain below Big Ten averages.

The proposed tuition differential will help close the gap between professional program tuition levels and professional program unit costs of instruction.

ESTIMATED OVERALL STUDENT COSTS

The proposed increases in tuition and mandatory fees would raise the total amount of tuition and mandatory fees by 7.5 percent for resident undergraduates, from \$2,072 in 1991-92 to \$2,228 in 1992-93. Student expenses other than tuition and mandatory fees are estimated to rise by 6.3 percent at the University of Iowa, 6.5 percent at Iowa State University, and 6 percent at the University of Northern Iowa in 1992-93.

The estimated 1992-93 total student cost of attending Regent universities for resident undergraduates, including the recommended tuition and mandatory fees and other expenses, is projected to rise by 6.7 percent at the University of Iowa to \$7,887 per academic year, by 6.8 percent at Iowa State University to \$8,136, and by 6.5 percent at the University of Northern Iowa to \$7,298.

The increase in total nonresident undergraduate student costs, even with the 9 percent increase in tuition, will be only 7.9 percent at the University of Iowa and Iowa State University, and 7.7 percent at the University of Northern Iowa.

The cost projections are based on estimated 1992-93 room and board charges supplied by the university residence systems, and are subject to change before the official 1992-93 charges are proposed in spring 1992.

The 1992-93 estimates of costs of books and supplies, transportation, and other living expenses used in the total costs projections are derived from the official 1991-92 costs for these items used by the student financial aid offices in calculating financial aid awards.

TUITION POLICY

Board policy adopted in 1990 provides that resident undergraduate tuition will not increase at a rate higher than the change in the Higher Education Price Index except when funding is insufficient to finance university programs at a level that maintains their quality and effectiveness.

The Higher Education Price Index increased by 5.3 percent in fiscal year 1991.

The State's financial condition makes continuation of adequate funding for the Regent universities very uncertain. In order to assure that the quality of instructional and student services are maintained and improved, tuition increases at or near the recommended percentages are necessary.

INFLATION AND PER CAPITA PERSONAL INCOME

The projected increase in the Consumer Price Index in 1991-92 and 1992-93 is 4.2 percent and 3.3 percent respectively, according to Data Resources, Inc.

The University of Iowa Economic Research Institute forecasts a 5.4 percent increase in per capita personal income for Iowa in 1993.

COMPARISONS OF REGENT TUITION AND MANDATORY FEES TO THOSE CHARGED AT COMPARABLE INSTITUTIONS

When compared to national and comparison group averages, Regent 1991-92 tuition and mandatory fees were comparatively lower than Regent 1990-91 rates in almost all categories.

The national average tuition and fees charged by public four-year institutions to resident students increased 12 percent in 1991-92 to \$2,137.

Regent tuition and mandatory fees increased 9.1 percent in 1991-92, to \$2,072, which was 3 percent below the national average.

Average tuition and fees at Iowa's independent colleges and universities increased by 9.2 percent for 1991-92.

Indications are that tuition and fee charges across the country will increase substantially again in 1992-93, probably at rates significantly higher than the recommended increases in Regent tuition and mandatory fees.

The University of Iowa's 1991-92 resident undergraduate tuition and mandatory fees were 32.7 percent below the average for public Big 10 universities, and were the lowest in the Big 10 for the 8th straight year.

Iowa State University's tuition and mandatory fees have traditionally been below the average of its group of comparable land grant institutions, and dropped further below averages in 1991-92.

The University of Northern Iowa's 1991-92 tuition and mandatory fees were average to below average against its comparison group of 11 comparable institutions.

The increase in Regent resident undergraduate tuition and fees over the past five years has been below the average increases at the institutions in the Regent universities' primary comparison groups.

STUDENT SHARE OF EDUCATIONAL COSTS

A comparison of tuition rates to the Regent universities' unit costs of instruction shows that students bore an increasing share of the cost of their education during the 1980s. The share dropped in 1990-91, but is estimated to increase again in 1991-92 to about the levels of 1988-89.

Resident undergraduate tuition is estimated to equal 37.8 percent of undergraduate instructional unit costs at the University of Iowa in 1991-92, 32.1 percent at Iowa State University, and 34.7 percent at the University of Northern Iowa.

Nonresident undergraduate tuition is estimated to equal 125.2 percent of undergraduate unit costs at the University of Iowa in 1991-92, 105.5 percent at Iowa State University, and 88.6 percent the University of Northern Iowa.

The unit costs of instruction do not include the cost of student financial aid, building repairs, and many other expenses that are part of the cost of providing an education to students.

The percentage of general university budgets paid from total tuition income has been around 29 percent in recent years.

MANDATORY FEES

Regent universities levy two mandatory fees that are charged to all students -- for student health services and computers.

No increase in computer fees was proposed.

The Board Office recommended that the Board continue the third year of the four year phase-in of mandatory student health fees in 1992-93 by increasing

the student health fee at the Regent universities by \$10 per semester to a total of \$30 per semester.

The goals of the student health fee program are to provide basic health services equitably to all students and to put the student health services on a financially sound basis.

The current \$20 per semester mandatory student health fee is estimated to yield approximately \$2.5 million in fiscal year 1992 for all three universities. Benefits accruing from the fee in the current year included:

- * a reduction from \$20 to \$10 in the students' voluntary health fee and a decrease in the amount of General Fund subsidy at Iowa State University;
- * a decrease in the amount of General Fund subsidy required to provide basic student health services at the University of Iowa--from \$935,774 in 1991 to \$629,289 in 1992; and
- * the employment of an additional part-time nurse, establishment of an ongoing substance abuse education and prevention program, the implementation of a mandatory measles immunization program, and a reduction in the general fund subsidy from \$254,424 to \$120,000 at the University of Northern Iowa.

The recommended increase in the mandatory health fee to \$30 per semester in fiscal year 1993 is estimated to yield \$3.8 million. The benefits of the increased fee include:

- * elimination of the voluntary health fee at Iowa State University;
- * reduction in the General Fund subsidy requirement to approximately \$270,000 at the University of Iowa;
- * stabilization of the General Fund subsidy at the University of Northern Iowa at \$120,000 and appointment of a physician/director and a health educator specializing in mental health.

The institutions plan to retain some General Fund support for Student Health Services to offset the costs of services that benefit the entire university community, such as drug and alcohol education, measles immunization, etc.

The Regent student computer fees are: (1) University of Iowa, \$100 per semester for engineering students, \$40 per semester for all other students; (2) Iowa State University, \$100 per semester for College of Engineering and computer science students, \$40 per semester for all other students; and (3) University of Northern Iowa, \$40 per semester for all students.

These computer fees were approved for all three universities earlier this year and were effective in Fall 1991.

The universities cited the following benefits accruing from the computer fee income:

- * At University of Iowa, initiation of a phased program to replace obsolete equipment in student computing facilities and an increase in the number of personal computer work stations.
- * At Iowa State University, expansion of computer lab facilities and networks into residence halls, fraternities, sororities, and the Memorial Union, and expanding access to labs to 24 hours.
- * At University of Northern Iowa, conversion of one or more existing computer laboratories to 24-hour access, upgrading of software/hardware, and employment of additional technical support staff.

UNIFORM POLICY ON ASSESSMENT OF MANDATORY FEES

The Interinstitutional Registrars Committee drafted a uniform policy governing exemptions from payment of mandatory fees by students who are absent from campus during the fee period, and forwarded it the Interinstitutional Committee on Educational Coordination for review.

RESIDENT GRADUATE TUITION AT THE UNIVERSITY OF NORTHERN IOWA

The recommended tuition increase for resident graduate students at the University of Northern Iowa is 9 percent rather than the 7 percent recommended for other resident categories. This was recommended in consultation with President Curris as the first step in a gradual effort to equalize the University of Northern Iowa's resident graduate tuition with the other two Regent universities. Equalizing resident graduate tuition rates at the three universities reduces the possibility that the public will mistakenly judge the quality of graduate programs at the Regent universities on the basis of price/cost. Resident undergraduate tuition at the University of Northern Iowa was equalized to the University of Iowa and Iowa State University rates in 1990-91.

The University of Northern Iowa's current 1991-92 resident graduate tuition of \$2,272 is 7 percent below the \$2,436 charged in the same category at the University of Iowa and Iowa State University. The recommended 9 percent increase reduces the difference to 5.3 percent -- \$2,346 at the University of Northern Iowa versus \$2,478 at the other two universities.

The larger percentage increase will provide a small amount of needed additional revenue for graduate programs at the University of Northern Iowa (approximately \$29,000 more than a 7 percent increase), but was primarily

recommended to reduce misconceptions about the relationship between quality and price.

President Pomerantz said he had questioned whether they should go through another reiteration of presentations regarding tuition. It was decided that it would be a good use of time. He requested that the presentations be limited. If there were some new and important facts to bring to the issue they were certainly welcome. If the presentations were only a matter of emphasis, he asked that the time frame be limited to 2 minutes of presentation.

Ron Woodall, Student Body President at University of Northern Iowa, stated that the Regents were obviously responsible for a very difficult task. He suggested they send a strong message to the legislature that a quality and affordable education is a top priority to the citizens of this state. He sincerely requested the Regents consider the students' proposal. The students will lobby hard to get increased funding for higher education.

John Hinz, President, Iowa State University Graduate Students, said the only real issue he had seen to support the large increase is an insurance of quality. He did not believe that a 7 percent tuition increase would insure quality. He perceived the real issue to be accessibility.

Eric Hamilton stated that since he began attending Iowa State University the student body has become extremely diverse. By raising tuition to 9 percent for out-of-state students, the universities will economically frighten away the students they are trying to court from outside Iowa. The lower amount of out-of-state students will decrease the amount of funds received by the universities. This would basically punish future students. He asked the Regents to please reconsider what the students have requested.

Rich Wayman, University of Iowa Law Student, referred to the Iowa Student Law Association's proposal submitted to the Board of Regents at its October meeting. He said the Board Office and the University of Iowa administration do not support the proposal. He then addressed some of the arguments. Students thought the administration would be working with them. He said a lot of revenue is needed now. Dean Hines assured Mr. Wayman that the increase the Board Office recommended was simply not enough in the first place. They would need at least \$1,000. Secondly, he contested the statement that revenues are needed now. The dean of the law school has no problem waiting for the additional funds if the funds are assured. A third argument is against having a different tuition base for the separate professional programs. There is no rule that they must have the same increase for each professional program. He asked why the demand from students could not determine the tuition. The last issue is time and not being able to bind future boards. He said the Regents have approved programs that continue on for years. He then stated that the \$750 increase/one year is unpredictable.

Matt Wise, Vice President of the University of Iowa Student Body, stated that if the Regents want to make a real difference they should adopt the students' proposal of a 4 percent tuition increase. He referred to a Des Moines Register poll of citizens concerning the proposed 9 percent tuition increase. The poll indicated that the majority of people in Iowa opposed the proposed large increase. The Governor, who appoints the Board of Regents to represent the people of Iowa, was also opposed to a 9 percent tuition increase. He said an increase in tuition is just another "bandaid" for the lack of funds from the legislature. Iowa professes to be a leader in education. He said Iowa should not follow the rest of the Big 10 institutions in increasing tuition by large amounts. They must not continue to put the burden on the students. They must force the legislature to provide the funds. That is a cure that will take some suffering if they are ever to make a difference.

Mr. Wise finalized by stating that students at the University of Iowa asked him to ask the Board of Regents to consider why are they raising tuition while services are being cut?

Jennifer Kelly, University of Iowa Student Body President, stated that the Regents were faced with two possible alternatives. One was to raise tuition over the rate of inflation and the second was the students' proposal to stand together and tell state government that enough is enough. She asked that they not give the State an excuse to cut higher education again next year. She implored the Regents to vote for the students' 4 percent tuition increase proposal.

Lori Johnston, University of Northern Iowa Student, said she felt it was essential that the Regents know that University of Northern Iowa students are still opposed to the computer fee. She asked for consistency in the Regents' policy. In October 1985 University of Northern Iowa officials requested a \$20/semester computer fee. The Board denied the request. The health fee, which was mandated, was for non-instructional services. She said the docket memorandum for this item, on page 49, states that instructional costs belong within tuition. A tremendous amount of computing upgrading occurred at University of Northern Iowa without the computer fee. The University of Northern Iowa computer committee has indicated that 33 percent of the computer fee will be allocated for the student computing center. The rest will go to various academic departments. She requested that if they are going to have the fees, please be consistent.

Michael Noble, Iowa State University Student Body President, requested that in the future the Regents hold their meetings at Iowa State University in the Memorial Union where there is more room for the students to be present. He then stated that President Pomerantz was being presented with 2,000 signatures of students opposed to the proposed 7 percent and 9 percent tuition increase. At the same time this tuition increase was being proposed, university officials were cutting classes. He then referred to Regent Williams' earlier discussion of minorities. In 1986 the Board dedicated itself to raise

minority enrollment. He often wonders how the Regents can put that kind of pressure on the universities when Iowa has less than a 5 percent minority population. Mr. Noble then asked the Board of Regents to stick to their policy established in 1990 to maintain tuition increases within the rate of inflation. He referred to the recommendation for a 7 percent tuition increase for in-state students and 9 percent tuition increase for out-of-state students, and asked that the Board make the tuition increase an across-the-board amount for all students.

President Pomerantz opened the meeting up for Board dialogue.

MOTION:

Regent Furgerson moved to approve increases in basic tuition averaging 7 percent for all resident categories except Graduate Resident at the University of Northern Iowa, and 9 percent for nonresident categories and Graduate Resident at the University of Northern Iowa, at the Regent universities for 1992-93, effective summer session 1992, as presented. Regent Dorr seconded the motion.

President Jischke said he understood the reasons for changing the tuition increase amount recommendation from 9 percent to 7 percent for resident tuition. He asked that whatever the percent increase, the Regents adopt the same amount of increase for resident and non-resident students at Iowa State University. He then stated his reasons for the request. Non-resident students at Iowa State University already pay full cost of their education. He does not want to discourage those who are already at Iowa State University. He was also concerned about Iowa State University's ability to achieve its diversity goal. Treating non-resident students differently as a matter of policy does not help to stimulate diversity.

President Pomerantz asked if President Jischke would be prepared for a differential at the other two universities. President Jischke responded affirmatively.

President Pomerantz stated that in order to accomplish President Jischke's request, there must be an amendment to the motion.

MOTION TO AMEND:

Regent Williams moved to amend the motion to accommodate President Jischke's request that the Regents adopt the same amount of increase for resident and non-resident students at Iowa State University. Regent Dorr seconded the amendment.

Regent Fitzgibbon referred to the need in this state for the state universities to contribute to economic development. He said that when parents

of non-resident students visit this state they bring money to the state's economy. That is one form of economic development for the state of Iowa. For that reason he said it would be a real mistake to discourage enrollment at Regent universities by out-of-state students. The campuses need that entire mix of students, including those from outside of the state, for a healthy environment on campus. He noted that non-resident students pay the full cost of their education. It is important that the Regent universities attract non-resident students and treat them well.

President Pomerantz made a clarification on the statement that non-resident students pay the full cost of their education. He said that excludes facilities costs.

Regent Dorr asked what quantity of money would be involved in granting President Jischke's request. President Pomerantz responded that it would amount to approximately \$500,000 to \$600,000.

President Jischke stated that from a purely economic standpoint the university may lose tuition revenues if the amount of the recommended increase is adopted. By coupling the tuition increase for in-state and out-of-state students he believes the university's recruiting efforts will be enhanced.

Regent Berenstein stated that several students made good points concerning diversity. He referred to the argument of University of Northern Iowa officials that their non-resident tuition should be increased by 9 percent. What happens to the diversity issue at University of Northern Iowa? He expressed concern that they were sending different signals to Iowans. He had a problem with the motion from the standpoint of being consistent. Also, the diversity issue is very salient.

President Pomerantz stated one clear argument is that one of the universities is near its maximum enrollment and another needs additional students.

Regent Hatch referred to the non-resident student at University of Northern Iowa and said the State picks up 14 percent of its cost.

President Pomerantz stated that as near as can be calculated, the non-resident tuition at University of Northern Iowa is 86 percent of the educational cost. He said they should, as a matter of Regent policy, get out-of-state tuition at all three universities to a full cost policy.

President Curris stated that two very important goals are to achieve diversity and that the amount of non-resident tuition should cover the cost of instruction. University of Northern Iowa officials' calculations indicate that out-of-state tuition covers 92 percent of cost, not 86 percent as indicated by the Board Office.

President Rawlings stated that the University of Iowa continues to do very well in recruiting non-resident students. The University of Iowa's non-resident tuition is the lowest tuition within its group of peer institutions. He said the disparity with Iowa State University's non-resident tuition increase would not bother him.

VOTE ON THE AMENDMENT: The amendment carried unanimously.

VOTE ON THE AMENDED MOTION: The amended motion carried unanimously.

MOTION: Regent Berenstein moved to approve increases in the University of Iowa's 1992-93 Master of Business Administration (MBA), Law, and Medicine tuitions of \$750 in addition to the basic 7 percent and 9 percent increases, effective summer session 1992, as presented. Regent Furgerson seconded the motion.

Regent Hatch said she very much appreciated the student body of the law school in developing what she considers an extremely responsible counterproposal. The students' proposal would result in a net gain to the law school of \$100,000. Since professional program tuitions are already diverse the argument to have the same amount of tuition increase for every one of the departments does not hold. She urged the Board to consider accepting the law students' recommendation of the 3-year phase in instead of the \$750 across-the-board tuition increase for all 4 departments.

MOTION TO AMEND: Regent Hatch moved to amend the motion to accept the recommendation of the law school student body to result in a \$100,000 increase over the 3-year period.

THE AMENDMENT FAILED FOR LACK OF A SECOND.

Regent Williams said she was supportive of the additional fees for a number of reasons. However, she was concerned about an apparent breakdown in communications between the student groups and the University of Iowa administration. She hoped that next year it does not happen again.

Vice President Nathan said he would take responsibility for the communication breakdown. He will try to see that the University of Iowa administration keeps full faith with students in the future.

VOTE ON THE MOTION: The motion carried unanimously.

MOTION: Regent Tyrrell moved to continue with the third year of a four-year phase-in of student health fees by approving increases in the

student health fee of \$10 per semester to a total of \$30 per semester, effective summer session 1992. Regent Williams seconded the motion.

Regent Berenstein said it was his understanding that during the last 2 to 3 years there had been discussion about a total increase in student health fees of \$50.

President Pomerantz responded that the ultimate goal is to achieve a health fee of \$40/semester. They are adding \$10/semester/year to achieve that \$40/semester goal.

Mr. Richey stated that the fee essentially gets the health services on a self-supporting basis.

Regent Fitzgibbon said he has great concern about the ability of students to get into the universities financially. The Regents need to be somewhat cautious as they continue to raise tuition and fees. Access will become difficult for some of the students. Any student who has the ability and the desire should have the opportunity to attend a Regent university.

Regent Hatch stated that she has an employee who is covered by the Cedar Rapids Community School insurance. The employee is taking one course at the University of Iowa. Her enrollment was held up because she protested the payment of her health fee.

Director Barak said the matter was being discussed but he did not know whether it would be resolved.

Regent Hatch said she wants it addressed.

Regent Dorr asked if he correctly understood the mandatory student health fee. It was his understanding that the additional fees are being utilized to make student health services self supporting and are not being directed to other areas of the institutions.

President Pomerantz responded that Regent Dorr's understanding was correct.

VOTE ON THE MOTION:

The motion carried unanimously.

MOTION:

Regent Berenstein moved to approve general institutional financial aid to students be increased at the same rate as the proposed increase in tuition and mandatory fees to offset the impact on students now receiving institutional financial aid; and to approve the proceeds of the tuition increase be

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earmarked for improvement of instructional and student services. Regent Furgerson seconded the motion.

Regent Dorr stated that it was important to note that some of the funds are going back to students in the form of instructional and student services. As they finalize the discussion on tuition he said it was very important for everyone to note that they were not dealing with a K-12 program whose State funding is automatically increased every year. Parents and students have a responsibility to provide finances for higher education. It is an issue that cannot be overlooked. He believes the administrations of the institutions and the Board of Regents as a whole have done a remarkably good job in trying to maintain a balance.

VOTE ON THE MOTION: The motion carried unanimously.

STRATEGIC PLAN FOR TECHNOLOGY TRANSFER AND ECONOMIC DEVELOPMENT. The Board Office recommended the Board approve the plan for Technology Transfer and Economic Development for the Regent universities.

The strategic plan adopted by the Board of Regents in 1989 contained a specific goal to contribute to the economic development of the state by encouraging both basic and applied research and encouraging the transfer of technology to the private sector.

A plan for technology transfer and economic development designed to implement this goal was now presented for Board approval. The Board previously reviewed a preliminary version of the plan in September.

The plan builds on the technology transfer and economic development activities of the three Regent universities and is consistent with the mission and strategic plans of each of the institutions. The institutional plans provide specific goals and objectives for implementing the Board of Regents goal to contribute to the economic development of the state.

UNIVERSITY OF IOWA

Increase the role the University of Iowa can play in recruiting firms to the state, creating new firms, and strengthening existing Iowa firms.

Provide a research base--consistent with academic planning--that will increase opportunities for technology transfer.

Provide an educational base appropriate to the growth needs of Iowa's future work force.

Improve the academic vitality of the University of Iowa by extending relationships with the private sector and coalitions involving both the public and private sectors.

IOWA STATE UNIVERSITY

Assure that all students will be familiar with technologies important to their chosen field of study.

Assure that all students have the opportunity in their curricula to study the effects of technology in society.

Provide appropriate continuing education in new technologies, both on and off campus.

Develop research programs of the caliber that foster a high degree of innovation.

Encourage the conduct of applied research and technology development related to the innovations arising from research.

Aid commercialization of new technologies.

Participate in economic development planning within the state of Iowa and nationally.

UNIVERSITY OF NORTHERN IOWA

Make significant contributions to the economic vitality of the state by assisting communities, Iowa's small businesses, and emerging growth sectors of the state's economy.

Participate cooperatively with all organizations and participants involved with technology transfer and economic development.

Increase applied research opportunities for faculty to combine their academic knowledge with practical expertise in their field.

Provide students with opportunities to gain practical and technology-related experiences to complement their academic degree studies in all appropriate academic areas.

Regent Dorr remarked on a matter which he alluded to earlier in the meeting. He said he was somewhat responsible in past actions in groups for the effort of turning Regent institutions into economic development tools. He had some reservation about adopting the strategic plan in total although he questioned the ability to pull out the pieces he was opposed to. He said the Regents have to be careful about the signals they are sending in lieu of the State

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budget problems. The Regent institutions' primary missions are education. He was not at all convinced that it is in the best interest of everyone involved to attempt to turn the Regent institutions, particularly Iowa State University and University of Iowa, into economic development vehicles when their primary missions should be education. He was not suggesting that in those areas in which the universities have extreme competence in the professional and graduate level programs that naturally involve research, they should not continue to be aggressive and expand upon the basic research programs as they generate research and technology that can be applied and transferred to jobs and opportunities for the state. However, he expressed concern for any attempts to turn them into pure economic development tools.

Regent Fitzgibbon noted that Regent Dorr had implied that he was involved at some earlier stage in this discussion in some way. It was Regent Fitzgibbon's understanding that the success of this program is dependent on the universities and the schools to be involved.

Regent Dorr responded that his earlier involvement amounted to being a member of different committees that were appointed by the government. The committees met in the early 1980s to look for solutions to the State's economic crisis. Subsequently, Regent Dorr, like many others, felt that since the Regent institutions have such a vast array of research capability, they should be turned loose to solve all the State's economic problems and create millions of great jobs. Regent Dorr admitted that he was naive enough at that point to think that was correct. He now better understands the very difficult nature of changing the economic environment of Iowa which is a rural state. He said they would have some serious problems trying to mandate the Regent institutions into the primary engine of economic development for this state outside of their normal core area of expertise.

President Pomerantz stated that the best kind of economic development we could possibly muster and which would be the most effective under any circumstances would be superior education. The Regent universities are moving toward being among the very best in the nation and in the world. That by itself will create economic development. It may perhaps be an indirect occurrence but economic development will happen because of Iowa's quality education. The assumption that the Regents are trying to turn the universities into economic engines is a gross overstatement. They are trying to turn them into the best educational institutions in the world. In terms of Iowa, President Pomerantz said it is an average- to small-size state. Its basic resource is its people and its land. Iowa is not competing very well for holding its people because there is not much economic opportunity in the state. As productivity in the rural area improves in terms of agriculture, and as smaller communities are faced with more difficulties in terms of their existence, he said it becomes clear that if they are going to hold their people and grow in size to any degree, Iowa is going to have to develop new and more diverse economic opportunities for its people. What better place can we do that than to start with the universities who are on the leading edge of our activities?

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President Pomerantz said he did not quarrel with Regent Dorr's premise about the fundamental mission of the universities being to educate. However, he said they have to do more than educate. Part of the education is to be able to take the research that is developed, put some economic parameters around it, and transfer it into the private sector in a way that creates jobs. Did it do Iowa very much good that computers were developed on the Iowa State University campus? Development of computers was done primarily in California. Iowa could have had thousands of jobs if it had the wherewithal, the structure, the mentality to deal with that kind of technology transfer. However, we lost an opportunity that will cost us many years in terms of catching up. Should there be another opportunity like that lost? He hoped not. He hopes we could develop technology that would be consistent with our educational goals and have the ability to move the technology into the private sector in a way that would be beneficial to the state.

President Pomerantz stated that today with the universities' incubators, industrial parks, technology facilities and the structure that is in place, we are equipped to go forward in a way in which we have never before been equipped. He urged that they be mindful of the ability to get a win-win situation from this effort. He agreed the Regents should have the best educational institutions in the world but one facet of it ought to be the ability to transfer technology to the private sector in a way that creates more economic activity in the state. It is not to supplant the educational objectives but to keep them primary and then have a corollary kind of approach that provides diversity among the universities and allows us to reach out to the state and deal with its total needs.

Regent Williams asked Regent Dorr if there were particular goals or strategies that are outside of each university's area of strength. In looking through each university's goals she felt they were very specifically geared toward the strengths of each university's mission. She agreed that one does not necessarily have to supplant the other.

Regent Dorr said he did not disagree with President Pomerantz's basic premise. He did disagree with goal one at University of Iowa that says "increase the role the University of Iowa can play in recruiting firms to the state, creating new firms, and strengthening existing Iowa firms". He does not disagree with strengthening existing Iowa firms. In those areas where the universities have traditional excellence they should continue. Such areas would include the medical programs at the University of Iowa and the science and technology programs at Iowa State University. If those areas are nurtured and allowed to change within the parameters of a normal evolution in the economic environment, they will generate a tremendous amount of research technology applications possibilities. He was concerned, for economic development purposes only, about acquiring a lot of new facilities premised on new programs the universities plan to institute. One example of such an occurrence, he said, is the University of Iowa laser facility. They ended up

with a building that they do not have a program for and they do not have money to fund staff for. He said that is the wrong signal to send. Regent Dorr said he had no problem with expanding the programs and the capabilities in the areas of traditional excellence. However, to start out in totally new areas just simply for acquiring jobs, he had some problems with.

Regent Williams stated that in looking at the history of employment in this state, especially in the last 2 decades, Iowans are finding out that those traditional areas, primarily agriculture as our base, have decreased in terms of its ability to support the state. There is a need to expand the numbers of firms in the areas of traditional strength in terms of the three different universities. She believes the universities need to recruit more firms, create new firms and strengthen existing firms that play to the strengths of each university's technology transfer area.

Regent Dorr stated that the key was "play to their strengths". To try to go outside of that scope is misleading and unfair.

Regent Berenstein said he articulated earlier in the meeting that if the goal is undergraduate education, which he wholeheartedly agrees with, they are all saying the same thing. With the two activities of education and technology transfer they are really getting the best of both worlds. Consequently, he did not think there was a difference of opinion as far as the strategic plan. The concern seemed to be with implementation.

Regent Tyrrell said he thought it may be a matter of emphasis and perception. There has to be a delicate balance between the efforts for technology and remaining strong in undergraduate education. Perhaps the public in the state sees all the research money that goes into Iowa State University and University of Iowa and there is some concern that they do not need much money for undergraduate education.

Regent Fitzgibbon said he did not see there was any question that the institutions need to participate in this whole program if it is going to be successful. The question is funding and that will be decided at another level.

MOTION:

Regent Berenstein moved to approve the plan for Technology Transfer and Economic Development for the Regent universities. Regent Williams seconded the motion, and it carried unanimously.

STRATEGIC PLAN FOR INFORMATION SYSTEMS AND TECHNOLOGY. The Board Office recommended the Board authorize the formation of an ad hoc committee on information systems and technology to develop more effective and efficient current operating systems and to develop a strategic plan for the Regent institutions.

The Regent institutions have a significant investment in resources for information systems and related technology.

There is a major requirement to describe the current status of operational computing resources in order to conduct prescriptive, strategic plans for developing those resources.

The Regent institutions are an information intensive network, geographically dispersed and increasingly reliant upon effective educational, administrative and public communications.

In order to lay the foundation for strategic planning and for improvement of the efficiency and effectiveness of current operations, the ad hoc committee should focus on:

- a. A description of current computing, supporting technology, and resources in support of automated information systems for the Regent institutions.
- b. A prescription for future development and directions in computing, supporting technology, and resources in support of automated information systems.
- c. A study which will promote cooperative sharing of information systems, cooperative relationships within and between the higher education community and the public sector.

A major objective of this study is the exploration of mutually advantageous, cooperative relationships while maintaining separate enterprises. Cooperative relationships may allow the Regent institutions to share the investment in hardware, software, and the considerable expense of learning how to use both. Cooperative relationships should provide a way to reduce risks in leading edge technology investments - an objective which should lessen financial and technological exposure.

The elements of the proposed study and exploration of opportunities for cooperative relationships have been discussed with the Director of the Iowa Department of General Services. The Director, Iowa Department of General Services, has indicated that he will be quite pleased to assist us in this enterprise.

The study should serve as an operational continuum, as prescribed by the Peat Marwick study, with efforts to improve administrative information systems which were approved during the Board's July 1991 meeting.

The ad hoc committee should be comprised of two representatives from each Regent university, two from University Hospitals and Clinics, one from each of the special schools, the Director of the Department of General Services or his

designee, and Board Office staff, augmented by professional consultants as appropriate.

MOTION: Regent Hatch moved to authorize the formation of an ad hoc committee on information systems and technology to develop more effective and efficient current operating systems and to develop a strategic plan for the Regent institutions. Regent Berenstein seconded the motion.

President Pomerantz asked about the appropriateness of having a Regent member on the ad hoc committee. Mr. Richey said that would be quite appropriate.

President Pomerantz stated that if that was acceptable with the rest of the Board, it would be considered done.

VOTE ON THE MOTION: The motion carried unanimously.

ANNUAL FACULTY SALARY REPORT. The Board Office recommended the Board receive the annual salary report for fiscal year 1992.

In accordance with State salary policy, no general salary increases were given to employees at Regent institutions. Regents Merit System employees will not be given merit step increases during the course of the coming year nor will any of the pay plans be increased.

The University of Iowa overall average faculty salary is ranked 7th in its comparison group as compared to 4th last year. Iowa State University is in 10th position in its 11-state comparison group. It was ranked 9th last year. The University of Northern Iowa was ranked 7th last year and continues in that position this year.

Comparison institutions reporting no faculty salary increases or increases of less than one percent were as follows:

- University of Iowa (0%)
 - University of California, Los Angeles (0%)
 - University of North Carolina, Chapel Hill (0%)
 - University of Minnesota, Minneapolis (0%)
 - University of Arizona (0%)

- Iowa State University (0%)
 - University of California, Davis (0%)
 - University of Minnesota, Minneapolis (0%)
 - North Carolina State University (0%)
 - Purdue University, Main Campus (0.4%)
 - University of Arizona (0%)

- University of Northern Iowa (0%)
- University of North Carolina, Greensboro (0%)
- Illinois State University (0%)
- Northern Arizona University (0%)
- University of Wisconsin, Eau Claire (0.55%)

Average nine-month equivalent salaries for nonprofessional college faculty at the Regent universities for 1991-92 are:

University of Iowa	\$52,658
Iowa State University	\$50,909
University of Northern Iowa	\$40,839

Salaries by rank for 1990-91 and projections for 1991-92 are as follows:

<u>SUI</u>	Comparison Group		Big 10	
	<u>1990-91</u>	<u>1991-92</u>	<u>1990-91</u>	<u>1991-92</u>
Professor	6th	7th	5th	5th
Associate	3rd	3rd	2nd	3rd
Assistant	3rd	5th	3rd	4th
Instructor	9th	1st	10th	1st

<u>ISU</u>	Comparison Group		Big 8	
	<u>1990-91</u>	<u>1991-92</u>	<u>1990-91</u>	<u>1991-92</u>
Professor	5th	6th	1st	1st
Associate	2nd	2nd	1st	1st
Assistant	8th	8th	2nd	3rd
Instructor	7th	7th	2nd	6th

<u>UNI</u>	Comparison Group	
	<u>1990-91</u>	<u>1991-92</u>
Professor	4th	4th
Associate	4th	3rd
Assistant	3rd	3rd
Instructor	6th	5th

Individual increases at comparison institutions ranged from 7 percent at Central Michigan University to 0.4 percent at Purdue. Average increases for the comparison groups are as follows:

University of Iowa Group	1.5 percent
Iowa State University Group	1.2 percent
University of Northern Iowa Group	2.1 percent

Salaries for half-time appointments for teaching and research assistants in 1991-92 range from \$10,011 to \$12,013 at the University of Iowa; from \$7,425 to \$13,500 at Iowa State University and from \$5,800 to \$8,700 at the University of Northern Iowa.

The salaries of teaching and research assistants were increased 5.45 percent in January 1991 at the University of Northern Iowa. None of the universities increased salaries for teaching and research assistants in fiscal year 1992.

Regent Hatch asked if medians rather than means were available for this information. She was particularly interested in the median salary of the Big 10 institutions as compared to Iowa's. She felt that a median gave a better picture than did a mean.

Director Barak responded that one chart did give median comparisons.

ACTION: President Pomerantz stated the Board received the annual salary report for fiscal year 1992, by general consent.

ANNUAL REPORT ON INSURANCE AND RETIREMENT PROGRAMS. The Board Office recommended the Board receive the annual governance report of insurance and retirement programs for fiscal year 1991.

Employer costs of insurance and retirement programs at the three universities ranged from 23.52 percent to 25.05 percent of nonstudent payroll for fiscal year 1991. These figures have stayed relatively constant over the years and continue to be similar to percentages at comparable institutions.

Employer costs of insurance and retirement programs were 23.97 percent of payroll at the Iowa School for the Deaf and 24.84 percent at the Iowa Braille and Sight Saving School for fiscal year 1991.

Board Office costs for insurance and retirement programs for the fiscal year were 15.41 percent of payroll.

Total employer cost of insurance and retirement programs at the five Regent institutions and the Board Office were \$171.7 million for fiscal year 1991. This is an increase of 6.6 percent over the preceding fiscal year.

Employer costs for specific programs are as follows:

	Fiscal Year 1991 Cost
Retirement Plans:	
Social Security	\$48,340,969
TIAA/CREF	64,137,867
Substitute Plans	984,353
IPERS	1,335,617
Federal	1,479,730
TIAA/CREF Waiver of Premium	1,318,925
Unemployment Compensation	313,065
Workers Compensation	621,762
Health Insurance	42,946,332
Life Insurance	5,096,010
Long-term Disability Insurance	4,647,475
Accidental Death	392,788
Dental Insurance	2,630,386
	\$174,245,279
Less interest received on cash reserves maintained by carriers	2,539,975
TOTAL	\$171,705,304

All permanent employees (faculty, professional-scientific, and Regents Merit System staff) of the three state universities and the Board Office with budgeted annual salary of at least \$7,800 are eligible to participate in the Teachers Insurance and Annuity Association--College Retirement Equities Fund (TIAA-CREF) or in a plan substituted in accordance with Board policy. Eligible employees may choose between TIAA-CREF, an approved substitute plan or IPERS.

Effective January 1, 1994, tenured faculty will no longer be required to retire at age 70.

The contribution to TIAA-CREF is 10 percent of the first \$4,800 of salary for staff members with less than five years of service and 15 percent on all additional salary. The contribution for employees with more than five years of service is 15 percent of all salary. The employer pays two-thirds of the contribution. The employee pays one-third.

All employees at the Regent institutions, upon meeting age and service requirements, may participate in early or phased retirement programs. Both these programs will sunset on June 30, 1992. Recommendations concerning the continuance of these programs will be brought to the Board at its December meeting.

Annually Ohio State University publishes a comparison of benefit programs in the Big Ten and other similar institutions. Based on this survey Regent institutions continue to offer benefit packages comparable to those provided at peer institutions.

A number of comparable institutions provide TIAA-CREF coverage only to faculty or in some instances to faculty and professional employees. Some comparable universities allow participation only in the state retirement system such as Ohio State, Illinois and Wisconsin.

Most colleges and universities with which the Regent universities compete for faculty and staff offer TIAA-CREF or comparable programs.

Employees of the special schools participated in the Iowa Public Employees Retirement System (IPERS).

Maximum salary limitation for social security contributions will increase from \$53,400 to \$55,500 effective January 1, 1992. The contribution rate will continue to be 6.2 percent. The Medicare contribution rate will continue at 1.45 percent with the maximum salary increased to \$130,200 from \$125,000.

University-based health and dental insurance programs cover only faculty, professional-scientific employees and supervisory employees in the Regents Merit System. Other university employees are covered by the state health and dental programs.

The universities each offer different health and dental programs, but the benefits received are comparable. The University of Iowa and the University of Northern Iowa carrier is Blue Cross/Blue Shield of Iowa. The insurance coverage at Iowa State University is provided by the Principal Financial Group.

Employees of the Board Office, Iowa School for the Deaf, Iowa Braille and Sight Saving School and the Regents Merit System employees at the three universities are covered by the State of Iowa health insurance program. Blue Cross/Blue Shield is the carrier for the state programs.

Each of the universities offers faculty and professional and scientific employees variations of flexible benefit programs as well as opportunities for employees to pay their share of benefit costs on a pre-tax basis and dependent care and medical expense pre-tax spending.

Pursuant to the state AFSCME Master Agreement, pre-tax payment of health, life and dental insurance is offered to bargaining unit employees at the five Regent institutions. Additionally AFSCME covered employees at Regent institutions may elect to make pre-tax reductions in wages which will be paid to an account from which allowable dependent care expenses will be reimbursed.

Iowa State University and the University of Northern Iowa experienced from 3 to 7 percent increases in health insurance premiums beginning August 1, 1991.

The University of Iowa rates, due to a 24 percent increase effective August 1, 1990, and the effectiveness of cost containment measures as well as lower than anticipated usage, will not increase until January 1, 1993.

Rates for the statewide Blue Cross/Blue Shield programs covering employees in statewide AFSCME bargaining units and Board Office and special school employees increased approximately 11 percent August 1, 1991.

The state health insurance plans include a cost containment program requiring pre-certification of all non-emergency inpatient admissions, continued inpatient stay review, individual case management and payment reductions for program noncompliance.

The health insurance plans offered by the universities include managed care features such as limitations on mental health treatment, mandatory outpatient treatments, pre-certification requirements, utilizations review in addition to selected deductibles and co-insurance requirements.

Regent Dorr asked for the average cost increase in health and dental packages over the past 5 years and for the projected increase for the next 5 years. Director Barak responded that staff had not done a projection. Mr. Richey said staff can project costs but cannot project the distribution.

President Pomerantz said staff will get the history for Regent Dorr. He noted that this was an issue that not only pervades the public sector but is a nationwide issue.

ACTION: President Pomerantz stated the Board received the annual governance report of insurance and retirement programs for fiscal year 1991 by general consent.

ANNUAL REPORT ON PURCHASING POLICIES AND PRACTICES. The Board Office recommended the Board (1) receive the annual report on purchasing activity at Regent institutions, (2) receive a status report on the current purchasing study, and (3) authorize continuation of the study and employment of a consultant firm competent in university operations analysis.

The Board of Regents, through its governance authority, exercises broad oversight of Regent institutions' purchasing. As part of the governance process, the Central Purchasing Offices at Regent institutions report annually on purchasing activities.

This report encompasses activities of Central Purchasing Offices at Regent institutions for FY 1991. This report does not include capital contracts and library acquisitions.

Total purchasing volume in fiscal year 1991 including construction was \$420.8 million for Board of Regent institutions which are the primary state purchasing entities.

In fiscal 1991, Regent institutions' purchases of supplies, service, and equipment totaled \$303 million.

The dollar value of purchases increased in FY 1991 at Iowa State University by \$10.7 million but declined at the other institutions. Iowa State University officials attribute the increase to additional research projects and growth in federal funding which provided for purchases of scientific and computing equipment.

Travel is processed through Central Purchasing at all but the University of Iowa and bookstore acquisitions at all but Iowa State University.

An increase of 58 percent in cash discounts--from \$670,194 to \$1,056,980--was reported for prompt payment in fiscal year 1991.

Section 246.808b of the Code mandates that state agencies purchase products from Iowa State (Prison) Industries unless Prison Industries "is unable to furnish needed products, comparable in both quality and price to those available from alternative sources, within a reasonable length of time." The Director of Prison Industries reports invoiced sales to Regent institutions of \$94,817 in 1991. Regent institutions report placing additional orders of \$47,320 during the period for a total of \$142,237.

Total purchases from Prison Industries in FY 91 increased \$100,000 over 1990 purchases. The increase in acquisitions is a result of improvement in quality of product, cost competitiveness, and a sensitivity to Code requirements. Regent purchases from Prison Industries amounted to less than .05 percent of total Regent purchases of \$303 million. Additional steps should be undertaken to identify areas in which the institutions can increase utilization of Prison Industry products and services.

Regent institutions expended \$9.6 million with Targeted Small Businesses in fiscal year 1991, approximately 2.5 percent of total purchases. The 73rd General Assembly mandated by law that state agencies set a goal of 10 percent of total purchases to be spent with Targeted Small Businesses in fiscal year 1991.

Regent institutions are complying with Governor Branstad's Executive Orders and Iowa Code 262.9(4), which require purchase of starch-based bags and recycled paper and implementation of a recycling program. They are replacing polystyrene products with paper products.

Regent institutions participate in a set of joint purchasing contracts from which all Regent institutions may purchase at prices significantly lower than

if procured by each institution independently. Purchases from Regent contracts totaled \$18.2 million in fiscal year 1991.

Regent institutions purchased \$4.3 million from state contracts developed by the Department of General Services and the Department of Transportation.

Regent institutions purchased 204 vehicles in FY 1991. Most of the vehicles were obtained through cooperative purchasing contracts developed by the Department of General Services and the Department of Transportation.

Regent institutions participate in purchase agreements with the Educational and Institutional Cooperative Services, Inc., and with AEA 13. University Hospitals is a member of Amerinet and Shared Services of Iowa.

The special schools continued their purchasing arrangement with Iowa State University on items greater than \$500. Purchases processed by the Iowa State University Purchasing Department for the special schools totaled \$579,415 in fiscal year 1991.

In fiscal year 1991, Regent institutions reported an increase of 2.4 percent--from \$162.7 to \$166.6 million--in purchases from businesses carrying an Iowa zip code.

Regent institutions have identified over 6,671 Iowa Small Businesses. Over 18,800 contacts were made with these businesses resulting in 31,000 awards totaling \$48 million.

Regent Purchasing Departments processed 125,880 purchase orders in fiscal year 1991, 2,220 less than in 1990. The University of Iowa attributed its decrease of 5,000 to the development of more contracts and standing orders.

In compliance with Board guidelines, the universities submitted summaries of purchases from individuals with a conflict of interest. The institutions have received Board approval during the past year to contract with these companies or individuals who have affiliations with the universities.

In November 1989 as a follow-up to the Peat Marwick study, the Board Office recommended and the Board approved the undertaking of a comprehensive review of the purchasing policies and procedures at Regent institutions be undertaken. The current study of purchasing services begun in 1989 is incomplete because of staff turnover in the Board Office.

The study thus far has resulted in several positive operational improvements but does not address strategic purposes such as a planned relationship between operational and capital purchasing procedures.

The study has not provided adequate information on vendor preferences, procurement sources, single source purchases, emergency purchases, inventory management.

The purchasing study thus far is essentially a self-study by the Regent institutions with some survey support by the Board Office. It is not a completed, objective and comprehensive document at this point.

There were several issues under review on which the Board Office and the institutional representatives differed significantly.

The Board Office recommended that a consultant firm which is competent in university operations analysis be identified and employed to assist in completing the study.

President Rawlings stated that it is difficult to oppose a study because studies always seem feasible. However, it was his strong belief that the proposed purchasing study is uncalled for. This would be the seventh study of purchasing at the University of Iowa. In 1988 Peat Marwick examined purchasing at all the Regent universities. University of Iowa officials made changes as a result of that study. Since 1988 the University of Iowa purchasing department has been audited four times by the Office of Naval Research for the benefit of all federal government agencies responsible for research programs at the university. The review team concluded that the procurement system at the University of Iowa remains adequate to protect the government's interest and ensure that the purchase of goods and services is made effectively and at reasonable prices consistent with quality and technical needs.

President Rawlings stated that beyond those four studies there has been the Regents study that Mr. Richey referred to in the Board Office memorandum which began in 1989 and was supposedly concluded just recently. He said that any reasonable and objective person basing an analysis upon the most recent study would conclude that there are no significant problems whatsoever with the operations. In addition, he said strategic planning at the university has asked purchasing to do a self study which it has done and is continuously monitored from a strategic point of view. He asked the Board to consider carefully the Board Office recommendation for an outside study particularly with precious funds that are in very short supply these days on the campuses.

Mr. Richey stated that the study that was undertaken by the Board Office and which has been underway is not completed. It is of such a nature that he will not issue it as a completed report because he considers it to be too self-serving. It does not address the fundamentals and all of the aspects of the purchasing operations that it should.

President Pomerantz stated that while the purchasing department may go through several reviews and that may seem to be an unfair and unnecessary overview,

the fact is the Regent purchasing departments spend a great deal of money. It is a continual source of inquiry from private citizens and companies who are both successful in their endeavors to do business with the Regents and those who are not successful. It is one of the areas they are always exposed on. It probably will continue to have a high level of surveillance. President Pomerantz said that, although he understands the nervousness about the timing, the timing is probably never going to be right. The Regents have a fiduciary responsibility to discharge. The Regents are on a track to a comprehensive review not only of the purchasing practices but also the purchasing departments' structure and whether they are current in their purchasing practices.

President Pomerantz expressed appreciation for President Rawlings' view. He said that with regard to this matter they just happen to disagree.

President Rawlings said he understood and appreciated the Board's desire to get as much information as possible and as good a study as possible. He requested they at least consider the advisability of asking for yet another expensive external study of a department that has been studied "to death".

Regent Hatch said it seemed to her that two years ago this subject was discussed extensively by the Banking Committee. There was a great deal of concern centering around information on vendor preferences, procurement sources, single source purchases, emergency purchases and inventory management. The Board has not seen anything on that other than they heard that the Board Office was embarked on a study and would be providing information on it. She wanted to make sure they were above-board in every case on these particular issues.

Regent Tyrrell referred to the Prison Industries section of the docket memorandum which indicated that involvement of Prison Industries in the planning process for Regent projects would provide communication about specifications at the earliest possible time and assure that Regent institutions fulfill their Code obligations. He asked how early they would involve Prison Industries and questioned whether that practice was practical.

Director Smith responded that the practice is practical. The planning process has been discussed with institutional officials. At this point they have not reached agreement on when that may take place. University of Iowa officials indicate that their architects are working with Prison Industries. There is some progress, it is just not a structured progress.

President Pomerantz noted that there is legislation concerning the involvement of Prison Industries.

Regent Berenstein asked what the continuation of the study and employment of a consultant firm would cost. Mr. Richey responded that the Board Office would develop the specifications and request for proposals, and provide the Board

with a status report and an estimate. The recommended action was to authorize the Board Office to proceed with that and come back to the Board with additional information.

Regent Berenstein questioned the recommendation to "authorize continuation of the study and employment of a consultant firm competent in university operations analysis". Mr. Richey responded that he was actually requesting authorization to solicit proposals from consulting firms.

Regent Berenstein clarified that the recommendation was not to hire a firm. Mr. Richey responded affirmatively.

Regent Berenstein asked if a firm would not be hired until the Board knows what it will cost. Mr. Richey again responded affirmatively.

MOTION:

Regent Berenstein moved to (1) receive the annual report on purchasing activity at Regent institutions, (2) receive a status report on the current purchasing study, and (3) authorize continuation of the study and soliciting bids from consultant firms competent in university operations analysis. Regent Dorr seconded the motion, and it carried unanimously.

ANNUAL REPORT ON FIRE AND ENVIRONMENTAL SAFETY. The Board Office recommended the Board receive the annual report on fire and environmental safety.

For the past six years the Board of Regents has had as its top capital priority fire and environmental safety projects at the Regent institutions. For fiscal years 1993 and 1994 the Board's top priorities are \$2.125 million and \$2.05 million, respectively, for capital improvements related to fire and environmental safety. Changing fire safety standards and aging buildings require continuing capital commitments for fire safety.

The Board's Five-Year Building Program includes \$10.207 million for fire and environmental safety projects, reflecting the Board's commitment.

Each Regent institution cooperates with the State Fire Marshal in establishing fire safety priorities and each institution has a systematic method for determining the priority of fire safety improvements to be undertaken. Projects involving expenditure of capital funds are priorities based upon risk formulas to determine the highest priority projects. Maintenance and operating deficiencies are typically done immediately or as soon after they are detected as possible.

Resident system facilities occupied by students as well as classroom facilities are given the highest priority. Remaining fire safety improvements

include additional exits, fire alarm systems, improved fire separation, installation of fire-retardant materials, and other similar measures.

Each institution has had a history during the 1980s of committing considerable appropriations, proceeds from the sale of Academic Building Revenue Bonds, and internal building repair and other funds toward accomplishing fire safety-related capital programs.

In 1990 the Governor and General Assembly authorized the issuance of Academic Building Revenue Bonds in the amount of \$6 million for the completion of fire and life safety projects at the three universities, as follows:

University of Iowa	\$2.85 million
Iowa State University	\$2.85 million
University of Northern Iowa	\$0.83 million

The 1990 bonding authorization allowed the University of Iowa to undertake 28 projects which represent consolidation of a longer project list. Of these 28 projects, ten have been completed, five are under construction or will be soon, and 13 are being planned or designed.

At Iowa State University, significant progress has been made on the 84 projects funded. Thirty-eight of 53 in-house projects have been completed with the remaining 15 underway. The remaining 31 projects have been consolidated into 12; six of these are 80 percent to 95 percent complete and five are nearing completion of design.

Of 14 projects at the University of Northern Iowa funded by the 1990 bonding authorization, three have been completed, two are under construction and nine are being designed.

Regular inspections by the State Fire Marshal during 1991 yielded a listing of deficiencies in 36 general fund buildings at the University of Iowa, 60 general fund buildings at Iowa State University, and 29 academic buildings at the University of Northern Iowa.

President Pomerantz asked when the program would be finished. Associate Director Hollins responded that it would be finished at the end of fiscal year 1992 as part of the fiscal year 1992 projects.

President Pomerantz asked if the problems are being fixed faster than they are occurring. Associate Director Hollins responded that they were probably sliding back a bit. They are making great strides with the projects that have been undertaken. The inspections that have just occurred are being evaluated so he did not know what would come out of that. Some of the citations consist of small problems like electrical cords which are taken care of immediately. Then there are other structural type problems that have to be evaluated and prioritized.

GENERAL
November 20, 1991

ACTION: President Pomerantz stated the Board received the annual report on fire and environmental safety, by general consent.

REPORT ON PROFESSIONAL AND SCIENTIFIC COMPENSATION PLANS. The Board Office recommended that the Board:

- (1) receive the reports on the status of the consultant's recommendations regarding institutional professional and scientific compensation plans and policies and
- (2) direct that:
 - a. the institutions continue efforts to implement recommendations as indicated in their responses;
 - b. special effort be made to ensure that annual performance appraisals of all staff including professional and scientific employees are conducted using existing mechanisms until such time as it is appropriate to develop and implement new programs;
 - c. all three universities continue to consider plans for narrowing the spread between the minimums and maximums of salary ranges; and
 - d. a further update on the status of plans be reported to the Board in conjunction with the annual review of proposed revisions in professional and scientific pay plans next spring.

In June the Board received recommendations from consultants who reviewed institutional pay plans and policies and asked the institutions to report in the fall on the status of those recommendations.

Institutional efforts to implement recommendations are severely restricted by budgetary limitations.

University of Iowa officials are implementing recommendations to monitor their pay plan for competitiveness, are continuing to monitor male and female salaries, and plan future adjustments to foster appropriate in-range movement.

As funds become available the University of Iowa will begin to narrow range spreads and implement other recommendations regarding professional development and recognition.

University of Iowa officials have convened a task force to design a formal performance management process and are reviewing the recommendation for lump sum increases for top performers.

Iowa State University officials report that a review and revision of its current job analysis form is nearing completion; that they are continuing to monitor salaries paid to females and are monitoring jobs for compliance with the Fair Labor Standards Act.

Iowa State University officials will conduct a special review of scientific positions and make recommendations for adjustments as needed when funds are available.

Work at Iowa State University has begun on the development of a centralized performance appraisal system; development of a new broad-based evaluation plan and major revisions in the pay plan structure will be deferred until funding is available.

University of Northern Iowa officials report that they are continuing to review its salary plan for competitiveness, to ensure non-discrimination and compliance with the Fair Labor Standards Act, and for appropriate in-range movement.

Because of the impact on pay relationships and costs University of Northern Iowa officials are exploring alternatives to the consultant's recommendation for simplifying its job evaluation instrument.

University of Northern Iowa officials are deferring consideration of narrowing the spread of salary ranges until funding is available to make implementation feasible. The university may propose an alternative.

Recommended minor adjustments in the structure of pay plans for Iowa School for the Deaf, Iowa Braille and Sight Saving School and the Board Office will be considered when the plans are next reviewed for annual revision.

Regent Williams pointed out that information provided for one of the institutions indicates a difference in the male and female salaries that is not explained by performance, etc. She said a recommendation was made to review that and she hoped that would be done.

MOTION:

Regent Berenstein moved to approve the recommended action. Regent Furgerson seconded the motion, and it carried unanimously.

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board (1) receive reports on current Banking Committee items, (2) approve a resolution authorizing the Executive Director to fix the date for the sale of up to \$9,145,000 Dormitory Revenue Bonds, Series U.N.I. 1992, and (3) approve a resolution authorizing the Executive Director to fix the date for the sale of \$7,100,000 Academic Building Revenue Project Notes, Series I.S.U. 1991.

Regent Fitzgibbon stated that at that morning's Banking Committee meeting all the Board members were in attendance; therefore, this report would be quite brief. He said the Banking Committee received internal audit reports and historical survey for the 3 universities, a report of unified audit of federal funds, a report of audited financial statements for the University of Northern Iowa, discussed the sale of up to \$9,145,000 Dormitory Revenue Bonds, Series U.N.I. 1992, discussed the sale of \$7,100,000 Academic Building Revenue Project Notes, Series I.S.U. 1991, received information concerning a possible University of Iowa Interest Exchange Program, and received the semi-annual report on master lease agreements. Regent Fitzgibbon said the Banking Committee members discussed a request for addition to the approved brokers list, received quarterly investment and cash management reports, and visited with the Iowa State University internal auditor.

MOTION: Regent Fitzgibbon moved to approve a resolution authorizing the Executive Director to fix the date for the sale of up to \$9,145,000 Dormitory Revenue Bonds, Series U.N.I. 1992. Regent Hatch seconded the motion, and it carried unanimously.

MOTION: Regent Fitzgibbon moved to approve a resolution authorizing the Executive Director to fix the date for the sale of \$7,100,000 Academic Building Revenue Project Notes, Series I.S.U. 1991. Regent Berenstein seconded the motion, and it carried unanimously.

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

LEGISLATIVE PROGRAM. The Board Office recommended the Board (1) receive information that the Board of Regents budget presentation to the Governor has been scheduled for December 12, 1991 from 2:00 to 4:00 p.m., (2) receive information on progress of preparing legislative program for the 1992 legislative session, and (3) receive an update on legislative interim committee activities.

The Board of Regents budget presentation to the Governor has been set for December 12, 1991, from 2:00 to 4:00 p.m.

At the Governor's Budget Hearing, the President of the Board of Regents and the institutional heads provide an overview of the fiscal year 1993 and fiscal year 1994 budgets.

The Board Office has been working with the institutions in developing the legislative program for the 1992 legislative session. The final report will be presented to the Board at the December Board meeting.

The legislative interim committees continue to address their interim calendar issues. The Committee on Budget and Budgeting Practices has held several meetings as has the Committee on Improving Efficiencies and Operations Studies.

Both of these committees have been receiving information on historical spending patterns and received presentations from state agencies and national consultants on possible ways to reduce government spending in Iowa.

The Governor's Spending Reform Committee and associated subcommittees have been meeting to identify areas in which to reduce spending.

Final reports on spending reform initiatives are due from the executive and legislative branch committees by mid- to late-December.

ACTION: This matter was approved by consent.

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

Appointment: JEAN FRIEDRICH, Secretary III, Business and Finance Unit, at an annual salary of \$23,088, effective October 16, 1991; and

Transfer: GEORGE M. HOLLINS, Associate Director of Business and Finance, to the University of Iowa as Interim Associate Business Manager effective December 13, 1991.

MOTION: Regent Berenstein moved to approve the Register of Personnel Transactions, as presented. Regent Furgerson seconded the motion, and it carried unanimously.

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

The Board Office budget is currently on target with projections. It is anticipated that replacements for the position of Director of Planning and Policy Analysis and for the Associate Director of Business and Finance will be available at an early date. Some reorganization of the Board Office staffing is under consideration and does have budget implications. Any proposed reorganization and salaries for new employees would be within the budget.

ACTION: This report was received by consent.

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

December 18, 1991	Marriott	Des Moines
January 15-16, 1992	Telephonic	
February 19-20	University of Iowa	Iowa City
March 18-19	Iowa School for the Deaf	Council Bluffs
April 15-16	Iowa State University	Ames
May 20-21	University of Northern Iowa	Cedar Falls
June 17-18	University of Iowa	Iowa City
July 15-16	(To be determined)	Des Moines
September 16-17	Iowa State University	Ames
October 21-22	University of Northern Iowa	Cedar Falls
November 18-19	University of Iowa/Iowa Braille and Sight Saving School	Iowa City/ Vinton
December 16-17	Iowa State University	Ames

ACTION:

This matter was approved by consent.

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, November 20, 1991.

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

Register of Personnel Changes for September 1991 which included early retirement approvals as follows:

SHIRLEY CALLAHAN, Sonographer, retired August 31, 1991;

MARY GROVER, Secretary II, retired August 30, 1991;

ANGIOLA PEDRINI-MILLE, Research Scientist, retired August 31, 1991;
and

GENE RONALD, Branch Manager of the Hygienic Laboratory, retired August 31, 1991.

MOTION:

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

PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM. The Board Office recommended that the Board approve establishment of a new classification, Assistant Director of Social Service, University Hospitals and Clinics, in pay grade 11 (\$33,250 - \$58,145).

The proposed class will provide administrative assistance to the director of the department, will be responsible for planning social work activities for the medical and surgical divisions of the University of Iowa Hospitals and Clinics, and will centralize supervisory responsibilities currently performed by Division Supervisors.

The new classification would replace the current classification of Social Services Division Supervisor. Incumbent supervisors (three people) will become Social Worker Specialists and will help fill the need for more patient support services.

The pay grade assignment of the new class is based on evaluation of duties and responsibilities and funds for implementation are available from existing resources.

MOTION:

Regent Berenstein moved to approve establishment of a new classification, Assistant Director of Social Service, University Hospitals and Clinics, in pay grade 11 (\$33,250 - \$58,145). Regent Fitzgibbon seconded the motion, and it carried unanimously.

DISCONTINUANCE OF B.A. IN PHYSICAL EDUCATION. The Board Office recommended the Board refer the university's request to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials requested approval to discontinue the B.A. in Physical Education/Teacher Preparation and the B.A. in Physical Education/Department of Physical Education and Sports Studies.

At present both the B.A. and B.S. degrees are offered in Physical Education. The only difference between the B.A. and the B.S. degrees has been that the B.A. required more foreign language than the B.S.

Effective with the entering class of Fall 1990, all baccalaureate degrees in the College of Liberal Arts must complete four semesters of single foreign language.

There is no longer a distinction between these two degrees hence the recommendation to discontinue the B.A. degree.

ACTION:

This matter was referred by consent.

POST-AUDIT REPORT FOR MASTER OF SCIENCE IN QUALITY MANAGEMENT AND PRODUCTIVITY. The Board Office recommended the Board refer the report to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

The University of Iowa, in compliance with Board policy, provided a post-audit report for the Master of Science degree program in Quality Management and Productivity.

The program appears to have met the objectives set for the program at the time of its initial approval by the Board of Regents.

The students in the program seem to be successful in obtaining jobs in their major field.

ACTION: This matter was referred by consent.

ADMINISTRATIVE REORGANIZATION. The Board Office recommended that the Board approve the proposed reorganization that would involve:

(1) a change in responsibilities and title from Vice-President of Academic Affairs to Provost; and

(2) the creation of three new positions:

(a) Vice-President for Health Sciences;

(b) Vice-President for Statewide Health Services; and

(c) General Counsel.

The Provost and Vice-President positions would be effective July 1, 1993. The General Counsel position would be effective immediately.

The position of Provost was recommended by Peat Marwick. The position will report to the President and function as the chief academic officer of the university. The Deans of Business, Law, Liberal Arts, Engineering and the Graduate College as well as the Dean of Continuing Education will report to the Provost.

The new Vice-President for Health Sciences will be responsible for the Colleges of Dentistry, Medicine, Nursing, and Pharmacy as well as for University of Iowa Hospital and Clinics and the Statewide Health Service Units. The Deans of the health colleges and the Director of University of Iowa Hospitals and Clinics will report to the new position.

The Vice-President for Statewide Health Services will represent the university in a variety of planning initiatives regarding public policy issues in the health area that are important to the university and the state. The position will be assumed by John Colloton on his retirement as Director of University of Iowa Hospitals and Clinics.

The consolidation of legal functions and the appointment of General Counsel was recommended to better coordinate efforts and serve the interests of the entire university regarding key legal questions and developments. A General Counsel will serve as liaison to the Iowa Attorney General's office.

Regent Berenstein referred to Mr. Colloton becoming Vice President of Statewide Health Services, and asked whose budget he would then be paid from. President Rawlings responded that the position would be paid from the hospital budget. The position of Vice President for Health Sciences will be paid from the general university budget.

Regent Berenstein asked if questions similar to the ones he was asking would be presented when university officials bring back the "fine tuning" of the reorganization. President Rawlings responded affirmatively and stated that those issues would be addressed when university officials begin recruiting for the positions.

Regent Hatch asked where the General Counsel position fits in the organizational chart submitted with this docket item. President Rawlings said the General Counsel would report directly to the university president. That position is not technically part of this particular reorganization. It was brought to the Board at the same time as this reorganization because it was felt it would be convenient.

Regent Hatch asked if the General Counsel was in a staff position to the university president. President Rawlings responded affirmatively.

Regent Hatch asked if the new position for Mr. Colloton would also be a staff position. President Rawlings responded affirmatively.

President Pomerantz stated that although he strongly supports the proposed structure, he sees the possibility for problems with it particularly in the area of undergraduate education programs in the medical sciences. He urged that university officials consider strongly an associate vice president-level position for undergraduates to give appropriate attention to the undergraduate programs and to make sure they receive proper emphasis.

President Rawlings said that was a very good suggestion and one that University of Iowa officials would consider. He noted that it would be more than 18 months before the plan is implemented; therefore, he expects that prior to implementation the reorganization would be broadened a bit. It was President Rawlings' understanding that President Pomerantz was referring to undergraduate education in the health sciences; however, President Rawlings said such a position could apply generally within the other colleges, as well. He felt that kind of emphasis would be excellent. University officials have time to consider that and other changes. He noted that the Faculty Senate has also made suggestions for revisions to the reorganization plan.

Regent Hatch referred to the draft organizational chart which corresponds with the proposed reorganization and said it indicated that the proposed new positions are on the same level as the provost. The deans of dentistry, medicine, nursing and pharmacy will be meeting with the provost and the vice president for health sciences will be invited to meet with the provost. She said that implies a hierarchy that makes her feel uncomfortable.

President Rawlings responded that the intent is to ensure that it is very clear to everyone that the provost is the chief academic officer for the university and will make the final decision on tenure and academic program

review, for example. That will be clear in the monthly meetings where the deans along with the vice president for health sciences meet with the provost.

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

INTERIM APPOINTMENT. The Board Office recommended that the Board approve the appointment of Douglas True as Interim Vice-President for Finance and University Services at an annual salary of \$100,000 effective November 25, 1991.

Douglas True has been the University of Iowa Treasurer since 1988 and Assistant Vice-President and Treasurer since the beginning of 1991.

His current responsibilities include budgetary planning and oversight of the treasury functions including investment and cash management, banking and capital project financing.

Mr. True was Director of Business and Finance for the Iowa Board of Regents from 1985 to 1988 and held other positions in state government prior to that.

He will serve as Interim Vice-President for Finance and University Services until the university is able to complete a search for a permanent replacement.

President Rawlings stated that university officials expect to begin a search for a permanent person in January.

MOTION: Regent Berenstein moved to approve the appointment of Douglas True as Interim Vice-President for Finance and University Services at an annual salary of \$100,000 effective November 25, 1991. Regent Fitzgibbon seconded the motion, and it carried unanimously.

APPOINTMENT OF INTERIM GENERAL COUNSEL. The Board Office recommended that the Board approve the appointment of Mark Schantz as Interim General Counsel effective on or before February 1, 1992, at an annual salary of \$98,000.

Mark Schantz is currently a partner in the Des Moines law firm of Dickinson, Throckmorton, Parker, Mannheimer and Raife. He received his BA degree in Political Science from the University of Iowa in 1963. As a Rhodes Scholar he received a BA from Oxford University in 1965. He earned a law degree from Yale in 1968.

Mr. Schantz was a faculty member of the University of Iowa College of Law from 1969 to 1978. He was Solicitor General of the State of Iowa from 1979 to 1982 and has been associated with the Dickinson firm since 1982.

University officials will initiate a search for a permanent General Counsel next month.

Regent Berenstein asked if it was anticipated that Mr. Schantz would apply for the permanent position. President Rawlings responded that at this point in time he did not know the answer to that question.

MOTION: Regent Furgerson moved to approve the appointment of Mark Schantz as Interim General Counsel effective on or before February 1, 1992, at an annual salary of \$98,000. Regent Berenstein seconded the motion, and it carried unanimously.

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

PROJECT DESCRIPTIONS AND BUDGETS

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

Library--Interactive Information Learning Center \$441,900

Preliminary Budget

Design, Inspection and Administration	\$ 51,300
Construction	357,400
Contingencies	<u>33,200</u>

TOTAL \$ 441,900

Source of Funds:	Student Computer Fees	\$ 150,000
	Grant from Carver Trust	66,400
	Building Renewal or Income from Treasurer's Temporary Investments	<u>225,500</u>

TOTAL \$ 441,900

The Interactive Information Learning Center will provide faculty and student assistance from librarians and computer professionals in the use of computers. The goal of the Center will be to provide broad access to information in

electronic formats and to provide education in integrating these new sources into the learning environment.

The Center will include a computer classroom for approximately 30 students and another 56 networked computer work stations for individual and group activity. The Center will be located in the University Library in space to be remodeled as part of this project. The area to be remodeled totals 6,000 square feet.

Construction will consist of new walls, acoustical ceiling, and carpeting. A dedicated heating and cooling system and electrical modifications to meet the needs of the computers will also be included. Casework will be installed in the classroom and the service area. Limited demolition of the existing ceiling and some walls will be necessary.

The university has received a \$752,432 grant from the Carver Foundation for operational support for three years along with funds for equipment and remodeling.

Regent Berenstein noted that in the source of funds university officials were allocating \$150,000 from student computer fees. He asked if that was consistent with the representation made that morning to the students about the usage of the various funds for the specific purpose that they were allocated. Vice President Phillips responded affirmatively.

Regent Berenstein asked that the record reflect his question and the answer to his question.

University Hospitals and Clinics Eye Institute \$18,225,000
Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 15,000,000
Contingency	1,500,000
Architectural/Engineering Support	975,000
Planning and Supervision	<u>750,000</u>
TOTAL	\$ 18,225,000

University officials requested approval of a project description and budget.

The Eye Institute will be located to the south of the John Pappajohn Pavilion and will be linked to the Pappajohn Pavilion by a below-surface walkway. The Institute's development will involve construction of a two-level building shell comprised of a lower level of approximately 59,000 gross square feet and a first level of approximately 56,000 gross square feet. The project will finish approximately 56,000 gross square feet of space, predominantly on the first level, for use as replacement facilities for the Department of

Ophthalmology and for building circulation and support. A Family Care Clinic will be developed in the lower level shell space when funds become available. The Institute will be designed to accommodate the future addition of an Ear, Nose and Throat Institute, a Women's Health Center, and other clinical and support functions that are now located in the General Hospital. Shell space for some of these services may be included in the Eye Institute project.

The design of the Eye Institute will be of the same basic system as the existing Carver, Colloton and Pappajohn Pavilions. As such, the main structure will be constructed of fire-resistive, reinforced concrete. Exterior walls will be pre-cast concrete with triple-glazed windows. Insulation and glazing in the building's shell will meet or exceed the building "U" values required by the Iowa Administrative Code. Also incorporated will be energy management systems to further minimize energy consumption.

The construction estimates are based on square footage costs ranging between \$50 and \$60 for the building shell and from \$50 to \$94 for completing shell space, depending on the specific function of the completed space. These costs are based on bids received for several similar projects at University Hospitals.

Music Building--Asbestos Abatement

\$497,000

Source of Funds: 1992 Academic Revenue Bonds, Building Repairs, or Income from Treasurer's Temporary Investments

Preliminary Budget

Design, Inspection and Administration	\$ 55,000
Construction	370,000
Moving Costs	25,000
Physical Plant Services	10,000
Contingencies	<u>37,000</u>
TOTAL	\$ 497,000

In September 1991 the Board approved a contract to replace the roof over the north half of the Music Building which includes the backstage area of Hancher Auditorium. Shortly after work commenced on October 21, it was discovered that small quantities of fireproofing material containing asbestos were being dislodged from the underside of the roof deck and were falling onto the floor of the building. Work was halted immediately except for that activity necessary to close the roof. Air tests disclosed that asbestos had not become airborne and the dislodged material was removed.

Shive-Hattery Engineers and Architects, the firm performing asbestos-monitoring activity for the roofing project, was requested immediately to

design an abatement project to deal with the problem. The report has been received and analyzed, and university officials recommended that an abatement project proceed. This work must be completed before work on the roof resumes.

This project will consist of a combination of removal of asbestos-containing materials (ACM) and encapsulation of the remaining ACM in a total area containing approximately 28,900 square feet. The removed material will be replaced with new material to maintain fire and sound insulation. The abatement activity can occur only in unoccupied spaces, and in some instances all materials will have to be removed from the rooms involved. HVAC systems will have to be closed down selectively to prevent the transmission of ACM to areas of the building not affected by the project. The only period of time when space can be vacated long enough to permit the work to be accomplished without severe program disruption is during this winter's semester break. This will require contracts to be awarded in early December.

* * * * *

University officials presented revised budgets on the following projects.

Pharmacy Building Addition

Original Budget \$18,058,000
Revised Budget \$18,438,000

Project Budget

	<u>Original Budget July 1990</u>	<u>Revised Budget Nov. 1991</u>
Design, Inspection and Administration	\$ 1,925,000	\$ 1,925,000
Construction	12,985,000	12,965,000
Utility Extensions	407,000	807,000
Art in State Buildings	83,500	83,500
Contingencies	1,337,500	1,337,500
Equipment and Furnishings	<u>1,320,000</u>	<u>1,320,000</u>
TOTAL	\$18,058,000	\$18,438,000

STATE UNIVERSITY OF IOWA
November 20, 1991

	<u>Original Budget July 1990</u>	<u>Revised Budget Nov. 1991</u>
Source of Funds:		
73rd General Assembly Appropriation	\$11,200,000	\$ 1,080,000*
Fiscal Year 1993 Capital Request	0	10,120,000
Pharmaceutical Service Reserve	2,208,000	2,508,000
Treasurer's Temporary Investments	2,000,000	2,000,000
Building Use Allowance	1,650,000	1,650,000
73rd General Assembly Academic Revenue Bonds (Fire Safety)	0	80,000
Private Gifts	<u>1,000,000</u>	<u>1,000,000</u>
 TOTAL	 \$18,058,000	 \$18,438,000

* Includes proceeds from Academic Building Revenue Project Notes, Series S.U.I. 1991

In February 1990 the state appropriation for this project was reduced from \$11,200,000 to \$1,080,000, the sum estimated to be necessary to complete construction documents for the project. Of the amount authorized, \$574,450 was financed through the Project Notes sold by the Board in October. A request for restoration of the balance of the authorization required, \$10,120,000, has been included in the Board's capital request for fiscal year 1993.

While completing design development on the project, it became clear that it would be necessary to cut the scope of the project to keep it within the available budget. Cost estimates provided by a new cost estimator working with more complete documents than were available at preliminary design indicated a higher than previously estimated cost, and a revised estimate of the cost of utility extensions required the transfer of \$400,000 from the construction budget line to the utilities line. In response to this information, the length of the building was reduced by one bay, or approximately 20 feet. This reduced the area of the building by 6,855 gross square feet. The building was shortened at the west end which will lessen the impact of the building on the site and nearby buildings. The programmatic impact of this space reduction was acceptable to the College of Pharmacy.

The revised building design will consist of 67,515 gross square feet and 38,744 net square feet, for a net-to-gross ratio of 57.4 percent. The project will include the remodeling of 4,000 square feet of existing space.

The building design and exterior appearance is essentially the same as presented to the Board at the September 1990 meeting.

For purposes of cost estimating, it is assumed that funding will be available to begin construction approximately July 1, 1992. This date is approximately one year later than was assumed with the approved budget.

The project will be bid with a base package estimated to be equal to or less than the construction budget for the building. As a budget protection measure there is a standard five percent bid contingency, and deduct/add alternates will be incorporated. The deduct alternate list is approximately the magnitude of estimated budget erosion from inflation during the one-year delay. At this time, the deduct alternate list includes a laboratory vacuum system, remodeling of the existing auditorium, and the deferral of completion of two large generic laboratories (2,160 net square feet). Add alternates will be accepted for finishing the Pharmaceutical Service quality control lab (2,260 net square feet), which was identified as an alternate in September 1990, and the installation of a central nitrogen system and a glass waste collection system.

The revised budget reflects the addition of \$300,000 from Pharmaceutical Service to restore its share of the project cost to the appropriate level relative to other sources of funds; the allocation of \$80,000 of fire safety money to fund the replacement of the alarm system in the existing building to make it compatible with the system in the new building; and the transfer of \$400,000 from the construction line to the utilities lines.

If funding for this project is not available to permit construction to commence in July 1992, it will be necessary to again review the implications of inflation on the project scope and budget when the construction schedule is known.

Vice President Phillips introduced Bill Anderson and Rod Nelson from Brooks Borg and Skiles. She noted that university officials were requesting a change in the budget.

Mr. Anderson discussed the redesign of the building which he said had not changed a lot from what was last presented to the Regents.

President Pomerantz questioned the use of aluminum. Mr. Anderson responded that aluminum the material was also used on the engineering research building. It is a teflon-coated product on aluminum which does not rust. The finish can be controlled very carefully.

President Pomerantz asked if the square footage has changed. Mr. Anderson responded that the square footage had changed from 74,000 to 67,000 gross square feet.

President Pomerantz asked for the reason for reducing the square footage. Mr. Anderson responded that the square footage was reduced in order to bring the project within budget.

Regent Williams asked if the reason was the higher cost for utilities. Mr. Anderson responded that that was one factor.

President Pomerantz asked for the impact on the program. Mr. Anderson said two research laboratories/floor were lost. Each department will have to cut research laboratory space.

Regent Fitzgibbon asked for the amount of parking. Mr. Anderson responded that there would be approximately 25 to 29 parking spaces. They will replace the current parking.

Regent Berenstein asked why the project was costing \$380,000 more and they were getting less laboratories/floor. Mr. Anderson responded that the cost of the building had gone up. He noted that the building cost was not out of line with national standards. The \$178/square foot is right on the average. The net to gross ratio is roughly 57 percent.

Regent Berenstein asked what would happen if the Regents did not approve the project. Mr. Anderson responded that he did not know where they could cut any more money out of the project.

President Pomerantz said the revision is within the original cost estimate. They are losing 8 labs. He then asked how "good" the numbers were that were presented at this meeting. Mr. Anderson responded that there was a contingency of 4 percent.

President Pomerantz asked if the project was ready to go to bid. Mr. Richey responded that at the moment the university did not have any funding for the project.

Regent Berenstein asked if the Regents would be sending a bad signal by approving a project that costs more money while offering less space. Mr. Anderson responded that the costs for this kind of space are going up. President Pomerantz stated that the longer they delay construction the more it will cost. He then noted that the Regents have toured the College of Pharmacy and know the need for the additional space.

Vice President Phillips stated that the redesign was done in full consultation with the faculty and the users of the proposed new facility.

President Pomerantz stated that once the addition is constructed nothing else will be built on this site. They must be sure they are doing it right. He believes the redesigned building addition fits better.

President Rawlings agreed it was a better scale.

President Pomerantz said the Regents have to look to university officials to tell them if the building fits their program.

Vice President Nathan said the faculty feels this building will meet their needs.

Regent Hatch asked if it would fit their needs for the next 10 years. Vice President Nathan responded that it would fit their needs for at least the next 10 years.

President Pomerantz said the issue is follow through with the addition, move the College of Pharmacy to another site, or raise the budget. He then referred to the time frame and said that inflation continues to have an impact on the project the longer they deliberate.

Regent Berenstein said he was an enthusiastic supporter of the project in January 1990. Now 22 months later he said he would vote against it because of the additional cost while reducing the scope of the building.

President Pomerantz stated that the Pharmacy Building Addition was funded by the legislature; however, during the State's budget crunch the project was put on hold. Planning for the project is continuing with the theory the money will come back this year or next year. The building will be designed and ready to construct whenever the legislature reinstates the funding.

Mr. Richey stated that the action proposed was to approve the revised budget and the proposed plan.

Regent Hatch clarified that the Regents would then depend on the legislature to reappropriate the \$10,120,000.

MOTION: Regent Williams moved to approve the revised budget and the proposed plan for the Pharmacy Building Addition. Regent Furgerson seconded the motion, and it carried with Regents Berenstein and Dorr opposed.

North Campus Parking and Chilled Water Facility

Oct. 1988 Budget \$ 9,973,375
Revised Budget \$ 10,030,575

Project Budget

	<u>Budget Approved Oct. 1988</u>	<u>Revised Budget Nov. 1991</u>
Design, Inspection and Administration	\$ 1,004,875	\$ 1,004,875
Construction	8,674,000	8,703,525
Contingencies	419,500	419,500
Sales Tax Refund	<u>(125,000)</u>	<u>(97,324)</u>
TOTAL	\$ 9,973,375	\$10,030,575
 Source of Funds:		
Revenue--Bond Sales, Parking	\$ 3,056,000	\$ 3,056,000
Laser Laboratory Building Budget	1,029,000	1,029,000
Chemistry-Botany Building--Phase II Budget	1,110,000	1,110,000
Treasurer's Temporary Investments	3,000,000	3,000,000
Master Lease	1,186,875	1,186,875
City of Iowa City	<u>591,500</u>	<u>610,700</u>
TOTAL	\$ 9,973,375	\$10,030,575

University officials requested approval of a revised budget in the amount of \$10,030,575, which is an increase of \$57,200 over the budget approved in October 1988. This increase reflects final actual labor and materials for construction and receipt of a smaller than anticipated sales tax refund. The source of funds has been adjusted to include an additional reimbursement from the City of Iowa City in the amount of \$19,200, with an increase in Treasurer's Temporary Investments in the amount of \$38,000.

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.

ARCHITECT/ENGINEER AGREEMENTS

<u>Medical Laboratories--Animal Care Remodeling</u>	<u>\$48,100</u>
Wehner Pattschull Pfiffner, P.C., Iowa City, Iowa	

This project consists of remodeling approximately 2,500 square feet of the third floor Animal Surgical Suite and approximately 3,000 square feet in other fourth floor animal care units, as well as the addition of 3,600 square feet of the fourth floor for animal care rooms.

University officials requested approval of an agreement with Wehner, Pattschull and Pfiffner for architectural design services for this project. The agreement provides for a fixed fee of \$48,100, including reimbursables.

University Hospitals and Clinics--Variable Speed Chilled Water Pumps \$30,432
Sega, Inc., Des Moines, Iowa

This project involves the installation of variable speed drives and controls on all chilled water pumps in Boyd Tower, Carver Pavilion and Colloton Pavilion. The project is required to meet requirements identified in the University Hospitals Energy Audit.

University officials requested approval of an agreement with Sega, Inc., to provide design services on this project. The agreement provides for a fixed fee of \$30,432, including reimbursables.

Music Building--Asbestos Abatement \$48,250
Shive-Hattery Engineers and Architects, Iowa City, Iowa

University officials recommended the selection of Shive-Hattery Engineers and Architects as project engineers. Services will include design, inspection, and required air sampling. The firm has the necessary expertise and has performed the preliminary study to identify the method of proceeding, the approximate cost and time required to perform the work. Shive-Hattery has agreed to provide the required services at a total cost not to exceed \$48,250, including reimbursables.

Amendments:

Pharmacy Building Addition--Site Utility Work \$9,969
ZBA, Inc., Iowa City, Iowa

University officials requested approval of Amendment No. 1 to the agreement with ZBA, Inc., in the amount of \$9,969. The amendment will provide for the study, identification of construction costs, and recommendations for various alternatives regarding utilities in the Pharmacy Addition site, plus additional structural design work.

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

University Hospitals and Clinics--Pappaiohn Pavilion Public Corridors \$740
and Rest Rooms
Hansen Lind Meyer, Inc., Iowa City, Iowa

CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Department of Psychiatry
Faculty Offices \$336,429

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

University Hospitals and Clinics--Information Systems
Uninterruptible Power Supply \$230,600

Award to: Nelson Electric Company, Cedar Rapids, Iowa
(3 bids received)

University Hospitals and Clinics--Roof Replacement--4 West General
Hospital \$194,991

Award to: Maintenance Associates Corporation, Marion, Iowa
(3 bids received)

University Hospitals and Clinics--Clinical Cancer Center and
Topping Out of the John Pappajohn Pavilion--Completion Phase C \$163,000

Award to: Mid-America Construction Company of Iowa, Iowa City, Iowa
(1 bid received)

College of Medicine Administration Wing--Site Work \$103,100

Award to: Mid-America Construction Company of Iowa, Iowa City, Iowa
(2 bids received)

Elm Street Reconstruction \$60,832.23

Award to: L. L. Pelling Company, Inc., Iowa City, Iowa
(1 bid received)

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Power Plant Energy Optimization and Energy Management Controls Project--
Burlington Street Switchgear Vault

Iowa Bridge and Culvert, Inc., Washington, Iowa

University Hospitals and Clinics--Relocation of General Supporting Service
Departments

McComas-Lacina Construction Company, Inc., Iowa City, Iowa

University Hospitals and Clinics--Installation of Mechanical and Electrical
Systems--Colloton Pavilion

R. M. Boggs Company, Inc., Iowa City, Iowa

University Hospitals and Clinics--2 Boyd Tower Obstetrics/Gynecology
Remodeling

McComas-Lacina Construction Company, Inc., Iowa City, Iowa

University Hospitals and Clinics--Development of General Administrative
Service Functions

McComas-Lacina Construction Company, Inc., Iowa City, Iowa

MOTION:

Regent Fitzgibbon moved to approve the university's Capital Register, as presented, and authorize the university to negotiate an architectural agreement with Hansen Lind Meyer for the University of Iowa Hospitals and Clinics project for the Eye Institute, and that the agreement and a report on the planning for the project be presented to the Board at its December 1991 meeting. Regent Berenstein seconded the motion.

President Pomerantz said the addition to the recommended action was for the selection of an architect for the last phase of the hospital. The Regents believe this last phase of the hospital activity is a continuum. One architect has carried through from the beginning to this point. It would be unfair to the architectural community to put them through the rigors of a competitive process with the very strong likelihood and probability that Hansen Lind Meyer would be selected. He asked the Board to affirm continuing with Hansen Lind Meyer because it will save time and energy and is the proper thing to do for all interested parties.

VOTE ON THE MOTION:

The motion carried unanimously.

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

With BREAKTHROUGH, INC., for its use of approximately 1,078 square feet of office space consisting of rooms 131, 127, 119 and 129 in the Technology Innovation Center on the Oakdale Campus for a six-month period commencing December 1, 1991, at a rate of \$539 per month;

With RESPONSE TELEVISION CORPORATION for its use of approximately 355 square feet of office space consisting of rooms 202 and 203 in the Technology Innovation Center on the Oakdale Campus for a one-year period beginning December 1, 1991, at a rate of \$177.50 per month;

With SPENCER MUNICIPAL HOSPITAL for the university's use of 176 square feet of space in the Spencer Municipal Hospital Building located in Spencer, Iowa, for a one-year period beginning December 1, 1991, at a rate of \$50 per month;

With JENNIE EDMUNDSON MEMORIAL HOSPITAL for the university's use of approximately 472 square feet of office space in the Jennie Edmundson

Memorial Hospital Building in Council Bluffs, Iowa, for a one-year period beginning December 1, 1991, at a rate of \$150 per month

MOTION:

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

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

NAY: None.

ABSENT: None.

DAUM RESIDENCE HALL REPORT. The Board Office recommended the Board receive the report on the Daum Residence Hall and approve the university's recommendations, as outlined below.

A presentation by Deloitte and Touche was held for Phase II of the feasibility study for the Daum Residence Hall.

In March 1991 University of Iowa officials recommended to the Board the idling of Daum Hall. The Board requested that university officials undertake a study to determine options regarding the future of the building. In May the Board authorized the university to retain the firm of Deloitte and Touche to assist with the study.

A Phase I report was presented to the Board in July 1991. Phase II was completed and a report presented to the Board at this meeting.

University recommendations are as follows:

- (1) That Daum Hall remain open. Daum is currently being utilized due to higher than anticipated fall enrollments.
- (2) That programmatic changes continue to be developed and implemented to attract and retain the critical freshman and sophomore students. These items will not require physical modifications to the residence halls and include:
 - * Re-balancing capacity levels to match student demands by decreasing occupancy density (de-tripling);
 - * Expanding flexibility in board plans by allowing students to choose a wider variety of meal plans;
 - * Providing increased options for non-freshman floors by designating more upper-class floors;

- * Redefining the role of the resident assistant in terms of the market served;
- * Providing cost information to parents and students on room and board rates by providing comparisons to local rates;

(3) That physical modifications (reconfiguration) of residence hall rooms be deferred until programmatic changes have been implemented and their effectiveness measured.

Programmatic changes are expected to increase the overall attractiveness of the residence hall environment without increasing debt service and financial risk. These programmatic changes should help maintain and possibly increase usage rates in spite of continued smaller-scale, local market development and temporary enrollment declines.

Vice President Nathan stated that University of Iowa officials feel very good about the results of the marketing study. It gives them a template for the future that will be very useful as they plan the residence hall program for the next decade. He then introduced Derek Mazula of Deloitte Touche to present the results of the marketing study.

Mr. Mazula reviewed the results of the marketing study with the Regents. He said seven focus groups were selected to represent a cross section of the university community including students living both inside and outside of the residence hall system. Each of the focus groups provided a wide range of information relative to the importance of several attributes. The consultants evaluated whether the attributes deemed the most important by students were better provided inside or outside the residence hall system.

Mr. Mazula stated that the consultants determined that freshmen expect the residence halls to provide structure while sophomores desire a less structured environment. He said 70 percent of the sophomores choose to live outside the residence hall system. There is a stigma of staying beyond the sophomore year in the residence halls. He then discussed their recommended strategy for achieving the residence system's goals, which included: 1) the target market should be freshmen and sophomores, 2) detripling currently tripled rooms, 3) expand flexibility in board plans, 4) designate more "upper class" floors, 5) redefine the role of the Resident Assistant to the market served, and 6) inform parents and students on pricing. He said the residence system's goals include full occupancy, financial stability and operating flexibility.

President Pomerantz stated that Mr. Mazula had talked about a cash flow wash between a reconfiguration and that, therefore, they should not do it. Mr. Mazula responded that basically in looking at the cash flow it is a wash situation. Of course, they would need to factor in the additional financial risk.

President Pomerantz said the consultants did not appear to give any credit to enhancing the assets. Mr. Mazula said they do enhance the assets.

President Pomerantz asked if he was referring to modernizing the dormitory plant. Mr. Mazula said they modernize the dormitory plant but some of the offsets are in restricting the ability to respond to likely enrollment increases in the out years. He said the fact that they are going to be idling space and those types of factors outweigh that.

President Pomerantz said that if they could cash flow neutral and have a new facility, that would be quite an accomplishment.

Mr. Mazula stated that when they rebalance down to match demand they are going to be close to full occupancy. That is anticipated to continue into the out years. The question becomes do we want to, at this point, add financial risk by reconfiguring and possibly limiting flexibility to respond in the future, or do we want to see exactly what happens in terms of our ability to meet student demands. He reminded the Regents that the most important attribute was viewed by students to be programmatic changes rather than actual physical changes.

Regent Hatch stated that when the recommendation to close Daum was brought to the Regents one of the reasons was because of projected significantly high capital and improvement costs over the next 10 years. She asked if those projected 10-year capital and improvements costs have been factored into the reconfiguration versus programmatic changes. Mr. Mazula responded that the normal associated capital costs are in the plan related to continuing to have Daum open. An additional savings at the initial recommendation were based on the opportunity to close the Stanley Currier food service, which has been closed.

Regent Hatch stated the Regents were told that a lot of plumbing, roofing, and other repairs were needed in order to keep Daum open. Mr. Droll stated that if Daum were put on line on a permanent basis all those capital costs including plumbing, windows, and new air conditioners would be factored back into the ten-year renovation and restoration plan.

Regent Hatch asked if those costs were factored in when the consultants did the comparisons. If they spend \$3 million reconfiguring, won't some of those capital costs get taken care of? Mr. Droll stated that those costs would be in addition to the estimate.

Regent Hatch said the Regents have not exactly seen what it is going to cost. Mr. Mazula responded affirmatively. He said Daum has some of the higher if not the highest of the residence system's associated restoration and renovation expenditures. Those capital-related costs are factored into the estimate. In terms of looking at the cash flow, he said it is not exactly cash flow neutral. When factoring in some of the additional costs for on-

going depreciation and on-going maintenance it makes the estimate even less favorable. Factoring those costs in makes continuing with the status quo less attractive and would bring it even closer to a full wash.

Regent Hatch said that if they change programmatically and keep the status quo, then the Regents have not seen what those additional costs are that they were told about last year to keep Daum open.

Mr. Mazula stated that in terms of the impact on the cash flow, he did not think that would be material over the 10-year period.

Regent Berenstein asked if university officials would be in a better position to make a recommendation after they can do the reconfiguration. Mr. Mazula said they are in a position to continue with the recommendation to pursue the programmatic changes prior to going forward, and defer a recommendation on the reconfiguring.

Regent Berenstein questioned whether university officials were asking for authority to go forward. President Pomerantz said the Regents were asked to receive the report. He said he thought there were some questions that could follow from this but, for today, they can receive the report.

Regent Hatch said she would appreciate seeing the other analysis that she believed university officials understood that she was interested in.

Mr. Mazula said that could be provided without any trouble.

Regent Williams asked if the Regents could spend some time in December on this issue. There are some issues which they really did not talk about except tangentially. There is the issue of not only flexible board options but quality of the board options and the effect on student participation.

President Pomerantz said this matter would be put back on the docket for the next meeting.

ACTION: President Pomerantz stated the Board received the report on Daum Residence Hall and requested additional information be provided next month, by general consent.

RESIDENCE SYSTEM PARIETAL RULE. The Board Office recommended the Board (1) approve suspension of the parietal rule at the University of Iowa for an additional five years through academic year 1996-97 and (2) approve submission of a Notice of Intended Action and schedule a public hearing to provide opportunity for public comment to precede any reinforcement of the parietal rule.

University of Iowa officials requested continued suspension of the parietal rule through academic year 1996-97. The current rule extends through May 1992.

University officials provided information concerning educational opportunities initiated and strengthened, its responsiveness to changing student demand for decreased occupancy density, and a financial plan allowing the residence system to remain solvent without a parietal rule.

Regent Berenstein questioned whether this matter should be discussed at next month's meeting when the Regents again discuss Daum Hall. President Rawlings responded that University of Iowa officials would like very much for this matter to be approved at this meeting because other related matters need to be dealt with.

MOTION:

Regent Hatch moved to (1) approve suspension of the parietal rule at the University of Iowa for an additional five years through academic year 1996-97 and (2) approve submission of a Notice of Intended Action and schedule a public hearing to provide opportunity for public comment to precede any reinforcement of the parietal rule. Regent Williams seconded the motion, and it carried unanimously.

REVISED BUDGET REQUIREMENTS. The Board Office recommended the Board approve an adjustment of \$2,805,000 in the budget for the general education fund to reflect additional income and associated expenses.

University officials requested an adjustment in the fiscal year 1992 budget to reflect \$2,805,000 of revised revenue from the following sources:

Tuition revenue	\$1,300,000
Indirect cost recovery	<u>1,505,000</u>
TOTAL	\$2,805,000

The funds will be expended as follows:

Library automation (OASIS System)	\$ 375,000
Collegiate instructional allocations	400,000
Repairs and upgrade of building Space	275,000
Business office/student services support	150,000
Student degree audit system installation	100,000
Shipment & disposal of research waste	805,000
Affirmative action office support	75,000
Sponsored research office support	100,000
Repairs & renovations of research facilities	320,000
Purchasing department support	<u>205,000</u>

TOTAL \$2,805,000

Regent Tyrrell asked if the university was required to subsidize student aid out of these funds. Vice President Phillips responded that there is a one-year lag. Those additional student aid funds would be reflected next year.

Regent Hatch asked if the university would be hiring additional undergraduate faculty. Vice President Phillips responded that was a possibility but that the exact use of the funds had not yet been specified.

MOTION: Regent Fitzgibbon moved to approve an adjustment of \$2,805,000 in the budget for the general education fund to reflect additional income and associated expenses. Regent Furgerson seconded the motion, and it carried unanimously.

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

President Pomerantz then addressed University of Iowa Vice President for Business and Finance Susan Phillips. He said this was a somewhat bittersweet moment. He told Susan that the Regents were very pleased that she is going to Washington in really a profound position, being a Governor of the Federal Reserve System. They could not be more proud. They are also saddened that she is leaving. President Pomerantz said he has heard all day long from the people with whom Vice President Phillips has worked, those that she has touched, and those who have been involved with her, that she is the best that has ever been in her position. They cannot compliment her enough for the work that she has done and the way that she has done it. The Regents respect that and want her to know they are very happy in terms of her new opportunity but are also quite sad to see her go. He wished her the very best and thanked her for all that she has done at the University of Iowa. They look forward to reading many, many good things about her.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, November 20, 1991.

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

Register of Personnel Changes for October 1991 which included:

a. early retirement approvals as follows:

VIVIAN E. BORTS, Food Service Coordinator, retired October 15, 1991;

MILDRED L. JOHNSON, Specialist with Facilities Planning and Management, retiring June 30, 1992;

TWILA M. NISSEN, Custodian, retiring February 14, 1992;

CARROLL R. RINGGENBERG, Associate Director with Facilities Planning and Management, retiring April 17, 1992;

M. MADONNA BLANSHAN, Secretary III, retiring June 30, 1992;

PHYLLIS C. KNIGHT, Food Service Line Coordinator, retiring June 30, 1992;

MAXINE H. PARIS, Food Service Coordinator, retiring November 22, 1991;

LARRY B. COADY, Associate Professor of Electrical Engineering and Computer Engineering, retiring May 20, 1992;

DON F. HADWIGER, Professor of Political Science, retiring March 31, 1992; and

DELBERT L. LUTJEN, Field Laboratory Technician, retiring December 31, 1991, and

b. phased retirement plans for the following faculty members:

THOMAS F. WEST JR., Adjunct Instructor of Electrical Engineering and Computer Engineering, at 50 percent beginning August 21, 1990, will retire May 20, 1995; and

FREDERICK A. SCHMIDT, Principal Metallurgist/Scientist III, at 75 percent beginning June 15, 1992, will retire on or before June 30, 1996; and

Request for approval of changes to the list of Professional and Scientific Exempt Positions as listed in the Appendix of the Board of Regents Procedural Guide.

MOTION:

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

REPORT ON NATIONAL SWINE-PORK RESEARCH CENTER. The Board Office recommended the Board receive the preliminary report on the National Swine-Pork Research Center.

This item is a preliminary report on Iowa State University's effort, in cooperation with the U.S. Agricultural Research Service, toward the establishment of a National Swine-Pork Research Center.

The center's work will establish a strong research base required by the swine industry for meeting the challenges of the 21st century.

The National Swine-Pork Research Center will emphasize environmental and animal behavior research and will conduct research in the areas of pork product composition, utilization, and marketing.

This center will come before the Board for approval at such time as the necessary funding for the Center has been secured.

President Jischke referred to the need for another \$1.25 million for the program, and said it was Iowa State University officials' hope that would be funded through the State's three-by-five program.

President Pomerantz asked if university officials had any fallback funding options. President Jischke said their plan is that the State will fulfill its commitment; however, if that does not happen they will find another way.

President Pomerantz emphasized the importance of the State of Iowa having a stake in this program.

Regent Dorr complimented Iowa State University officials on what appears to be a very fine program. He thinks this is an area the university definitely deserves to be in, and he commended university officials.

ACTION: President Pomerantz stated the Board received the preliminary report on the National Swine-Pork Research Center, by general consent.

PRESENTATION ON IOWA STATE UNIVERSITY'S R & D 100 AWARD WINNERS. The Board Office recommended the Board hear the oral presentation on Iowa State University's Research and Development magazine's 100 award winners.

Iowa State University officials gave a presentation on the Research and Development magazine's Top 100 Technological Innovations of the year winners.

Each year, Research and Development magazine honors the Top 100 Technological Innovations of the Year. This year faculty from Iowa State University competed against business, government laboratories, and other universities for this competition and was the only university recipient to win as many as four awards. The presentation outlined the achievements of Iowa State University's Research and Development 100 Award Winners.

President Jischke expressed his appreciation for the opportunity to make a presentation on the R and D 100 awards. He said Iowa State University competed with entities such as MIT and IBM.

University officials then presented a short video highlighting the four projects which received awards. Following the video the individual researchers presented information on their projects to the Regents.

President Pomerantz congratulated the award winners on behalf of the Board of Regents, and said they are an example of what can be done at one of the nation's great universities. Their personal accomplishments are very profound and make everyone proud that they are at Iowa State University and working in the areas they are engaged in. He then thanked Dr. Jischke for bringing this program to the meeting. He hopes this positive thrust is something they can see a lot more of as they go forward.

ACTION: President Pomerantz stated the Board received the presentation on Iowa State University's Research and Development magazine's 100 award winners, by general consent.

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

PROJECT DESCRIPTIONS AND BUDGETS

University officials 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

Veterinary Medicine--Remodel Large Animal Housing Facility \$43,000
KJWW Engineering Consultants, Des Moines, Iowa

University officials requested approval of the selection of KJWW Engineering Consultants to provide mechanical/electrical engineering design services for the project. KJWW was contracted by the university in 1985 to perform a HVAC study for the entire Veterinary Medicine complex to identify problems and recommend solutions for upgrading the facility to current standards. This project will implement the conceptual design recommended in the firm's study.

The agreement provides for a fixed fee of \$43,000, including reimbursables.

Amendments:

Molecular Biology Building \$36,286
Story Construction Company, Ames, Iowa

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Fire Safety Improvements--FY 1991--Food Technology Building
Harold Pike Construction Company, Ames, Iowa

VMRI Building No. 2--Remodeling
Conco Construction, Inc., Ames, Iowa

FINAL REPORTS

Plant Introduction Station--Seed Storage Building \$249,432.91
Regional Plant Introduction Station Project

Swine Nutrition and Management Research Center--Swine Housing \$1,047,386.84
Building Repair Fund (FY 1989 Special Appropriations)
72nd General Assembly Capital Appropriations (Second Session)

Ruminant Nutrition Laboratory--Remodeling for Animal Surgery \$461,742.50
and Housing
Income from Treasurer's Temporary Investments
National Institute of Health

MOTION:

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

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

With IMPEX INTERNATIONAL for its use of approximately 250 square feet of office space in Suite 606 of the ISIS Center at the ISU Research Park for a three-month period commencing October 1, 1991, at a rate of \$200 per month;

With APEIRON, INC., for its use of approximately 82.5 square feet of space, Suite 609, of the ISIS Center at the ISU Research Park on a month-to-month basis beginning September 1, 1991, at a rate of \$100 per month;

With FRIEDRICH REALTY for approximately 1,375 square feet of office space at a rate of \$9.50 per square foot located at the Sherman Place Office Park in Ames, Iowa, for a five-year period beginning December 1, 1991, through November 30, 1996, with a 120-day cancellation notice;

With GAFF, INC., for its use of approximately 4,400 square feet of laboratory/work space at a rate of \$5.50 per square foot located at 1188 Sherman Avenue in Ames, Iowa, for a five-year period beginning December 1, 1991, through November 30, 1996, with a 120-day cancellation notice;

With the STATE DEPARTMENT OF GENERAL SERVICES in accordance with the terms provided in the agreement prepared pursuant to Section 28E of the Code of Iowa providing for the Department of General Services' construction of a fiber optics network through the campus at Iowa State University in Ames, Iowa, and providing for the ongoing maintenance of such network.

Regent Berenstein referred to the liability sections of the leases presented on pages 7 and 8 of the G.D. 17 attachment, and said those were not the same clauses. He wants the language to be the same.

Associate Director Hollins responded that the language in the lease documents is the same.

Regent Berenstein stated that the Regents do not see the lease documents; therefore, he wanted the language the same in the attachments which are provided to the Regents.

MOTION:

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

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

DEMOLITION OF SWINE NUTRITION BUILDINGS ON SOUTH STATE AVENUE. The Board Office recommended the Board authorize the demolition of two Swine Nutrition buildings located on university property southwest of the campus along South State Avenue and Mortenson Road.

Iowa State University owns two Swine Nutrition buildings located southwest of campus along South State Avenue and Mortenson Road in Ames, Iowa.

The university recently completed construction of a new Swine Nutrition and Management Research Farm located northwest of Ames.

University officials requested permission to remove two buildings from the former swine facility. The two buildings, commonly known as Buildings A and B, have been listed at a replacement value of \$5,652 on the Iowa State University building inventory.

According to Board procedures, disposal, transfer or sale of buildings with estimated value of \$1,000 or more shall be docketed by the institution for Board approval.

The estimated cost for removing the two buildings and restoring the site to a natural condition, excluding the time and equipment resources provided by university staff, is \$6,100. The demolition and removal work will be funded from farm operating revenues. The debris from the demolition will be hauled to a licensed landfill facility.

MOTION:

Regent Hatch moved to authorize the demolition of two Swine Nutrition buildings located on university property southwest of the campus along South State Avenue and Mortenson Road. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Dorr, Fitzgibbon,
Furgerson, Hatch, Johnson, Pomerantz,
Tyrrell, Williams.
NAY: None.
ABSENT: None.

IOWA STATE CENTER ANNUAL REPORT. The Board Office recommended the Board receive the report of Ogden Entertainment Services on the operation of the Iowa State Center for the period July 1, 1990 - June 30, 1991.

This is the sixth report to the Board of Regents since Iowa State University entered into the contract with Ogden Entertainment Services. Iowa State University entered into an agreement with Ogden Entertainment Services, formerly called Ogden Allied Facility Management, for the operation of the Iowa State Center on February 1, 1988.

The primary objectives of the agreement are to achieve improved financial operations of the Center and increase the number, profitability, and diversity of programs at the Center.

Total attendance at the Iowa State Center for fiscal year 1991 was 806,145 when including the Center, Brunnier Gallery, and Farmhouse Museum. This compares to attendance in 1986-87 of 859,771 and in 1989-90 of 918,491. The attendance for fiscal year 1991 represents a decrease of 112,346 from fiscal year 1990 attendance figures and a decrease of 53,626 from the fiscal year 1987 attendance.

The total university allocation amounted to \$1,178,196. This allocation is comprised of a general subsidy and a utilities subsidy. The total allocation is adjusted downward by rent grants. The general subsidy amounted to \$519,398 or \$200,000 below the bench mark year of fiscal year 1987. This subsidy matches the goal in the original contract.

The general subsidy is increased by \$75,000 to \$594,398 to adjust for unrealized box seat revenues. This adjustment is necessary because Ogden Entertainment Services' contract was based on the assumption box seats would be installed. After the contract was established, the university decided not to install box seats.

Ogden Entertainment Services is responsible for concession stands, novelty sales, and beer/wine/alcohol sales at the Center. Concession revenues for fiscal year 1991 amounted to \$922,845 with net revenues of \$433,938 which represented a 47 percent return on gross sales.

Staffing levels at the Center remain constant at 29.75 full-time employees - a staff reduction of approximately 25 percent against base year (fiscal year 1987) levels of 40 full-time employees - and currently have in excess of 400 Iowa State students on active payroll.

Special events programming, consisting of 33 events in 1991 and generating \$685,000 in revenues, continues to remain a top priority for Ogden Entertainment Services and runs the spectrum from performing arts to family shows to contemporary concerts.

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The university continues to believe the general objectives established when the agreement was negotiated with Ogden Entertainment Services are being met.

The university internal auditor is in the final stages of completing an audit of the Center operations which will be forwarded to the Board upon its completion.

ACTION:

President Pomerantz stated the Board received the report of Ogden Entertainment Services on the operation of the Iowa State Center for the period July 1, 1990 - June 30, 1991, by general consent.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, November 20, 1991.

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

Register of Personnel Changes for October 1991

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

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

PROJECT DESCRIPTIONS AND BUDGETS

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

Electrical Distribution System--23rd Street and Indiana Street Loop \$560,000
Source of Funds: 1992 Academic Revenue Bonds

Preliminary Budget

Contract/Purchase Orders	\$ 487,000
Consultant and Design Services	48,000
Contingencies	<u>25,000</u>
TOTAL	\$ 560,000

This project will provide for the installation of the 23rd Street and Indiana Street 12.47 KV primary electrical distribution loop. The loop will serve several buildings and improve the reliability and operability of the distribution system. It will provide the necessary 12.47 KV electrical cable associated with the Bartlett Hall HVAC system and windows project. Bartlett

Hall is served by the old 4.16 KV system which is being phased out. The project will include the installation of associated duct, cable and switchgear.

Russell Hall--Fire Safety Improvements \$300,000
Source of Funds: 1991 Academic Revenue Bonds

Preliminary Budget

Contract/Purchase Orders	\$	261,000
Consultant and Design Services		26,000
Contingencies		<u>13,000</u>
 TOTAL	 \$	 300,000

This project will eliminate dead-end basement corridors, enclose the west stairwells, and install a smoke barrier in the first floor corridor to satisfy a fire inspector's citation.

* * * * *

University officials presented a revised budget on the following project.

Bartlett Hall--HVAC System and Windows
Source of Funds: Residence System Improvement Funds and Building Repairs

Original Budget	<u>\$2,104,500</u>
Revised Budget	<u>\$2,160,500</u>

Project Budget

	Original Budget <u>July 1991</u>	Revised Budget <u>Nov. 1991</u>
Contract/Purchase Orders	\$ 1,830,000	\$ 1,879,000
Consultant and Design Services	183,000	187,675
Contingencies	<u>91,500</u>	<u>93,825</u>
 TOTAL	 \$ 2,104,500 <u>-----</u>	 \$ 2,160,500 <u>-----</u>

University officials requested approval of a revised budget to include the replacement of windows in the Student Services Center which is located in the east wing of Bartlett Hall. The installation of additional windows will be funded from building repair funds.

* * * * *

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

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Bartlett Hall--HVAC System and Windows \$187,675
Brooks Borg and Skiles, Des Moines, Iowa

University officials requested approval of the selection of Brooks Borg and Skiles to provide engineering, architectural and asbestos abatement services for this project. The agreement provides for a fixed fee of \$187,675, including reimbursables.

Campbell Dining Center--HVAC System \$34,605
Design Engineers, Cedar Rapids, Iowa

University officials requested approval of an agreement with Design Engineers to provide engineering services, limited architectural and asbestos abatement services for the project. The agreement provides for a fixed fee of \$34,605, including reimbursables.

FINAL REPORTS

Roof Replacements--Campus Warehouse, West Gym and \$250,495.57
Campbell Dining Center

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

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

University of Northern Iowa officials previously requested and received Board authorization to contract with 13 companies or individuals who have an affiliation with the university. The standing list of vendors with a conflict of interest at Regent institutions was included with the annual purchasing report on this month's general docket.

University officials requested this month that the name of Lynne P. Beykirch be added to the list of individuals authorized to contract with the

university. Mrs. Beykirch, who gives presentations on the Washington Center (an internship program in Washington, D.C.), wishes to consult with students at the University of Northern Iowa. Her husband, Hugo L. Beykirch, is an Associate Professor in the Department of Communicative Disorders.

Mrs. Beykirch states that her consultations are in no way related to her husband's employment at the university.

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

MOTION:

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

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

NAY: None.

ABSENT: None.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, November 20, 1991.

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

Register of Personnel Changes for October 1991

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

REPORT ON FY 1992 CHAPTER I BUDGET. The Board Office recommended the Board approve the Chapter I restricted fund program budget of \$79,675 for fiscal year 1992 subject to program approval by the Department of Education.

Chapter 1 of the Education Consolidation and Improvement Act provides federal funding to meet special educational needs of handicapped children. The funding is allocated through the Iowa Department of Education and program plans are subject to that agency's approval.

The proposed Chapter 1 program for FY 1992 is for the instruction of hearing-impaired students in physical education and adaptive physical education programming, as well as instruction for lower functioning, multi-handicapped students with unique educational needs. It is a continuation of last year's program.

The budget for the Chapter 1 program during FY 1992 includes the salaries for two teachers, one in physical education and the other in elementary-level instruction along with funding for instructional materials. The program objectives in both the physical and elementary instructional areas are:

- (1) To develop the gross and fine motor skills of hearing-impaired students to follow as closely as possible age-appropriate guidelines.
- (2) To provide adaptive physical education programming for multi-handicapped hearing-impaired students and to implement/augment occupational/physical therapy programming prescribed on student Individual Education Plans.
- (3) To provide students with the opportunity to experience job-related skills and attitudes in areas across campus.

- (4) To provide academic, social and career activities designed to increase the self-concept of the students.

MOTION:

Regent Williams moved to approve the Chapter 1 restricted fund program budget of \$79,675 for fiscal year 1992 subject to program approval by the Department of Education. Regent Hatch seconded the motion, and it carried unanimously.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, November 20, 1991.

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

Register of Personnel Changes for the period September 1 to October 26, 1991.

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

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

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 4:58 p.m., on Wednesday, November 20, 1991.



R. Wayne Richey
Executive Director