

The State Board of Regents met on Wednesday, October 19, 1994, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

October 19

Members of State Board of Regents

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

Office of the State Board of Regents

Executive Director Richey	All sessions
Deputy Executive Director Barak	All sessions
Director Houseworth	Arrived at 1:00 p.m.
Compliance Officer Maxwell	All sessions
Minutes Secretary Briggie	All sessions

State University of Iowa

President Rawlings	All sessions
Provost Nathan	All sessions
Vice President Manasse	All sessions
Vice President Rhodes	Arrived at 1:00 p.m.
Vice President Skorton	Arrived at 1:00 p.m.
Vice President True	All sessions
Associate Vice President Small	Arrived at 1:00 p.m.
Director Yanecek	All sessions
Legislative Counsel Stork	All sessions

Iowa State University

President Jischke	All sessions
Provost Kozak	All sessions
Associate Provost Swan	All sessions
Vice President Madden	All sessions
Vice President Theilen	All sessions
Associate to the President Adams	All sessions
Associate Director Anderson	All sessions

University of Northern Iowa

President Curris	All sessions
Provost Marlin	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Executive Assistant to the President Stinchfield	All sessions
Assistant to the President Geadelmann	All sessions
Director Chilcott	All sessions
Director Mixsell	All sessions

Iowa School for the Deaf

Superintendent Johnson	All sessions
Assistant Superintendent Balk	All sessions
Business Manager Heuer	All sessions
Interpreter Seiler	All sessions
Interpreter Dommer	All sessions

Iowa Braille and Sight Saving School

Superintendent Thurman	All sessions
Director Woodward	Arrived at 1:00 p.m.
Director Utsinger	Arrived at 1:00 p.m.

GENERAL

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

President Berenstein welcomed everyone to the meeting at the University of Iowa.

APPROVAL OF MINUTES OF BOARD MEETING, SEPTEMBER 7-8, 1994. The Board Office recommended the Board approve the Minutes, as written.

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

ACTION: President Berenstein stated the Board approved the Minutes of the September 7-8, 1994, meeting, as written, by general consent.

CONSENT ITEMS. The Board Office recommended the Board approve the consent docket.

ACTION: President Berenstein stated the Board approved the consent docket, as follows, by general consent:

Approve the name change for the Iowa State University Mining Resources Research Institute to the Center for Coal and the Environment, effective immediately;

Approve the Board Meetings Schedule; and

Receive the Capital Register of the Iowa Braille and Sight Saving School.

APPROVAL OF TUITION POLICIES AND PROPOSED RATES. The Board Office recommended:

- (1) That the Board approve academic year tuition rates and mandatory fees, effective with the summer session 1995, as shown in Table 1 and described below:
- a. Increase all resident tuition categories by 4.2 percent and all nonresident tuition categories by 6 percent except for undergraduate Pharmacy, Pharm. D., and Law tuition at the University of Iowa and resident graduate tuition at the University of Northern Iowa;
 - b. Continue with the second year of a 4-year program to implement an entry-level Doctor of Pharmacy program at the University of Iowa by increasing resident undergraduate Pharmacy and Pharm. D. tuition by a 4.2 percent base increase plus a 7.5 percent surcharge, and increasing nonresident undergraduate Pharmacy and Pharm. D. tuition by a 6 percent base increase plus a 7.5 percent surcharge;
 - c. Complete the two-year program initiated last year to increase funding in the College of Law at the University of Iowa in order to strengthen professional skills training by increasing resident Law tuition by a 4.2 percent base increase plus a \$350 surcharge, and by increasing nonresident Law tuition by a 6 percent base increase plus a \$735 surcharge;
 - d. Complete the two-year program to raise resident graduate tuition rates at the University of Northern Iowa to the level of the other two universities by increasing resident graduate tuition at University of Northern Iowa by \$179 per academic year (approximately 6.7 percent);

T/

PROPOSED REGENT UNIVERSITIES ACT YEAR TUITION AND FEES FOR 1995-96

	Actual 1994-95					Proposed 1995-96						
	Tuition	Health Fee	Computer Fee*	Health Facility Fee	Total Tuition and Fees	Tuition	Health Fee	Computer Fee*	Health Facility Fee	Total Tuition and Fees	% Increase in Tuition and Fees	Total Dollar Increase
UNIVERSITY OF IOWA												
Undergraduate Resident	\$2,291	\$80	\$84		\$2,455	\$2,386	\$84	\$88		\$2,558	4.2%	\$103
Undergraduate Nonresident	\$8,149	\$80	\$84		\$8,313	\$8,636	\$84	\$88		\$8,808	6.0%	\$495
Undergraduate Resident Pharmacy	\$2,891	\$80	\$84		\$3,055	\$3,228	\$84	\$88		\$3,400	11.3%	\$345
Undergraduate Nonresident Pharmacy	\$8,749	\$80	\$84		\$8,913	\$9,930	\$84	\$88		\$10,102	13.3%	\$1,189
Pharm. D. Resident	\$3,559	\$80	\$84		\$3,723	\$3,976	\$84	\$88		\$4,148	11.4%	\$425
Pharm. D. Nonresident	\$10,686	\$80	\$84		\$10,850	\$12,128	\$84	\$88		\$12,300	13.4%	\$1,450
Graduate Resident	\$2,721	\$80	\$84		\$2,885	\$2,834	\$84	\$88		\$3,006	4.2%	\$121
Graduate Nonresident	\$8,493	\$80	\$84		\$8,657	\$9,002	\$84	\$88		\$9,174	6.0%	\$517
MBA Resident	\$3,549	\$80	\$84		\$3,713	\$3,698	\$84	\$88		\$3,870	4.2%	\$157
MBA Nonresident	\$9,361	\$80	\$84		\$9,525	\$9,922	\$84	\$88		\$10,094	6.0%	\$569
Law Resident	\$4,137	\$80	\$84		\$4,301	\$4,660	\$84	\$88		\$4,832	12.3%	\$531
Law Nonresident	\$11,454	\$80	\$84		\$11,618	\$12,876	\$84	\$88		\$13,048	12.3%	\$1,538
Medicine Resident	\$8,088	\$80	\$84		\$8,252	\$8,428	\$84	\$88		\$8,600	4.2%	\$348
Medicine Nonresident	\$20,988	\$80	\$84		\$21,152	\$22,248	\$84	\$88		\$22,420	6.0%	\$1,268
Dentistry Resident	\$5,223	\$80	\$84		\$5,387	\$5,442	\$84	\$88		\$5,614	4.2%	\$227
Dentistry Nonresident	\$15,721	\$80	\$84		\$15,885	\$16,664	\$84	\$88		\$16,836	6.0%	\$951
IOWA STATE UNIVERSITY												
Undergraduate Resident	\$2,291	\$80	\$84	\$16	\$2,471	\$2,386	\$84	\$88	\$16	\$2,574	4.2%	\$103
Undergraduate Nonresident	\$7,551	\$80	\$84	\$16	\$7,731	\$8,004	\$84	\$88	\$16	\$8,192	6.0%	\$461
Graduate Resident	\$2,721	\$80	\$84	\$16	\$2,901	\$2,834	\$84	\$88	\$16	\$3,022	4.2%	\$121
Graduate Nonresident	\$7,873	\$80	\$84	\$16	\$8,053	\$8,344	\$84	\$88	\$16	\$8,532	6.0%	\$479
Veterinary Medicine Resident	\$5,225	\$80	\$84	\$16	\$5,405	\$5,444	\$84	\$88	\$16	\$5,632	4.2%	\$227
Veterinary Medicine Nonresident	\$14,003	\$80	\$84	\$16	\$14,183	\$14,842	\$84	\$88	\$16	\$15,030	6.0%	\$847
UNIVERSITY OF NORTHERN IOWA												
Undergraduate Resident	\$2,291	\$80	\$84		\$2,455	\$2,386	\$84	\$88		\$2,558	4.2%	\$103
Undergraduate Nonresident	\$6,097	\$80	\$84		\$6,261	\$6,462	\$84	\$88		\$6,634	6.0%	\$373
Graduate Resident	\$2,655	\$80	\$84		\$2,819	\$2,834	\$84	\$88		\$3,006	6.6%	\$187
Graduate Nonresident	\$6,592	\$80	\$84		\$6,756	\$6,986	\$84	\$88		\$7,158	6.0%	\$402

*Students in Engineering at the University of Iowa and Iowa State University, and in Computer Science and Management Information Systems at Iowa State University currently pay a computer fee of \$240 per academic year. The Board Office recommends that the computer fee for Engineering students at the University of Iowa and Iowa State University be raised to \$320 per academic year, and the computer fee for Computer Science and Management Information Systems students at Iowa State University be raised to \$250 per academic year.

davlf:\excel\bdoffpro.xls\10-7-94

October 19, 1994
GENERAL

- ⑤
- e. Increase the computer fee charged to students at all three Regent universities, other than Engineering students at the University of Iowa and Iowa State University, and Computer Science and Management Information Systems students at Iowa State University, from \$84 to \$88 per academic year;
 - f. Increase the computer fee for Engineering students at the University of Iowa and Iowa State University from \$240 to \$320 per academic year;
 - g. Increase the computer fee for Computer Science and Management Information Systems students at Iowa State University from \$240 to \$250 per academic year;
 - h. Increase the student health fee charged at all three Regent universities from \$80 to \$84 per academic year.
- (2) That the special reduced rates for third-year undergraduate Pharmacy students which are in effect for 1994-95 be ended, effective summer session 1995.
- (3) That general institutional financial aid for 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.
- (4) That the additional tuition revenues be used for implementation of the Doctor of Pharmacy program, for professional skills training in the College of Law, and to develop the instructional resources and technology needed to bring student instruction at the Regent universities to the level of quality envisioned in the Regent strategic plan.

The recommended 1995-96 tuition and mandatory fees rates were unchanged from those presented at the September Board meeting and were now recommended for formal approval by the Board.

Please refer to the Minutes of the September 7-8, 1994, Board of Regents meeting for background information concerning the proposed tuition policy.

President Berenstein acknowledged receipt of petitions urging the Board of Regents to reduce the recommended 1995 tuition increase for resident and non-resident students. He asked that the Minutes reflect receipt of the signatures. He stated that at the September Board of Regents meeting in Cedar Falls there was some discussion regarding appointing a committee to further study the issues affecting the ability of

students to graduate in 4 years, and whether the savings by graduating in 4 years would be more consequential than the proposed tuition increase. President Berenstein appointed the following people to the committee: Regent Collins (chair); Provosts Nathan, Kozak and Marlin; Director Barak, Ms. Kasson, United Students of Iowa; and, Ms. Krueger, University of Northern Iowa. He asked that the committee members meet prior to the November Regents meeting in Ames and present a preliminary report in November, or December at the latest.

President Curris called the Board's attention to a recent publication of average public tuition costs across the country. He said the tuition costs at Iowa Regent universities fall below the national average, which suggested the Board of Regents has been responding to the interests of students and parents. While it would be nice to live in a world where there is no tuition, that is not feasible. He concluded by stating that the proposed tuition increase was reasonable.

President Rawlings stated that the University of Iowa continues to be highly valued. It is the highest quality for the level of tuition. He said the price is fair and reasonable.

President Jischke said he echoed the sentiments of Presidents Rawlings and Curris about Iowa's Regent universities being a national bargain. He agreed with the principle that students should bear some share of the cost of their education; for in-state students it was approximately 30 percent of the cost while out-of-state students were asked to bear 100 percent of their educational costs. The Regents were also asking the State to increase its investment by funding inflationary cost increases.

President Jischke recommended Board adoption of his original proposal that non-resident tuition increase at the same inflationary rate as resident tuition.

President Berenstein stated that four student representatives had asked to speak. He recognized Tracy Kasson, Executive Director, United Students of Iowa.

Ms. Kasson expressed concern about the tone of an article in the previous day's edition of the Daily Iowan. She said the article contained some comments from Regents indicating that there was virtually no student opposition to the proposed tuition increase. She said students chose to use substance over symbolism by not brandishing placards. She noted that last month the Board of Regents expressed appreciation for the dialogue with students. It was not true that there was no controversy and she hoped the Board members did not believe that to be the case.

Ms. Kasson reiterated points from last month's presentation including the net effect of the HEPI projection of inflationary increases. She said the 4-year rate of graduation at

the University of Iowa was directly related to the cost of education. Students are not allowed to pay as they go. She asked that non-residents pay the same level of tuition increase as resident students. She suggested that only lip-service was given to the issue of diversity.

Ms. Kasson stated that the Regents had been provided with a list of approximately 3,000 names of students opposing the proposed tuition increase.

President Berenstein recognized Margaret Pitiris, President of the Iowa State University Government of the Student Body.

Ms. Pitiris discussed her concerns regarding the proposed tuition increase. She asked that the funds raised by a tuition increase be dedicated to 1) increasing the number of faculty dedicated to instruction only, 2) increasing the number of classes and sections offered each semester, and 3) increasing student services.

President Berenstein recognized Dave Cmelik, Vice President of the Iowa State University Government of the Student Body.

Mr. Cmelik stated that last month students documented the long-term movement that places instruction and student services behind applied research at Iowa State University. He said students documented that the HEPI is not applicable to Iowa State University because students are not being offered a fix basket of goods. Students documented an exodus of faculty and showed how more than 1/3 of the student population is being denied access to classes necessary to graduate. He said the question is what direction will Iowa State University take into the next century. Will they show Iowa that they care about the future of the land grant university?

President Berenstein recognized John Lohman, President, University of Iowa Government of the Student Body.

Mr. Lohman introduced several students to the Regents as examples of students who are displeased with the proposed tuition increases. He said that student leaders have tried to give the Regents the respect they deserve. If the Regents do not give the students the respect they deserve by taking students' concerns seriously, students may take different measures. He encouraged the Regents to keep the out-of-state tuition increase at the same level of increase as for in-state tuition.

President Berenstein stated that the petitions and cards would be distributed to the Regents. He cautioned that it was not fair for the students to say that the Regents were not listening to students. For 30 days the Regents have all had the opportunity to

Speak with students individually and collectively. Students have been told that the Regents appreciate their concerns and were not unmindful of their situations. He stated that in 1958 he was married with two children while trying to get his education and while working 24 hours/week. The problems expressed by students today were not unique problems for 1994. The Regents and institutional officials have to balance the needs and the resources. He said the three senior Regents -- Hendricks, Furgerson and Berenstein -- have listened to student concerns regarding tuition increases six times. Not one of them has ever said the students did not have a legitimate argument. Student concerns must be intertwined with the other demands for funds.

Regent Collins stated that he was impressed with the students' presentations. As far as making up their minds concerning the tuition increase recommendation before this meeting, he said the input had to come before the meeting as did the deliberation. They should not have a spot reaction. The input before this meeting was excellent. What was said today by students reinforced what was said last month. He said the Regents do listen. Last year they decreased the amount of tuition increase as a direct result of student input. At that time the students' message was to adhere to the increase in the HEPI yet now their plea was something else. He stressed that it was not fair to say the Regents were not listening to students. The Regents do listen to the students; therefore, they should take that "arrow" out of their "quiver". He said the committee President Berenstein appointed at the beginning of this tuition discussion will be an excellent liaison and communication tool.

Regent Furgerson stated that she was personally aware of the tuition problem. In 1917 her father came to the University of Iowa. He had to wash dishes in order to get his meals; he worked cleaning stores for living expenses in the summer and worked as a dining car waiter to earn money for the next year's tuition. He was fortunate that during his first year at the university the tuition for out-of-state students was the same as for in-state students. He was able to register as an in-state student beginning in his second year. He graduated from the University of Iowa's medical school deeply in debt. She said the students have to recognize that tuition will always be a problem for some. There is not enough money to fund students fully to attend college. The legislature has other commitments for education in other sectors. She told the students that the Regents were not unmindful of what the students were talking about. Some of the Regents have sent children to college and the cost of college has affected some of her family, also. She stated that she deeply resented that students feel the Regents are not aware of the problem.

Regent Johnson-Matthews stated that she pays her own tuition because it is her responsibility to pay for her education. However, she only pays for 30 percent of the total cost. The citizens of Iowa believe in investing in their public institutions of higher

learning and in their young people. She said the students should not feel that the Regents are not mindful and do not understand the issues.

Regent Hendricks addressed the student health fee. She said the Regents performed a study in 1989-90 that indicated a need for additional financial support for student health services on campus. At that time the Regents approved a 3-year graduated increase. She noted that University of Northern Iowa at that time opposed the increase. The increase before them now was for \$42. She was not in favor of the Board embarking on a 3-year project and then at the end of the three years adding a cost of living increase to the agreed-upon fee amount. She asked that the Regents consider keeping the health fee at \$40.

Regent Hendricks stated that one university initiated a computer fee; then another university initiated a computer fee; and then the third university initiated a computer fee. She said she was not opposed to a certain fee but that she was opposed to a fee of \$250 to \$300. The Regents should look carefully at approving additional annual increases to established fees.

Regent Dorr stated that last year he strongly supported the decrease in the recommended amount of tuition increase. He said these are difficult decisions for the Board. The cost of resident undergraduate tuition and fees is a bargain. Students pointed out something that he said was interesting. When talking about maintaining the fee and tuition increases at the level of increase in the HEPI, he said it was interesting to note the projected cumulative amount of increase in the HEPI was 19.4 percent from 1991 to 1996 while tuition increased 34.6 percent during that same time period. He said he was not indicting the institutions but was acknowledging students' suggestion that the Regents be mindful of how and why the increases are occurring, and whether all the things the institutions are doing are essential to the missions. Although he would support the proposed tuition increase, he said he thought there were some flaws in some of the Board's rationale.

Regent Johnson-Matthews referred to the proposed increase in graduate resident tuition at the University of Northern Iowa, and asked where the funds were targeted to be used. President Curris responded that specific uses would be identified in the budget process. All money received from the increase in graduate tuition will directly support graduate programs. He said he would be glad to indicate what those were at the time budgets are presented.

President Berenstein stated that another point raised by students was concern that the additional funds raised as a result of the tuition increases are utilized as designated. He said university administrators are always available to alleviate concerns or

misperceptions of that nature. He said students are entitled to know, which was what Regent Johnson-Matthews just asked of President Curris. He believes there is greater communication now between students and administrators than there has been in the past. If the dialogue remains open there will be even better communication.

Regent Tyrrell said that in his experience on the Board of Regents he has seen an increasingly constructive attitude on the part of the students. Students have done their homework are getting a better understanding of the use of funds at their institution.

Regent Collins stated that two issues brought up today were the amount of time teachers spend in the classroom and what is the mission of the universities. He said the Regents have been giving much thought to those issues. The Regents try to ensure balance. Students bringing their concerns to the Regents helps to support the Regents' concerns.

MOTION:

Regent Hendricks moved that the Board approve academic year tuition rates and mandatory fees, effective with the summer session 1995, as presented and described below: (a) Increase all resident tuition categories by 4.2 percent and all nonresident tuition categories by 6 percent except for undergraduate Pharmacy, Pharm. D., and Law tuition at the University of Iowa and resident graduate tuition at the University of Northern Iowa; (b) Increase resident undergraduate Pharmacy and Pharm. D. Tuition at the University of Iowa by a 4.2 percent base increase plus a 7.5 percent surcharge, and nonresident undergraduate Pharmacy and Pharm. D. tuition by a 6 percent base increase plus a 7.5 percent surcharge; (c) Increase resident Law tuition by a 4.2 percent base increase plus a \$350 surcharge, and increase nonresident Law tuition by a 6 percent base increase plus a \$735 surcharge; and (d) Increase resident graduate tuition at University of Northern Iowa by \$179 per academic year (approximately 6.7 percent). Regent Dorr seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

MOTION:

Regent Collins moved to (e) Increase the computer fee charged to students at all three Regent universities, other than Engineering students at the University of Iowa and Iowa State University, and Computer Science and Management Information Systems students at Iowa State University, from \$84 to \$88 per academic year; (f) Increase the computer fee for Engineering students at the University of Iowa and Iowa State University from \$240 to \$320 per academic year; (g) Increase the computer fee for Computer Science and Management Information Systems students at Iowa State University from \$240 to \$250 per academic year; and (h) Increase the student health fee charged at all three Regent universities from \$80 to \$84 per academic year. Regent Furgerson seconded the motion.

Regent Dorr referred to the computer fee issue and suggested the Regents take a new look at how the percentage of increase in tuition and fees is packaged. He said there was no question that technology is changing rapidly and dramatically. For the institutions to be close to the cutting edge they have to spend a lot of money.

President Berenstein stated that his recollection of the health fee was that it would be \$40 per semester at the end of the three-years, the services would be self sustaining, and the Regents would review the fee each year thereafter.

Mr. Richey said President Berenstein's recollection was correct; and that the thrust was to get student health services on a self-supporting basis.

Regent Hendricks noted that maintenance of the health facilities was noted as one project for utilizing student health fees. She said maintenance of facilities was not a reason the Board approved the initiation of the fee. The health fee was simply a surcharge to make it self-supporting. With regard to the computer fees, she said they could not continue to assess students those charges. If the Regents needed to go to the legislature to get funding to improve computer technology on the campuses, they should do so.

Regent Collins asked what percent of the student body was using the computers. President Jischke responded that the general computing fee is levied on all students. All students have access to computers. In addition, some students pay an even higher

fee for access to additional computing capability; specifically engineering, computer science and MIS students. He said the computer advisor group recommends the fees to the university administration. Students were involved in the decision. He noted that the role of computing in engineering was large.

President Berenstein recognized Joshua Foster, United Students of Iowa, Iowa State University.

Mr. Foster said he spoke with engineering officials at Iowa State University. The proposed increase in computer fees for engineering students helps pay for personal computers used by engineering students. Engineering students need personal computers. Gifts of computers have been given to the university with the understanding that the university would support upgrading or maintaining those gifts. Mr. Foster suggested that in the future the university find some way to support those types of donations from private funds from the foundation. He noted that the only student group that was consulted on the proposed computer fee increases was the engineering student council. The matter was not brought before other student groups on campus.

VOTE ON THE MOTION:

The motion carried with Regents Johnson-Matthews and Hendricks voting "no".

MOTION:

Regent Furgerson moved (1) That the special reduced rates for third-year undergraduate Pharmacy students which are in effect for 1994-95 be ended, effective summer session 1995; (2) That general institutional financial aid for 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 (3) That the additional tuition revenues be used for implementation of the Doctor of Pharmacy program, for professional skills training in the College of Law, and for development of the instructional resources and technology needed to bring student instruction at the Regent universities to the level of quality envisioned in the Regent strategic plan. Regent Tyrrell seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Post-Audits, University of Northern Iowa. The post-audits for the University of Northern Iowa were removed from the docket for consideration at this meeting.

(b) Name Change, Institute of Mining and Minerals, Iowa State University. The Board Office recommended the Board approve the name change for the Iowa State University Mining Resources Research Institute to the Center for Coal and the Environment, effective immediately.

This request was reviewed by the Board Office and the Interinstitutional Committee on Educational Coordination, and both recommended approval.

The proposed name reflects the unit's primary research mission to minimize the environmental impacts on coal use. It was believed that the new name will help people recognize the unit's strength and expertise in coal and environmental research.

There were no funding changes directly resulting from the proposed name change.

ACTION: This matter was approved by consent.

FALL ENROLLMENT REPORT - PART 1. The Board Office recommended the Board receive the Annual Fall Enrollment Report - Part 1.

This was the first of two enrollment reports for fall 1994. This first report contained a) general enrollment information and data on the number of residents and nonresidents, minority students, and students at each level of the universities and b) general enrollment and service information for the two special schools.

The second report to be presented in November will provide considerable detail on various categories of students and present enrollment projections for the next decade.

Total fall 1994 Regent university headcount enrollment is 64,232 students, a decrease of 648 students (-1.0 percent) from fall 1993. Since the fall of 1991 enrollment at Regent universities has declined by 2,062 students (-3.1 percent).

Among educational levels the greatest percentage decline since 1991 has occurred among undergraduates (-4.0 percent). Among the three universities the University of Northern Iowa has the greatest percentage decline in enrollment since 1991 (-4.5 percent).

Regentwide specific categories of students which have increased since 1991 are new freshmen (5.3 percent) and first professional students (9.4 percent).

Regentwide from fall 1993 to fall 1994 Iowa resident students decreased by 726 students (-1.5 percent) while nonresident students grew by 78 students (.5 percent).

Enrollment projections prepared last November indicate all three universities had expected little or no change in total headcount enrollment in 1994.

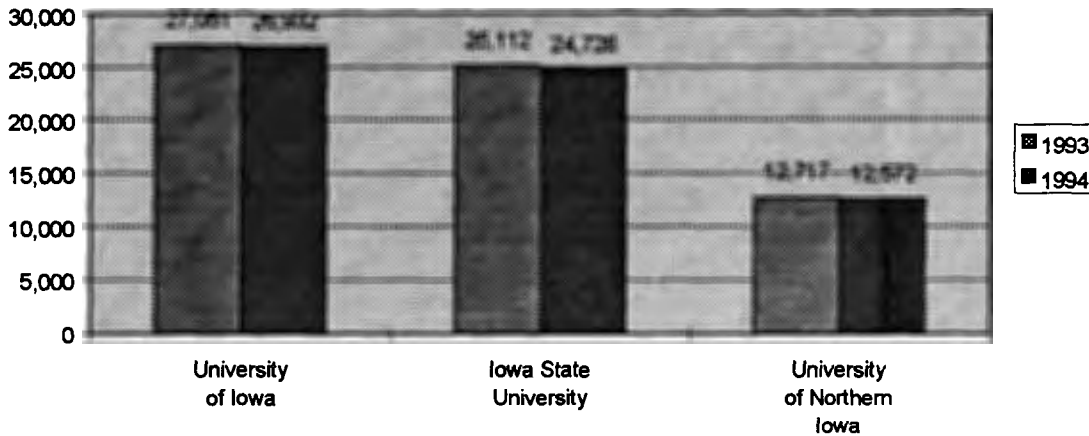
Universities: Headcount and FTE Enrollment

Each university reported the following total headcount for fall 1994 compared with fall 1993.

Table 1. Headcount Enrollment at Regent Universities Fall 1993 and Fall 1994

University	1993	1994	Difference	Percent Change
University of Iowa	27,051	26,932	-119	-0.44%
Iowa State University	25,112	24,728	-384	-1.53%
University of Northern Iowa	12,717	12,572	-145	-1.14%
All Regent Universities	64,880	64,232	-648	-1.00%

Figure 1. Headcount Enrollment Fall 1993 and Fall 1994



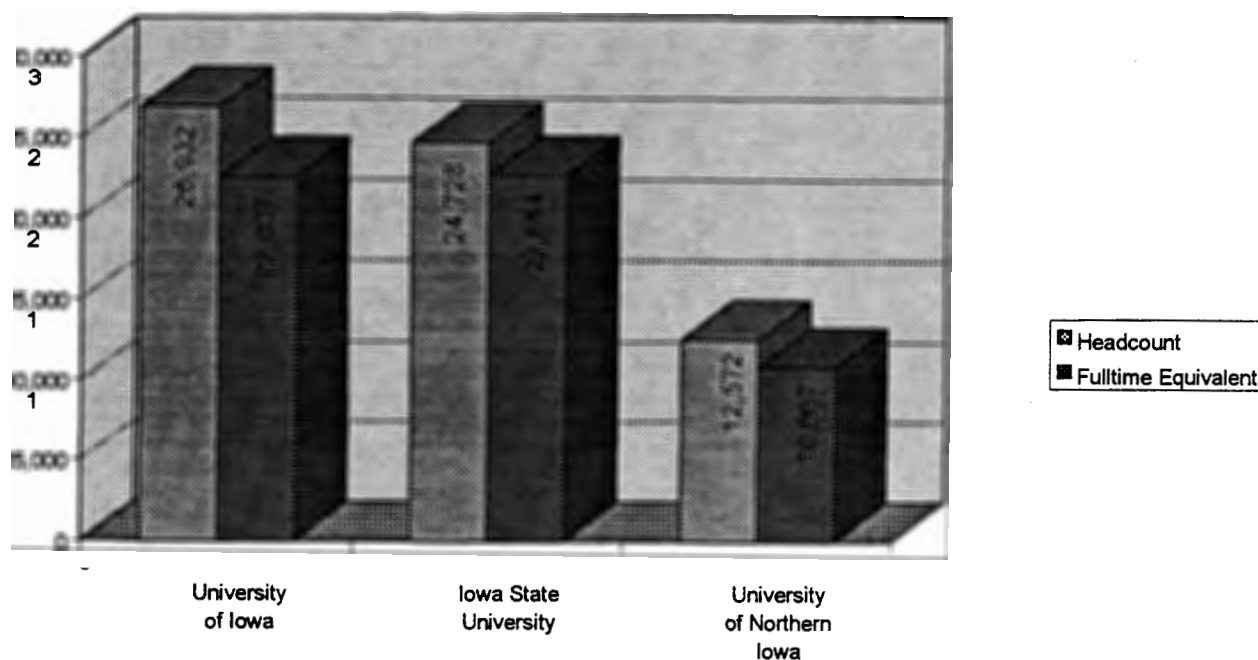
Full-time equivalent enrollment (FTE) declined at all three universities from 1993 to 1994 in amounts roughly paralleling the declines in headcount enrollment. FTE is computed by taking the average number of credit hours (15.5) an individual must complete each semester in order to graduate in four years and dividing this number into the actual number of credit hours taken.

The following table shows the 1993 and 1994 FTE enrollment at each university and the ratio between FTE and headcount each year.

Table 2. Full-time Equivalent (FTE) Enrollment 1993 and 1994

University	1993		1994		1993 to 1994	
	FTE	FTE/ Hdct	FTE	FTE/ Hdct	Difference	Percent Change
University of Iowa	22,633	.84	22,607	.84	- 26	-0.11%
Iowa State University	23,116	.92	22,654	.92	-462	-2.00%
University of Northern Iowa	11,022	.87	10,867	.86	-155	-1.41%
All Regent Universities	56,771	.88	56,128	.87	-643	-1.13%

Figure 2. Headcount and Fulltime Equivalent Enrollment Fall 1994



Universities: Enrollment by Residence Status

Each university reported the following numbers of resident and nonresident students in 1994 compared with 1993.

Table 3. Resident/Nonresident Enrollment Fall 1993 and Fall 1994

University	1993		1994		Difference		Percent Change	
	Resident Students	Nonresid Students	Resident Students	Nonresid Students	Resident Students	Nonresid Students	Resident Students	Nonresid Students
University of Iowa	17,810	9,241	17,552	9,380	-258	139	-1.45%	1.50%
Iowa State University	17,804	7,308	17,548	7,180	-256	-128	-1.44%	-1.75%
University of Northern Iowa	12,048	669	11,836	736	-212	67	-1.76%	10.01%
All Regent Universities	47,662	17,218	46,936	17,296	-726	78	-1.52%	0.45%

The percentage of residents among the total student body was 65.2 percent at the University of Iowa, 71.0 percent at Iowa State University, and 94.1 percent at the University of Northern Iowa.

Universities: New Freshmen

The number of freshmen new to Regent universities increased from 8,556 to 8,625 from 1993 to 1994, an increase of .8 percent.

Regentwide Iowa resident new freshmen increased from 6,128 to 6,343, an increase of 3.5 percent while nonresident new freshmen decreased from 2,428 to 2,282, a decrease of 6.0 percent.

The following table shows that all three universities increased their enrollment of Iowa resident new freshmen. Both the University of Iowa and the University of Northern Iowa increased enrollment of nonresidents while at Iowa State University, enrollment of these students decreased significantly.

Table 2. New Freshmen Enrollment 1993 and 1994: Iowa Residents and Nonresidents

University	1993		1994		Difference 1993 to 1994	
	Resident	Nonresid	Resident	Nonresid	Resident	Nonresid
University of Iowa	2,018	1,244	2,048	1,319	30	75
Iowa State University	2,345	1,096	2,486	870	141	-226
University of Northern Iowa	1,765	88	1,809	93	44	5
All Regent Universities	6,128	2,428	6,343	2,282	215	-146

Universities: Enrollment by Class Level

The table below shows enrollment of students at each level for fall 1994 and the change from fall 1993 enrollment:

Table 3. Enrollment by Class Level Fall 1993 and Fall 1994

Category	University of Iowa		Iowa State University		University of Northern Iowa		All Regent Universities	
	1994	Change From 1993	1994	Change From 1993	1994	Change From 1993	1994	Change From 1993
Freshman	4,721	+ 40	5,180	-149	2,560	+ 11	12,461	- 98
Sophomore	3,922	- 15	4,013	+ 30	2,088	+ 16	10,023	+ 31
Junior	4,169	+149	4,371	-138	2,822	-139	11,362	-128
Senior	4,551	-309	6,059	- 59	3,550	-125	14,160	-493
Unclass.	856	+ 64	301	- 22	212	+ 2	1,369	+ 44
Total Undergraduate	18,219	- 71	19,924	-338	11,232	-235	49,375	-644
Graduate	6,295	- 155	4,416	- 67	1,340	+ 90	12,051	-132
First Professional	2,418	+107	388	+21			2,806	+128
Grand Total	26,932	-119	24,728	-384	12,572	-145	64,232	-648

The total number of undergraduates enrolled at Regent universities decreased by 644 from 50,019 to 49,375 students (-1.3 percent).

While the number of graduate students decreased by 132 students (1.1 percent), the number of first professional students grew by 128 students (4.8 percent). One major reason for the increase in professional students is the transition of undergraduate students to the Pharm.D. program at the University of Iowa.

Universities: Minority Students

Regentwide minorities totaled 4,691 in fall 1994, an increase of 280 students (6.3 percent) over the enrollment of minorities in fall 1993. For all Regent universities minorities comprised 7.3 percent of the total student body, 6.8 percent of undergraduates and 9.1 percent of graduate students.

The following table shows the number and percentage of minority students for the three Regent universities in fall 1994.

Table 5. Number and Percentage of Minorities Fall 1994

University	Undergraduates		Graduate Students		Total Enrollment	
	Minorities	Percent	Minorities	Percent	Minorities	Percent
University of Iowa	1,479	8.1%	934	10.7%	2,413	9.0%
Iowa State University	1,414	7.0%	298	6.7%	1,712	6.9%
University of Northern Iowa	475	4.2%	91	6.8%	566	4.5%
All Regent Universities	3,368	6.8%	1,323	9.1%	4,691	7.3%

Regentwide 644 new freshmen were minority students in fall 1994, a decrease of 10 percent since fall 1993. The 10 percent decline in minority students among new freshmen is almost entirely attributable to the decline in black new freshmen at Iowa State University. Iowa State University officials are currently conducting a study to determine the reasons for this decline.

The following table shows the number of minorities among new freshmen for each Regent university for 1993 and 1994.

Table 6. Minorities Enrolled as New Freshmen 1993 and 1994

University	1993	1994	Difference	Percent Change
University of Iowa				
Black	75	92	17	23%
Asian	113	129	16	14%
American Indian	13	16	3	23%
Hispanic	63	73	10	16%
Total	264	310	46	17%

University	1993	1994	Difference	Percent Change
Iowa State University				
Black	238	102	-136	-57%
Asian	72	77	5	7%
American Indian	7	7	0	0%
Hispanic	56	59	3	5%
Total	373	245	-128	-34%
University of Northern Iowa				
Black	34	42	8	24%
Asian	26	31	5	19%
American Indian	4	4	0	0%
Hispanic	15	12	-3	-20%
Total	79	89	10	13%
All Regent Universities				
Black	347	236	-111	-32%
Asian	211	237	26	12%
American Indian	24	27	3	13%
Hispanic	134	144	10	7%
Total	716	644	-72	-10%

Universities: General Trends

Since over 73 percent of students at Regent universities are Iowa residents and the majority of new students come from Iowa high schools, actual numbers and projections of Iowa twelfth graders are critical in assessing the significance of current enrollment changes and predicting future enrollment growth or decline.

According to the Iowa Department of Education,

- o The number of twelfth graders in both public and nonpublic Iowa schools decreased 1.3 percent from 1992-93 to 1993-94.
- o The number of twelfth graders is expected to increase slightly in 1994-95 (.7 percent).

- o The number of twelfth graders will start growing significantly in 1995-96 (4.8 percent), 1996-97 (1.6 percent), 1997-98 (4.3 percent), and 1998-99 (4.5 percent).
- o Twelfth grade enrollment in 1998-99 is expected to be 16.9 percent greater than it was in 1993-94.

National college enrollment trends indicate that

- o Enrollment should be increasing each year during the next decade.
- o College enrollment should be about 12 percent higher than the fall 1993 enrollment in the year 2003.

Based on both national and state trends, new freshmen enrollment should increase for each of the next five years and overall enrollment should start to climb significantly starting in 1997-98.

Special Schools On-Campus Enrollment

The Iowa School for the Deaf enrolled 113 students on campus during 1993-94, the identical number it enrolled in 1992-93.

The Iowa Braille and Sight Saving School enrolled 53 students on campus in 1993-94, the same number who resided on campus during 1992-93.

Special Schools Off-Campus Enrollments

During 1993-94 the Iowa School for the Deaf provided direct and indirect services to 64 students off campus. Iowa School for the Deaf off-campus services included direct instructional services to students, direct instructional services to parents, consultation services to mainstream classroom teachers, and interpreter/tutor services to students.

During 1993-94 the Iowa Braille and Sight Saving School provided 367 students services through its outreach units. Iowa Braille and Sight Saving School services include the State Resource Center, field consultations, low vision clinic, orientation and mobility evaluations, educational evaluations, and other services.

Regent Dorr asked about the possibility of getting some of the information transcribed to 5- and 10-year trend line graphs. If the information could be converted to bar graphs it would be helpful.

Mr. Richey responded that when the second part of the enrollment report is released in November that type of information will be included.

Regent Newlin asked if the Regents could also be provided with demographic information on the number high school graduates by year, and that the information go back 5 to 10 years ago.

ACTION: President Berenstein stated the Board received the Annual Fall Enrollment Report - Part 1, by general consent.

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

The Iowa Coordinating Council for Post-High School Education met on October 5 at Simpson College for the first meeting of the academic year. Major items of discussion included an update on the Council's responsibility as the State Postsecondary Review Entity (SPRE) in Iowa. The Coordinating Council approved a new policy for the approval of new programs and program locations on the Iowa Communications Network.

The Council approved new program requests for the following institutions:

- o Clarke College - Master's Level Program in Physical Therapy
- o Upper Iowa University - BS in Business Management (Boone)
- o Loras College - Pastoral Education
- o Northwestern College - Athletic Training, Environmental Science & Youth Ministries
- o Iowa State University - Undergraduate Major Women's Studies

The Council approved distribution of a comprehensive taxonomy of all programs offered by colleges and universities in the state of Iowa.

Regent Tyrrell stated that Director Barak was doing an excellent job working with the SPRE legislation. He said there has been some improvement in the legislation.

Regent Furgerson asked for the date of the next meeting of the Coordinating Council. Director Barak responded that the next meeting would be held on December 8.

Regent Furgerson stated that she would be unable to attend the meeting and suggested that her alternate (Regent Collins) may want to attend.

President Jischke expressed concern about the ability of the Coordinating Council to deal with duplication of academic programs by institutions. Programs have come before the Council that are quite duplicative which the Council has been unable to address. There may be a need for a re-evaluation by Iowa State University officials of services and duplication around the state.

Regent Hendricks noted that this was a long-standing problem and particularly at this time for Iowa State University.

President Jischke said the policies need some reconsideration. He was unable to attend the meeting although Iowa State University's position was made clear. He did not accept the logic. Given the decision of the Coordinating Council, Iowa State University officials need to rethink how the university will compete. The Council felt the proposed program was not duplicative because of the time the class is held. They need to rethink how they view duplication.

Regent Tyrrell said he was frustrated that President Jischke was not at the Coordinating Council meeting. The Council members, except Regent representatives, were in favor of the proposal. It will be a continuing problem. Representatives of the various sectors have to trust and respect each other. This will be a fluid situation with lots of test cases in the next few months.

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

President Berenstein called on Jean Fallow, Campaign for Academic Freedom, to address the Board.

Ms. Fallow commented on the policy concerning class content and prior notice to students of materials that may be presented.

The Regents were presented with petitions containing over 2,800 signatures of students opposed to the policy.

REPORT ON COLLEGE BOUND, IMAGES AND MINORITY AND WOMEN EDUCATORS ENHANCEMENT PROGRAMS. The Board Office recommended the Board (1) receive the annual reports on college-bound, IMAGES and minority and women educators enhancement programs, and (2) approve the inclusion of the Regent special schools in college-bound presentations.

There are three goals to the college-bound and IMAGES program. Minority students are encouraged to:

1. remain in school.
2. attend colleges and universities in Iowa, and
3. realize that a limited family income will not prevent them pursuing a postsecondary education.

The college-bound program provides Iowa minority high school and middle school students with information and experiences regarding academic preparation.

The budget allocated to the college-bound and IMAGES program in fiscal year 1995 totaled \$1,851,060.

	<u>IMAGES Program</u>	<u>College-bound Program Costs</u>
University of Iowa	\$ 614,400	\$ 106,430
Iowa State University	614,400	106,430
University of Northern Iowa	<u>332,200</u>	<u>77,200</u>
Total	\$ 1,561,000	\$ 290,060

IMAGES grants to minority students are based on financial need. Minority resident and non-resident students are eligible to receive IMAGES grants.

A total of 735 minority students received IMAGES grants in fiscal year 1995, a decrease of 3 from the previous year. IMAGES grants are not the only source of financial assistance to minority students. Institutional funds are among the resources used to assist minority students demonstrating financial need.

The Minority and Women Educators Enhancement Program was appropriated \$200,000 in fiscal year 1995 to recruit and support minority and women faculty.

University of Iowa	-	\$	80,000
Iowa State University	-	\$	80,000
University of No. Iowa	-	\$	<u>40,000</u>
Total		\$	200,000

The University of Iowa combined its \$80,000 appropriation with institutional funds to support five faculty positions in the Colleges of Business Administration, Dentistry, Education, and Liberal Arts (2).

Iowa State University combined its appropriated funds with institutional funds to support the appointment of twelve new women and minority faculty.

The University of Northern Iowa continues to use its \$40,000 appropriation to support a minority faculty member in the Political Science Department in addition to a minority woman as Associate Dean for the Graduate College who also teaches in the Department of Administration and Counseling.

The Code requires the Board to submit its annual report on College-bound and Minority and Women Enhancement Program to the General Assembly on January 1.

The following table identifies the number of minority students by race/ethnicity who were assisted with IMAGES grants in fiscal year 1995. Although Asian-American students received 47 percent of the IMAGES grants, they are generally not thought to be an educationally deprived group. African-American students received 30 percent of the grants followed by Hispanic students with 18 percent and American Indian students with 5 percent.

	SUI		ISU		UNI		TOTAL	
	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>
African-American	82	74	88	74	60	72	230	220
Hispanic	54	42	71	69	22	19	147	130
Asian	159	154	141	154	32	43	332	351
American Indian	<u>9</u>	<u>6</u>	<u>12</u>	<u>16</u>	<u>8</u>	<u>12</u>	<u>29</u>	<u>34</u>
Total	304	276	312	313	122	146	738	735

Patterns of distribution of IMAGES grants among classes of students varied significantly among institutions. While seniors at the University of Iowa and Iowa State University received the largest number of grants, the reverse was true at the University of Northern Iowa. Freshmen received the largest number of grants at the University of Northern Iowa.

	SUI		ISU		UNI		TOTAL	
	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>
Freshmen	80	69	76	84	66	60	222	213
Sophomores	68	57	65	56	35	35	168	148
Juniors	64	64	65	58	16	43	145	165
Seniors	<u>92</u>	<u>86</u>	<u>106</u>	<u>115</u>	<u>5</u>	<u>8</u>	<u>203</u>	<u>209</u>
Total	304	276	312	313	122	146	738	735

The overwhelming proportion of minority students receiving IMAGES grants are resident lowans.

	SUI		ISU		UNI		TOTAL	
	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>	<u>1994</u>	<u>1995</u>
Resident	304	276	302	301	122	146	728	723
Non-Resident	<u>0</u>	<u>0</u>	<u>10</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>10</u>	<u>12</u>
Total	304	276	312	313	122	146	738	735

The following information indicates the number of minority students assisted by IMAGES grants, the average IMAGES grant and the number of minority students who attended college-bound programs by institution.

University of Iowa

The university assisted 276 minority students with IMAGES grants in fiscal year 1995, a decrease of 28 from fiscal year 1994.

The average IMAGES grant in fiscal year 1995 was \$2,379, an increase of \$142 from fiscal year 1994.

College-bound programs reached 459 minority students.

Iowa State University

The university assisted 313 minority students with IMAGES grants in fiscal year 1995, an increase of 1 from the previous fiscal year.

The average IMAGES grant in fiscal year 1995 was \$2,038 an increase of \$19 from fiscal year 1994.

College-bound programs reached 571 minority students.

University of Northern Iowa

The University of Northern Iowa assisted 146 minority students with IMAGES grants in fiscal year 1995, an increase of 24 students from the previous year.

The average IMAGES grant was \$2,275 an increase of \$21 from fiscal year 1994.

College-bound programs reached in excess of 595 minority students.

President Berenstein recognized institutional representatives for comments. Dr. Rusty Barcelo, Interim Director, Opportunity at Iowa, stated that Opportunity at Iowa was established in 1987 to function as a coordinating and implementing agency for the University of Iowa's efforts to foster diversity. The central focus of the program is outreach and retention of students, faculty and staff in historically under-represented groups. Opportunity at Iowa is responsible for administering the IMAGES and College-bound programs which she said have been critical to the development and implementation of outreach and retention programs for minority students. These programs have enabled university staff to work more directly with community leaders, organizations and school districts toward meeting the educational needs of minority students in Iowa. For example, the strong efforts this past year to include equity coordinators in more significant ways was a crucial strategy for increasing the number of Iowa residents who came to the University of Iowa this fall. She stated that 2,413 minority students enrolled for the fall 1994 semester which represented 9 percent of total university enrollment. The minority enrollment goal set by the Board of Regents is 8.5 percent. She discussed the Opportunity at Iowa brochure with which the Regents were provided.

Regent Furgerson stated that the Opportunity at Iowa brochure was a handsome piece of information.

Vice President Theilen discussed the efforts at Iowa State University. He said university officials were able to use all the IMAGES funds allocated. There was a decrease in the number of minority students in the freshman year as well as a decrease in the number of black students in the entering class. Last year the increase was very significant and was attributable to financial resources. University officials over-spent their resources last year.

Provost Kozak stated that Iowa State University has focused on efforts to diversify its faculty, particularly for women. Last year women represented 18 of 57 new hires, while women represented 28 of 50 new hires this year. Mentoring, internship and salary equity are all part of the broad-based effort in which women can succeed.

President Curris expressed his pleasure with the progress being made at the University of Northern Iowa. There has been continued growth of minority students on campus particularly resident African American students. Progress has been made at achieving greater diversity in faculty and staff, approaching 10 percent. He said the major limitation is financial. University officials have appreciated the enthusiasm of the General Assembly in the last several years.

Regent Collins asked for an explanation for the severe decline in the number of minority students receiving IMAGES grants in their senior year. President Curris responded that university officials have tried to concentrate the award of IMAGES funds in the first 3 years of students' education, and to encourage students to find other assistance in the 4th year. He noted that the figures should not be interpreted as retention rates.

Mr. Maxwell called the Board's attention to preliminary enrollment figures released yesterday. The overall growth in enrollment of African American male freshman residents was 3 while the growth in African American women was 8. The overall growth of Hispanic men was 11 and the growth in Hispanic women was 3. He said there are 11,170 minority students in Iowa public junior highs, middle and high schools. There are a lot of students the universities should be reaching that they evidently were not.

Regent Furgerson referred to Dr. Barcelo's earlier comment regarding working with equity coordinators in the public school systems. Those individuals are more effective in reaching students than are counselors. They tend to work as mentors toward these students. If Iowa State University and University of Northern Iowa officials were not taking advantage of equity coordinators, they should be.

ACTION:

President Berenstein stated the Board, by general consent, (1) received the annual reports on college-bound, IMAGES and minority and women educators enhancement programs, and (2) approved the inclusion of the Regent special schools in college-bound presentations.

TUITION ASSISTANCE FOR NATIVE AMERICANS. The Board Office recommended that the Board of Regents request appropriations of \$937,500 to establish 150 scholarships at the three Regent universities for certain nonresident American Indian students.

In July the Regent American Indian Student Coordinator requested the Board grant resident tuition and fees status to nonresident American Indians belonging to certain identifiable tribes who were formerly located in Iowa.

The Board asked the Board Office to bring a proposal to the Board on the Regent American Indian Student Coordinator's request. Per the Board's request, the Board Office suggested that, contingent upon the requested appropriation, tuition assistance to nonresident members of these tribes be provided in the form of scholarships that will cover the cost differential between resident and nonresident tuition and fees.

The recommended scholarship program will recognize the unique and historic ties of these tribes to the state of Iowa and be an important tool in efforts to diversify the campuses.

The University of Northern Iowa's student government, several of the affected tribes, and other American Indian organizations have indicated their support for the concept of providing assistance to nonresident American Indians who are members of tribes formerly located in Iowa.

The Importance of Maintaining Control of Costs and Policies

The Board Office recommended that tuition assistance be in the form of scholarships rather than tuition waivers, reductions, or reclassifications because it allows the universities to control the costs associated with the program and preserves strong administrative control of tuition policies and practices.

It could be very difficult to serve the number of eligible students, and their associated costs, under a program that broadly grants resident tuition status to nonresidents. The use of scholarships to provide assistance allows the universities to increase diversity while handling effectively both the number of students and the costs involved in the program.

The Board of Regents receives many requests for tuition waivers, reductions, reclassifications, etc., from various individuals and groups; and it has been the practice of the Board to maintain the legal soundness of nonresident tuition classification. This practice of strictly administering tuition policies promotes consistency and fairness and simplifies the administrative process. Granting blanket resident tuition status to the members of the involved tribes would set a precedent that would make it difficult to resist similar requests from a number of other groups seeking similar status.

American Indian Demographics and Enrollments

According to the 1990 census there were only 7,349 American Indians in the state of Iowa, representing .25 percent of the state's population. Nationally, American Indians make up .79 percent of the population.

The small number of American Indians and other minorities in Iowa makes it difficult for the Regent universities to increase diversity on their campuses without recruiting students from other states. There have been significant gains since last year in American Indian enrollments at all three Regent universities, though the total numbers remain small.

Fall 1994 American Indian enrollment at the Regent universities was distributed as follows:

	Resident American Indian Enrollment	Nonresident American Indian Enrollment	Total American Indian Enrollment	% of Total Enrollment
SUI	48	47	95	.35%
ISU	42	15	57	.23%
UNI	28	2	30	.24%
Total	118	64	182	.28%

Though American Indian enrollments are currently proportional to the American Indian population of the state, and are drawn proportionately from within the state, they still lag well behind national population percentages.

The number of American Indian students at each campus is still too small to have a substantial impact on campus diversity. To make a significant contribution to diversity requires recruitment of nonresident American Indians.

The membership totals and principal locations of the tribes that would be involved in the proposed scholarship program are as follows:

Tribe	Membership Total	Locations
Iowa	1,615	Oklahoma, Kansas
Winnebago	6,920	Nebraska
Sac and Fox	4,517	Oklahoma, Kansas
Otoe	1,840	Kansas
Potawatomi	16,763	Wisconsin, Oklahoma, Kansas
Sioux	103,255	South Dakota, Minnesota, Nebraska
Menominee	7,543	Wisconsin
Ottawa	7,522	
Omaha	4,113	Nebraska
Total	154,088	

Costs and Appropriation Request

The Board Office recommended that the amount of each scholarship be limited to the difference between resident and nonresident tuition and fees in the tuition category applicable to each student (undergraduate, graduate, etc.).

Using the tuition and fees rates recommended for 1995-96, the differential between resident and nonresident tuition and fees ranges from \$6,250 for undergraduates to \$11,222 for Medicine.

It was anticipated that the large majority of scholarships would be awarded to undergraduates. The amount of the recommended appropriation, \$937,500, would fund 150 undergraduate scholarships. One hundred fifty (150) additional American Indian students would raise the percentage of American Indians at the Regent universities to .52 percent, about halfway between their percentage in the state's population and their percentage nationally.

Additional Comments

American Indians are only one of a number of underrepresented groups at the Regent universities and the Board Office felt that the recommended scholarship program should be approved with the understanding that it would be just one strategy among a wide range of strategies aimed at increasing enrollment and retention of underrepresented groups at the Regent universities.

Mr. Richey stated that two principles were important: 1) maintain the integrity of the non-resident student definition and 2) furnish financial support for the institutions for the services provided to these students. The proposal would increase enrollments of American Indians to half-way between where they are now and the national average Native American population.

President Berenstein stated that after reviewing the material he felt the proposal was premature. Institutional officials had not had a full opportunity to review the proposal. He requested a motion to table action on this matter to give universities' officials an opportunity to review the recommended action.

MOTION: Regent Furgerson moved to table consideration of this matter to the February 1995 Regents meeting. Regent Tyrrell seconded the motion.

Regent Hendricks said she would like a review of a needs-based scholarship.

President Berenstein said the matter deserves greater study than what it has had.

VOTE ON THE MOTION: The motion carried unanimously.

REPORT ON STRATEGIC PLANS OF THE SPECIAL SCHOOLS. The Board Office recommended that the Board (1) receive the report of the two specials schools on a) review of strategic planning progress and goals during 1993-94 and b) plans for the 1994-95 academic year; (2) approve each school's 1994-95 strategic planning priorities; and (3) request that the two special schools assess progress during 1994-95 in implementing various academic reforms underway nationally and in meeting new academic standards in the various disciplines.

Strategic planning at the special schools relates to the Board of Regents strategic planning goals and strategies as adopted by the Board in 1989 and modified in October 1992. These goals were last reviewed by the Board in September 1994.

Iowa Braille and Sight Saving School

In keeping with national reform efforts and the Goals 2000 project, Iowa Braille and Sight Saving School officials have embarked on an outcomes accreditation project. They have developed six broad student outcome goals which are designed to focus the school's resources on student success:

- o Maintain personal health and well-being.
- o Communicate thoughts and feelings.
- o Demonstrate independence and self-determination.

- o Solve problems and make personal decisions.
- o Develop interpersonal relationships and contribute to family, school, and the community.
- o Adapt to new circumstances.

These outcome goals are designed to supplement the school's eight strategic planning goals already approved by the Board of Regents:

- o Provide the best quality educational and residential program possible for each individual student enrolled.
- o Develop curricula and instructional methodologies to enhance all programs.
- o Provide resources and services throughout Iowa to students who are blind or visually impaired, the programs in which they are enrolled, and, where appropriate, their families.
- o Aid in the attainment of the Regent goal to improve the flexibility, efficiency, and accountability of governance within the Regent system, including all administrative functions.
- o Maintain and improve all campus facilities and equipment.
- o Develop and implement programs to inform citizens of the school's mission, its performance and the issues it faces.
- o Attract, develop and retain faculty and staff high in quality and diverse in composition.
- o Encourage cohesiveness and cooperation within the Regent system.

Iowa Braille and Sight Saving School officials have adopted six major initiatives for 1994-95 to accomplish its strategic goals.

Major accomplishments during 1993-94 included the following:

- o The Educational and Residential Services units worked cooperatively to support efforts for 24-hour student programming through direct instruction, planning, joint committee work and special projects.

- o The school worked in cooperation with the Iowa Department of Education and Iowa's area education agencies to provide statewide in-service training regarding educating infants and toddlers age birth to five years with visual impairment and other disabilities in addition to visual impairment.
- o Outcomes accreditation continued to be a major focus of the school.
- o A high-profile effort of all school teamwork resulted in Braille Hill, a student playground partially funded by a grant from the Carver Charitable Trust.
- o School staff examined a record 200 students through low vision clinics held in Council Bluffs, Johnston, Clear Lake, Bettendorf and Vinton.
- o The school received a \$2,800 grant through the Library Services and Construction Act to purchase CD ROM programs, software and hardware to upgrade the Iowa Braille and Sight Saving School library.
- o The school initiated a Parent Leadership Project to provide statewide support to parents, especially new parents, of children with visual impairment.
- o A new task force on staff development determined the training needs of school staff, developed a plan to meet needs, and addressed each of the areas of need during the school year.
- o The Board of Regents approved new admissions and discipline policies.
- o The school successfully planned and implemented a spring weekend which included a prom, Beeper Ball and Corvette Car Rally.
- o The school began field testing the Medical Technologies, Inc., vision photoscreener to validate its use with children and youth who are difficult to test. The firm is a manufacturing firm located in Cedar Falls, Iowa.

Iowa School for the Deaf

The Iowa School for the Deaf has nine strategic planning goals, as follows:

1. Ensure that quality teaching services, pupil personnel services, and effective administrative services remain a key priority at the Iowa School for the Deaf.

2. Strengthen and expand creative programming at the Iowa School for the Deaf.
3. Encourage and expand the use of technology across the programming services of the school (New Goal).
4. Attract, develop, and retain faculty and staff high in quality and diverse in composition.
5. Improve the facilities, equipment, and operating budgets basic to strong programs at the Iowa School for the Deaf.
6. Develop and implement effective public information strategies and communication vehicles for the Iowa School for the Deaf and its constituencies.
7. Emphasize efforts to augment State appropriation funding.
8. Improve the flexibility, efficiency, and accountability of governance of the Iowa School for the Deaf.
9. Encourage cohesiveness and cooperation within the Regent system.

The Iowa School for the Deaf Strategic Planning Committee wanted to strengthen the area of technology by creating a new goal specifically for it. Goal # 3 is thus a new goal relating to technology that will give this area a higher priority in the planning process and will help make funding needs more explicit.

National efforts in the area of school reform have impacted the Iowa School for the Deaf. These efforts have affected academic standards in the various disciplines taught at the school. Partially because of national reform efforts and partially because of changes in accreditation standards, Iowa School for the Deaf's goals will be substantially modified during 1994-95.

During 1994-95 school officials will begin evaluating the school's programming against the Standards for Schools developed by the Conference of Educational Administrators Serving the Deaf (CEASD).

The school will undergo an accreditation review during the 1994-95 school year to determine areas of strength and areas needing improvement. Areas needing improvement will be addressed in the 1995 strategic plan review through a School Improvement Plan (SIP).

New priorities for 1994-95 include

- o Developing an incentive program to encourage faculty and staff to achieve levels higher than those required by the Sign Language Proficiency Interview (SCPI).
- o Developing a program to assist students in the transition from the local public school program to educational programs on the Iowa School for the Deaf campus.
- o Establishing an ICN classroom at Iowa School for the Deaf.
- o Developing a master plan to review and assess Iowa School for the Deaf involvement in the statewide broad band system and satellite television.
- o Sponsoring in-service workshop opportunities for AEA/LEA educational and direct service faculty and staff.

Accomplishments during 1993-94 included the following:

- o Portfolio/authentic assessment initiatives began in both elementary and secondary academic classrooms, and in the Career Center vocational education shops.
- o Whole language classroom libraries continued to develop at every level.
- o The high school science lab renovation and re-equipment project continued.
- o The Iowa School for the Deaf Foundation was formulated and a board of directors was selected.
- o The staff member responsible for marketing strategies and planning has
 - o initiated a comprehensive review of all existing school brochures and pamphlets based on the most recent needs assessment.
 - o redesigned the weekly employee newsletter and quarterly magazine for students, staff, parents and alumni.

The school coordinated a joint effort with Area Education Agency 13 and the Iowa Department of Education Bureau of Special Education to study and better coordinate services to hard of hearing and deaf children five years and younger and their families.

A new employee orientation program was initiated. Phase I of the telephone replacement project was completed.

Superintendent Thurman discussed Iowa Braille and Sight Saving School's strategic planning process. He said factors that determine the school's future include quality educational services and financial support. The best way to predict the future is to create it. In 10 years Iowa Braille and Sight Saving School will be the core of statewide services, offer highly flexible programs 12 months a year, be organized around student outcomes, focused, and offer a true learning environment. He outlined six initiatives for the next 1 to 2 years: 1) outcomes accreditation, 2) develop and implement strategies for enhancing school climate, 3) develop and implement reorganization plan, 4) implement and carry out staff development plan, 5) continue working on the ADA compliance plan, and 6) continue technology investigation.

Superintendent Thurman stated that he was pleased with efforts taking place at Iowa Braille and Sight Saving School. Every day the level of commitment on the part of all staff increases.

Regent Hendricks stated that if a multiply-handicapped blind child went to the local AEA that student would be provided funding in the amount of \$10,000 per year. If the AEA could not adequately provide services for that student and the student was subsequently referred to Iowa Braille and Sight Saving School, would the \$10,000 follow the student?

Superintendent Thurman responded by providing an example of a student in a similar situation at this time. A boy left Iowa Braille and Sight Saving School 2-1/2 years ago. The family moved to a large city near Vinton and enrolled their son in the public school program. There has been an increasing problem with truancy by this student. Iowa Braille and Sight Saving School officials were contacted about a month ago about re-enrolling the child. The skills the child had been taught at Iowa Braille and Sight Saving School, including eating and hygiene, have been lost. The boy no longer sleeps through the night. The school district asked if Iowa Braille and Sight Saving School would take him back. IBSSS officials responded that they would but could not do so without financial support. Iowa Braille and Sight Saving School is not entitled to discretionary funds. He said the school cannot take the child back unless they are able to come to an agreement on financial support for the student's services.

Regent Hendricks stated that many AEA officials are under the impression that the \$10,000 goes with the child. In terms of the strategic plan Iowa Braille and Sight Saving School officials should implement a process to see that those extra funds flow

to the special schools. There are children who cannot be served elsewhere in the state.

President Berenstein said Regent Hendricks' suggestion should be explored.

Regent Hendricks said she would like the matter to be included on the Regents' legislative agenda.

President Berenstein asked that Regent Hendricks' comments be considered when the legislative session is closer to convening.

Assistant Superintendent Balk introduced Tony Netusil, Chair of the Iowa School for the Deaf advisory committee, and thanked him for the dedication of the committee to the school's strategic plan. Mr. Balk stated that the most important part of the strategic plan is the institutional impact statement. He said he echoed Regent Hendricks' concern about students who cannot be served anywhere else in the state other than at the special schools. Iowa School for the Deaf officials have had to turn to local education agencies. He said tremendous work has been done in the area of accreditation although Iowa Braille and Sight Saving School is a couple of years ahead in converting to outcomes-based accreditation. The Regents should be extremely proud of the special schools; many of the other special schools across the country are ignoring the North Central Association's changes. The changes will make for a much more student-oriented environment.

Assistant Superintendent Balk noted that the naming of a deaf Miss America was a "shot in the arm" for every deaf student. He said there continues to be great interest in the school's mainstream program. This year's summer learning adventure program was extremely positive. He concluded by stating that Iowa School for the Deaf officials were honored to be part of Iowa's Regent system.

MOTION:

Regent Furgerson moved to (1) receive the report of the two specials schools on a) review of strategic planning progress and goals during 1993-94 and b) plans for the 1994-95 academic year; (2) approve each school's 1994-95 strategic planning priorities; and (3) request that the two special schools assess progress during 1994-95 in implementing various academic reforms underway nationally and in meeting new academic standards in the various disciplines. Regent

GENERAL
October 19, 1994

Johnson-Matthews seconded the motion.
MOTION CARRIED UNANIMOUSLY.

REPORT ON STRATEGIC PLANS FOR TECHNOLOGY TRANSFER. The Board Office recommended the Board receive the progress report from the Regent institutions on meeting the goals of the Strategic Plan for Technology Transfer and Economic Development.

The Strategic Plan for Technology Transfer and Economic Development at the Regent institutions was approved by the Board of Regents at the November 1991 Board meeting. This was a progress report that is required by statute to be reported to the legislature by November 1, 1994.

The update report represented an important status report on an aspect of university contributions to economic development of the state of Iowa. The plan and the activities reported by the universities address three categories of Technology Transfer.

Technology transfer through educational programs: Industry values the role of higher education in providing to them a work force that is capable of using the most modern technology in a given field of work. When graduates of our programs are employed in industry, technology transfer occurs (transfer of knowledge of technology through the transfer of people). Similarly, when continuing education programs are developed for employees in industry, (knowledge of) technology is transferred.

Technology transfer through problem solving: When colleges and universities work together with a business to find a technical solution to a problem, technology transfer occurs. This is transfer of knowledge about the capability and applicability of existing technology.

Technology transfer as a result of technology development: When new technology is developed at a university and subsequently is made available to industry for use and/or commercialization this is also technology transfer. Sometimes such developments arise out of university research programs and sometimes they arise out of collaborative research between universities and industry.

The Regents were provided with a report of the actions being taken at the universities to address the technology transfer goals.

Vice President Skorton discussed the multiplicity of the missions of each of the universities, the general principles of the business community, diversification of the state's economic base, and long-term technology transfer. He said Federal funds have been leveraged by the State. The University of Iowa has maintained a tight linkage between academic mission and technology transfer activities. If there were anything unique about the University of Iowa's technology transfer efforts it was its ability to attract and create businesses in areas that are not already part of the Iowa business base.

Associate Provost Swan reported on Iowa State University's accomplishments in the area of technology transfer. She said technology transfer is an ongoing responsibility of the university.

Mr. Butler-Nalin stated that the docket materials summarized well the results of the University of Northern Iowa's efforts. He emphasized the general principles the university adopted and reiterated the level of commitment to activities involving economic development and technology transfer. Institutional commitment involves faculty and P&S staff engaging students to support that institutional commitment. Activities are intended to complement the central educational mission. He noted that the university cannot be all things to all people. The educational mission is student focused and teaching oriented; therefore, technology transfer efforts have to be very focused.

Regent Dorr stated that technology transfer efforts have been prominent in the university strategic plans since the late-1980s. It was borne out of a sincere desire to utilize institutions' capabilities to the extent they could provide incentives for the economic state of Iowa. He said he was curious about how to determine the effect of technology transfer on the economic base and how to measure results. How do we know whether the universities are being effective in what they are doing? It was important that the Regents receive results of technology transfer in the future indicating what we are getting out of all these efforts, how many jobs have been created, the impact on the tax base, and where this is all leading. Is that information now available?

Vice President Skorton said those were very important questions that Regent Dorr was raising. He agreed that outcomes measures were important as were the economic impact of Federal funds brought into the state. He said he echoed Mr. Butler-Nalin's comment about engaging in activities that coincide with the university's mission. At the University of Iowa events in the last couple of years include the development of Neural Applications Corporation. That type of entity was not previously present in this area. The company has remained in Iowa because of the Regents' support for the research park. Since the university is engaging in technology that is not oriented toward product

development but rather new knowledge, they have to expect to take a long-term view and perspective of results. The short-term gains have been more academic in nature; the long-term gains will be more economic in nature.

Associate Provost Swan referred to the existing economic bases in Iowa and stated that from 1985-92 Iowa outperformed the national manufacturing sector, in part because Iowa provides services to the manufacturing sector. Iowa State University officials believe there is long-term evidence that through its extension outreach to small manufacturers the university has contributed to better performance of Iowa manufacturers. With regard to diversification of Iowa's economy, she said one way to measure results is whether different kinds of enterprises are being supported in Iowa than those that previously existed. She said accomplishments cannot be measured in a matter of years but rather decades.

Regent Dorr said he was not certain the system can afford to support these efforts on anecdotal measurements.

Associate Provost Swan responded that all of the contributors to the partnership have to do their part to be successful.

President Jischke reinforced the point that the university is part of a larger enterprise. Some of the output measures are input into a larger market. The university does measure patents, licenses, the number of company contacts around Iowa, whether jobs are created, etc. He stressed that this is a long-term process. Recent efforts in the agricultural area have focused on diversification. University officials can count \$1/2 billion/year in additional income for the farmers of Iowa which has impacted the nation in the amount of \$2 billion. Iowa leads the world in hybrid corn technology which has been 70 to 80 years in development. She said that was one example of the time it takes to measure these efforts. The long-term study will show the progress that grows out of first-rate research programs attuned to the needs of the state. These efforts include Iowa State University's experimental farms and extension services.

President Jischke stated that the universities are held accountable every year by the legislature.

Vice President Skorton stated that university officials were open to suggestions from the Regents on the types of information with which they would like to be presented.

President Berenstein said he was somewhat disappointed in the Des Moines Register article on technology transfer. He felt that the perspective of the Regents was somewhat slighted. He wasn't called. Tom Urban wasn't called. He stated that Tom

Urban is a genius in coordinating university research and business technology. Some people should have been called that weren't. Many people around the state have worked very hard on the Regents' technology transfer efforts. The Regents rely on individuals such as Vice President Skorton, Mr. Butler-Nalin and Vice Provost Swan. He said progress has been made. They know much more now than they did 6 years ago but they have a long way to go. The Regents do need accountability which would negate some of the negative comments of the Des Moines Register article. It will take more than 5 years but they have come a long way.

MOTION: Regent Furgerson moved to receive the progress report from the Regent institutions on meeting the goals of the Strategic Plan for Technology Transfer and Economic Development. Regent Tyrrell seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REPORT ON PRIORITIES IN LEGISLATIVE BUDGET REQUESTS. The Board Office recommended the Board approve the priorities for each institution's base operating budget to fulfill State statutory requirements for budget development for FY 1996 and FY 1997.

The State of Iowa requires by statute that each institution develop base budgets for FY 1996 and for FY 1997, assuming that appropriations are reduced by 25 percent from the FY 1995 level.

The 75 percent base, 25 percent restoration and FY 1995 appropriation for the Regent institutions were as follows:

(\$ 000's)

	<i>75% Base</i>	<i>25% Restoration</i>	<i>FY 1995 Appropriation</i>
University of Iowa*	\$180,459	\$ 60,153	\$240,612
Iowa State University*	153,195	51,065	204,260
University of Northern Iowa	51,093	17,031	68,124
Iowa School for the Deaf	4,809	1,604	6,413
Iowa Braille & Sight Saving	2,662	887	3,549
TOTAL APPROPRIATIONS	\$392,218	\$130,740	\$522,958

*excludes Special Purpose Appropriations

Each institution described the impact of the 25 percent reduction and established priorities for restorations of the 25 percent reduction to appropriations at the FY 1995 level.

The following summarizes the effect of the 25 percent reduction:

University of Iowa

General University - Decrease budgets for instruction, academic support, student services, institutional support and public service.

University of Iowa Hospitals and Clinics - Decrease indigent patient care coordinate with county allocations 40 percent below current levels.

Psychiatric Hospital - Reduce patient admissions by 127 and reduce staff support by 30.9 positions.

Hospital School - Provide for a substantially reduced level of patient care; the reduced number of staff would create staff/patient ratios unacceptable to accreditation standards.

Oakdale Campus - Eliminate transportation between the Oakdale and Main Campus, reduce campus security, and decrease expenditures for general operations, repairs and maintenance.

Hygienic Laboratory - Decrease the level of diagnostic services available to State agencies, laboratories, hospitals, physicians and private citizens.

Family Practice Program - Decrease the programs, enrollment, and prospects of obtaining new medical services for many Iowa communities.

Hemophilia, Cancer - Reduce monitoring of local care of children, visits to families, and physician and nurse education.

Iowa State University

General University - Reduce academic and nonacademic staff, financial aid, equipment, student support services, travel; the decrease would alter instructional programs in terms of the range of programs offered and their quality.

Agriculture and Home Economics Experiment Station - Cancel several programs, eliminate funds for three outlying research farms and equipment, and significantly reduce funding for supplies and staff.

Cooperative Extension Service - Eliminate or reduce several agricultural production, demonstration, research and marketing programs.

Institute for Physical Research and Technology - Reduce funding for outreach programs, the Microelectronics Research Center and technology transfer.

University of Northern Iowa

Decrease instructional, student services and institutional support funds.

Iowa School for the Deaf

Eliminate the elementary school program and reduce funding for utilities and essential student services.

Iowa Braille and Sight Saving School

Eliminate faculty and general service positions and the summer school program and reduce funding for supplies, utilities and repairs.

Board Office

The Board Office 75 percent base, 25 percent restoration and FY 1995 appropriation were:

	<i>75% Base</i>	<i>25% Restoration</i>	<i>FY 1995 Appropriation</i>
Board Office	\$843,466	\$281,156	\$1,124,622

The 25 percent reduction for the Board Office would require the Board to carry out its statutory responsibilities on a marginal basis, with only 75 percent of its current staff available.

The incremental packages for the FY 1996 and FY 1997 budget requests were the increments approved by the Board in September.

MOTION: Regent Newlin moved to approve the priorities for each institution's base operating budget to fulfill State statutory requirements for budget development for FY 1996 and FY 1997. Regent Collins seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board (1) approve the Resolution authorizing proceeding with the issuance of up to \$15,060,894 Academic Building Revenue Bonds, Series UNI 1994 (College Savings Bonds); (2) approve the resolution approving an AMBAC Indemnity Surety Bond and Guaranty; (3) approve brokerage firms; (4) approve modification of the investment policy; and (5) receive the report of the Banking Committee.

Regent Hendricks stated that at the Banking Committee meeting that morning the Banking Committee reviewed and recommended the Board approve a Resolution authorizing proceeding with the issuance of up to \$15,060,894 Academic Building Revenue Bonds, Series UNI 1994 (College Savings Bonds) and a Resolution approving an AMBAC Indemnity Surety Bond and Guaranty.

MOTION: Regent Hendricks moved to (1) approve the Resolution authorizing proceeding with the issuance of up to \$15,060,894 Academic Building Revenue Bonds, Series UNI 1994 (College Savings Bonds); and (2) approve the resolution approving an AMBAC Indemnity Surety Bond and Guaranty. Regent Furgerson seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Collins, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: Dorr.

MOTION CARRIED.

Regent Hendricks stated that the Banking Committee reviewed and recommended Board approval authorizing the addition of one brokerage firm for use by Regent institutions. The Banking Committee also approved a modification to the Regent investment policy.

MOTION: Regent Hendricks moved to (1) approve the addition of one brokerage firm and (2) approve the modification of the Regent investment policy. Regent Collins seconded the motion. **MOTION CARRIED.**

Regent Hendricks stated the Banking Committee received the master lease semi-annual report, internal audit plans for FY 1995, and internal audit reports.

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

ANNUAL REPORT ON THE REGENTS MERIT SYSTEM. The Board Office recommended that the Board receive the report on the operation of the Regents Merit System in fiscal year 1994.

The Regents Merit System is established under authority of Chapter 19A of the Code of Iowa and covers nonprofessional supervisory, blue collar, security, technical, and clerical employees of the Board. The Regents Merit System is administered from the Board Office through resident directors and their personnel staffs on each campus.

At the end of fiscal year 1994, there were 8,519 permanent employees in the Regents Merit System, an increase of 26 over the previous year-end total.

Day-to-day operations of the Merit System including testing and rating and ranking of applicants, appointments, promotions, and discipline are carried out under the direction of the resident directors at the five institutions.

Position classification reviews are forwarded to the Board Office for final classification determination. Recommendations from the resident director accompany the requests for reviews.

Merit rule changes and related interpretations, policy development, salary policy, and classification plan revisions are accomplished by the Human Resources Unit in the Board Office in consultation with the institutions.

The staff of the Human Resources Unit acts as liaison between the institutions and the Iowa Department of Personnel in interpreting the AFSCME agreement as well as providing a leadership role in the AFSCME collective bargaining negotiations.

Two-thirds of the covered employees are female. Minorities have increased slightly over the year from 4.3 to 4.6 percent.

The majority of the employees, 90 percent, are covered under a statewide collective bargaining agreement; 642 supervisory employees and 160 confidential clerical employees are exempt from bargaining units.

By occupational category, there are 642 supervisory employees, 2,635 blue collar, 120 security, 1,492 technical and 3,630 clerical employees.

The average Regent Merit System employee salary at the end of fiscal year 1994 was \$22,255. Average does not include the nonrecurring \$650 bonus paid to merit system employees during fiscal year 1994

Regents Merit System compensation and classification plans are administered in accordance with State law on comparable worth through the use of a point count system of job evaluation.

Total payroll including fringe benefit costs for all merit system employees in fiscal year 1994 was approximately \$229 million.

In fiscal year 1994, 22,013 employment examinations and evaluations of training and experience of applicants were conducted.

A total of 373 requests for reclassification were processed. Six requests were appealed to a classification review committee with three decisions being upheld.

Representatives from the Board Office and the institutions have been reviewing the existing administrative rules governing the Regents Merit System as well as the interpretations of those rules. The review is in the final stages. Various rule revisions will be presented to the Board later this year.

The new Director of Human Resources will be asked to review the merit system and prepare a work plan to address any outstanding issues. The Board will be kept apprised of this activity.

Plans for fiscal year 1995 include:

- o Finalize review of the administrative rules and related interpretations.
- o Participate in statewide negotiations with AFSCME for the 1995-97 agreement.

- o Continue administrative review and updating of classification descriptions.
- o Make a determination as to the acceptability and practicality of using the GATB for pre-employment testing. If determined unacceptable, establish training and experience evaluations for classes currently requiring written tests.

Mr. Richey stated that the Board would be presented with a follow-up report in February, after the new Human Resources Director is on board.

ACTION: President Berenstein stated that the Board received the report on the operation of the Regents Merit System in fiscal year 1994, by general consent.

POLICY ON SUBSTANCE ABUSE. The Board Office recommended the Board (1) approve changes as outlined below in the Board of Regents Procedural Guide (new text is underlined; deletions are lined through):

4.38 Policy on a Drug-Free Environment and Controlled Substances

- C. The Board of Regents recognizes that the abuse of controlled substances, including alcohol, can interfere with the ability to perform important functions physically, mentally and socially. All employees are expected and required to report to work in an appropriate mental and physical condition to carry out their responsibilities safely and effectively, absent any impairment because of use of controlled substances and alcohol. Failure to comply by the employee with this expectation may result in serious disciplinary sanctions, up to and including the termination of an individual's employment. In cases in which an institution has probable cause to believe an employee's ability to perform the employee's duties is impaired due to the use of alcohol or controlled substances, the institution should confront the employee and require testing and/or treatment. Failure to comply by the employee would be the basis for serious disciplinary action. Dependency upon controlled substances and/or alcohol is also recognized as an illness that poses a major health problem as well as presenting other serious safety and welfare implications for employees and students on the campus.
- D. No change.

- E. Pursuant to the Drug-Free Workplace Act of 1988, employees must report any conviction under a criminal drug statute for violations occurring while conducting official business on or off Regent premises. Such a report must be made within five days following the date of conviction.
~~Employees are expected and required to report to work on time and in appropriate mental and physical condition.~~
 - F. No change.
 - G. Pursuant to the U. S. Department of Transportation regulations implementing the Omnibus Transportation Employee Testing Act of 1991, employees in safety sensitive aviation, motor carrier, or mass transit position in Board of Regents institutions will be required to submit to mandated alcohol and drug testing, consistent regulations.
- (2) Direct the institutions to review their substance abuse policies in light of the above changes in the Procedural Guide and make revisions as appropriate.

Proposed changes in the substance abuse policy in the Board of Regents Procedural Guide will emphasize the seriousness of violation of the policy. Revisions state clearly that the institutions should confront an employee whose performance is believed to be impaired by alcohol or controlled substances.

Institutional officials were requested to review their substance abuse policies in light of the changes to the Procedural Guide. A new section was added to the Procedural Guide to conform with Federal regulations concerning drug/alcohol testing for employees whose positions require that they have a Commercial Drivers License.

The regulations require a drug testing program be in place by January 1, 1995. Initial estimates show that about 200 employees of the institutions would be covered by the testing requirement. These employees are over-the-road bus drivers, various motor pool and physical plant employees, employees who haul hazardous materials, and pilots.

The regulations require drug tests be analyzed by a certified laboratory. The institutions are cooperating with the State Department of Transportation in contracting with a laboratory to do the testing.

The regulations also mandate training for employees and supervisors. Training of current employees is to be accomplished before January 1, 1995.

President Berenstein asked if the proposed substance abuse policy had been reviewed by counsel. Mr. Richey responded that he believed it had been reviewed by counsel but that he would make sure it had been.

Regent Collins asked whether the policy would cover all Regent employees. Mr. Richey responded that it would.

MOTION: Regent Furgerson moved, subject to review by counsel, to (1) approve changes in the Board of Regents Procedural Guide and (2) direct the institutions to review their substance abuse policies in light of the above changes in the Procedural Guide and make revisions, as appropriate. Regent Johnson-Matthews seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ANNUAL TARGETED SMALL BUSINESS REPORT. The Board Office recommended the Board (1) receive the annual report on targeted small businesses, (2) request Regent institutions and the Board Office to develop a targeted small business plan of action and report back to the Board in March, and (3) encourage Regent institutions and the Board Office to continue working with the Departments of Management, Economic Development, and Inspection and Appeals in order to increase purchases from Iowa Targeted Small Businesses.

The "Iowa Targeted Small Business Procurement Act" was amended in 1994 by H.F. 2403. H.F. 2403 permits State agencies to purchase directly from a targeted small business if the purchase will not exceed five thousand dollars and if the purchase will assist the agency in reaching its targeted small business procurement goal. H.F. 2403 expands the definition of a targeted small business to include persons with disabilities.

Chapter 73.16 of the Code requires that procurement goals of at least 10 percent be established for the purchases of total non-utility procurement and construction from Iowa targeted small businesses.

Regent institutions spent a total of \$441,637,396 in fiscal year 1994 for construction, goods, supplies and services of which \$9,510,734 (2.15 percent) was spent with targeted small businesses. Regent institutions have spent \$75,412,080 with targeted small businesses since 1986.

A shortage of targeted small businesses capable of providing goods, supplies and services to Regent institutions continues to exist. Regent purchasing officers continue to report that the current targeted small business vendor base is not capable of supporting a targeted small business procurement goal of 10 percent.

Bidding requirements as required by statute make it difficult to award contracts to other than the lowest bidder.

ACTION: President Berenstein stated the Board, by general consent, (1) received the annual report on targeted small businesses, (2) requested Regent institutions and the Board Office to develop a targeted small business plan of action and report back to the Board in March, and (3) encouraged Regent institutions and the Board Office to continue working with the Departments of Management, Economic Development and Inspection and Appeals in order to increase purchases from Iowa Targeted Small Businesses.

REVISIONS TO BOARD OF REGENTS PROCEDURAL GUIDE. The Board Office recommended the Board approve revisions to the Regent Procedural Guide, as presented.

The Regent Procedural Guide was last revised in May 1993. The Procedural Guide review process includes review of Board policies and procedures to determine which should be included in the publication.

Proposed inclusions for the Procedural Guide follow:

- o A section including the Banking Committee as a committee of the Board of Regents.
- o Chapter VI, Academic Program Review, 6.05 A., 1., g., addition to the review process for new or expanded academic programs at Regent universities.

Changes in policies and procedures, previously approved by the Board, to be included in the new edition were:

- o Investment policy revisions, submitted for approval October 1994

- o Mileage reimbursement rate for employees, approved 9/7/94
- o Investment policy revisions re: international equities, approved 7/20/94
- o IBSSS student behavior policy, approved 5/18/94
- o Reduction in force policy, special schools, approved 3/16 and 4/20/94
- o Risk management policy, including policy on catastrophic insurance for academic/general funded facilities, approved 3/16/94
- o Investment policy revisions re: South Africa divestiture, approved 2/16/94
- o Equipment purchase policy, approved 11/17/93
- o Appointment policy for P&S Staff, University of Iowa, approved 5/19/93
- o Docket submission schedule, approved 5/19/93
- o Harassment and violence policy, approved 5/20/92
- o Surety bond requirement deletion, approved 12/19/90
- o Automobile liability, approved 7/16/86
- o The Calendar of Governance Reports (Chapter I, 1.04 D.) was updated to reflect current schedules.
- o References to the Code of Iowa were corrected to indicate current Code locations and amended Code language.

MOTION: Regent Furgerson moved to approve revisions to the Regent Procedural Guide, as presented. Regent Johnson-Matthews seconded the motion.
MOTION CARRIED UNANIMOUSLY.

VENDORS WITH POTENTIAL CONFLICT OF INTEREST. The Board Office recommended the Board approve the request of the University of Iowa to add the names of Keith Achepohl, Just Chocolate, and Erickson Leathercraft Company to the list of approved vendors with a potential conflict of interest.

GENERAL
October 19, 1994

Keith Achepohl, professor in charge of printmaking at the University of Iowa, requested approval to sell two lithography stones (one-time sale) and also requested approval to sell his artwork to the University of Iowa. A proposal was made by the University of Iowa School of Art to buy the rare lithography stones from Keith Achepohl at a cost less than new stones.

As mandated by State art funding pertaining to building programs, the Arts on Campus or other committees at the University of Iowa occasionally seek works of art by faculty.

Keith Achepohl stated that these sales were not solicited by the artist but are selected for purchase by committee process.

University of Iowa officials wish to purchase chocolate confections from Just Chocolate, which is owned by Steven D. Warner (employed by the University of Iowa at the College of Nursing as Graphics Technician III).

Mr. Warner stated that he has no influence or responsibilities for purchases for any department at the University of Iowa and does not advertise or solicit within the university environment.

University of Iowa officials wish to purchase custom leather articles from Erickson Leathercraft Company, which is owned by Kenneth R. Erickson. Kenneth Erickson, who is employed as a Security Patrol Officer at the University of Iowa, makes custom leather articles for law enforcement and security professions and also repairs and refinishes used leather articles which would normally be thrown away.

Mr. Erickson stated that he has no influence or responsibility for purchasing decisions in any department at the University of Iowa.

MOTION:

Regent Newlin moved to approve the request of the University of Iowa to add the names of Keith Achepohl, Just Chocolate, and Erickson Leathercraft Company to the list of approved vendors with a potential conflict of interest. Regent Collins seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Collins, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: Dorr.

GENERAL
October 19, 1994

MOTION CARRIED.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve the personnel register, which included the following transactions:

Appointment: T. HENSLEY WILLIAMS, Director, Human Resources, effective November 21, 1994, at an annual salary of \$82,000 plus the usual fringe benefits.

Appointment: JANET CALHOUN, Secretary IV, effective November 1, 1994, at an annual salary of \$31,179 plus the usual fringe benefits.

Temporary Appointment: GENE RASMUSSEN, Temporary Associate Director, Business and Finance, effective September 19, 1994, at an hourly rate of \$29 plus FICA.

Promotion: BRAEDI GLOSHEN from Clerk II to Secretary II at an annual salary of \$20,321.60 plus the usual fringe benefits effective October 7, 1994.

Resignation: JANET KAUFMAN, Secretary IV, effective October 20, 1994.

Regent Furgerson asked that the Board's appreciation for the help she gave the Regents be expressed to Mrs. Kaufman.

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

APPOINTMENTS TO THE EDUCATIONAL TELECOMMUNICATIONS COUNCIL OF THE IOWA COMMUNICATIONS NETWORK. The Board Office recommended the Board receive the report and approve recommended appointees by President Berenstein to serve as alternate members of the Educational Telecommunications Council (ETC).

Iowa Telecommunications Commission (ITC)

Senate File 2089 establishes the Iowa Telecommunications and Technology Commission which:

- o has sole authority to supervise the management, development, and operation of the Iowa Communications Network.
- o is responsible to ensure that the network operates in an efficient and responsible manner.
- o is composed of three members appointed by the Governor and subject to confirmation by the Senate. Members appointed by Governor Branstad to serve a 6-year term include: Joan Axel (Muscatine), Robert Baur (Van Meter) and Richard Westcott (Des Moines).

Advisory Groups and Councils

The ITC is assisted in its work by several advisory councils including an eighteen-member Educational Telecommunications Council (ETC), fifteen Regional Telecommunications Councils, a Telemedicine Advisory Committee, and a Telecommunications Technology Committee, as well as others to be appointed as the need arises.

The Educational Telecommunications Council (ETC) has responsibility for recommending scheduling and site usage policies for educational users and enhancements for educational applications, and coordinates regional councils and proposes rules for recommendation to the Commission

Membership on the ETC includes two persons each from the Regents, community colleges, AEAs, local school boards, school administrators, private colleges, the ISEA, three persons with specified backgrounds by the Department of Education, one person by public broadcasting.

In July, the Board appointed Regents Dorr and Furgerson to the Educational Telecommunication Council (ETC). The ETC now asked each appointing agency to appoint two alternates to serve in the absence of the appointed member. The alternates will have full membership privileges so long as the member they are substituting for does not miss more than two consecutive meetings.

President Berenstein recommended that Emmett Vaughan, Dean of Continuing Education at the University of Iowa, and Robert Barak be appointed as alternates. Dr. Barak served on the Narrowcast Committee, which is a forerunner of the ETC, and Emmett Vaughan has been extensively involved in the development of the Iowa Communications Network.

The appointments were recommended for one-year terms.

Regent Furgerson stated that the recommended appointees were excellent choices.

MOTION: Regent Tyrrell moved to receive the report and approve recommended appointees by President Berenstein to serve as alternate members of the Educational Telecommunications Council (ETC). Regent Furgerson seconded the motion.
MOTION CARRIED UNANIMOUSLY.

STATUS REPORT ON BOARD OFFICE BUDGET FOR FISCAL YEAR 1995. The Board Office recommended the Board receive the report.

Estimated expenditures for the Board Office budget through June 30, 1995, were projected to increase to \$1,205,343 because of additional interview and moving expenses for new employees.

Although there was no increase in budget in the current fiscal year, the secretary financed from institutional reimbursements for facilities has been switched to the Human Resources unit, to reflect the anticipated growth in activity in that unit.

Anticipated expenditures for personal services are expected to be very close to the budgeted amount for fiscal year 1995. If there is any drop in expenditures for personal services, they are expected to be offset by increases in recruiting and moving expenses for replacement employees.

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

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

November 16-17, 1994	Iowa State University	Ames
December 14-15	To Be Determined	Des Moines
January 18, 1995	Telephonic	
February 15-16	University of Northern Iowa	Cedar Falls
March 15-16	Iowa State University	Ames
April 19-20	University of Iowa	Iowa City
May 17-18	Iowa School for the Deaf	Council Bluffs
June 21-22	University of Northern Iowa	Cedar Falls

GENERAL
October 19, 1994

July 19-20	Iowa State University	Ames
September 20-21, 1995	University of Iowa	Iowa City
October 18-19	University of Northern Iowa	Cedar Falls
November 15-16	Iowa State University	Ames
December 13-14	To be determined	Des Moines

ACTION: The Board Meetings Schedule was approved, by consent.

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

STATE UNIVERSITY OF IOWA

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

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve personnel transactions, as follows:

Register of Personnel Changes for August 1994.

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

ESTABLISHMENT OF IOWA SPINE RESEARCH CENTER. The Board Office recommended the Board approve the proposed Iowa Spine Research Center at the University of Iowa.

The center is related to the College of Engineering to whom its director reports and to the Department of Orthopedic Surgery in the College of Medicine whose chairperson is on the Administrative Oversight and Policy Board. The center is related to the College of Engineering because most of the researchers, including the new senior faculty person, are members of biomedical engineering. The Dean of the Medical School and the Chair of the Department of Orthopedics will play essentially co-equal roles with the Dean of Engineering.

The administrator of the unit will report to the Dean of the College of Engineering who reports to the Provost and the Vice President for Health Sciences.

The Spine Center will have as its mission the assessment of the clinical efficacy and outcomes in the diagnosis and treatment of various spinal diseases and disorders, and to carry out research on the diseases and disorders which can be immediately transferred to patient care. The center will:

- o Advance the science related to various spinal diseases and disorders to the benefit of patients,
- o Enhance the research, education, and practices of those in disciplines involved in the study of the spine and aging. These disciplines include biomedical engineering, orthopaedic surgery, neurosurgery, neurophysiology, pharmacology, economists, industry, etc. This will be done through a multi-disciplinary approach.
- o Seek funding from sources interested in the advancement of spinal science.
- o Publish in peer reviewed journals.
- o Enhance the position of the university as a center of spinal science locally, nationally, and internationally.
- o Create job opportunities within the state.
- o Work within and around the community and the state of Iowa with currently-established programs such as the Spine Diagnostic and Treatment Center and its network.
- o Further advance activities to decrease loss for this second most costly health care problem in the country.
- o Enhance the education of students.

The activities of the center relate to the general mission and teaching programs of the university as noted in the objectives above. The activities relate to the patient service mission of the health science colleges, to the research missions of the College of Engineering and the College of Medicine, and to the teaching programs both in the health sciences and in engineering.

Other units do not exist at other public or private colleges or universities in Iowa. The Board Office corresponded with Iowa State University and specifically its Veterinarian Medicine College. Veterinarian medicine officials would like to have combined projects with the University of Iowa in the future.

Four sources of funding add up to over \$300,000 per year.

STATE UNIVERSITY OF IOWA
October 19, 1994

College of Engineering	\$209,500
NIH Training Grant	40,000
Danek Grant	<u>115,000</u>
	\$364,500

None of the costs represent new financial obligations to the general fund of the university.

Provost Nathan stated that the University of Iowa has one of the five leading departments of orthopedics in the country. The university has several of the leading orthopedic surgeons in the area of the spine in the world. Those surgeons developed a unique and enormously productive relationship with faculty in the Department of Biomedical Engineering. These two faculty groups combining with additional faculty from other parts of the Colleges of Medicine and Engineering have come together under the aegis of a very substantial commitment by the leading manufacturer of spinal prosthetics (Danek and Company). There is additional grant funding from the Public Health Services to create the University of Iowa Spine Research Center.

Provost Nathan stated that the University of Iowa now has two or three of the leading researchers on spine injuries and rehabilitation in the world. The proposed center will bring these people together in a unique collaboration between a group of engineers and world authorities on the biomechanics of spine injury rehabilitation and surgeries. He said it was with a great deal of pride that he presented this project to the Regents.

MOTION: Regent Furgerson moved to approve the proposed Iowa Spine Research Center at the University of Iowa. Regent Tyrrell seconded the motion.

Regent Tyrrell asked how long the initial funding support would last. Provost Nathan responded that Danek's funding was an initial 3-year grant. He said it was clear that Danek is in for the long haul. Danek has had a long-term relationship with Jim Weinstein, Professor of Orthopaedic Surgery, that has extended over quite a number of years. This is just the latest manifestation of that relationship. The NIH grant is a training grant. He said there was no reason to believe that would not continue.

Provost Nathan stated that the most promising part of this proposal was that this group of individuals has just gotten together. They have yet to apply together for very substantial grants, both training and research grants. He said the potential, backed by the facilities of the Biomedical Engineering Department and orthopedics, was profound. This proposal would also give Rick Miller, Dean of Engineering, the opportunity to

strengthen the Department of Biomedical Engineering. It will enable him to hire two world-class faculty, something he has wanted to do. The existence of the spine institute has attracted two world-class biomedical engineers. Provost Nathan said it is a win-win situation for both the College of Engineering and the College of Medicine.

President Berenstein asked if Dean Miller was proposing to hire two world-class biomedical engineers. Provost Nathan responded that those two individuals were already at the university, working and contributing to this world-class program.

Regent Tyrrell said it appeared that the College of Engineering would be hiring two more world-class individuals although university officials indicated that none of the costs represented new financial obligations to the university's general fund. With what funds will those individuals be hired?

Provost Nathan responded that the people would be hired from the engineering budget and were hires that engineering would make anyway. Their hirings were part of the matching requirement for Danek's funding.

Regent Dorr questioned whether the proposal was part of the long-term effort to enhance the university's biosciences initiative. If so, he said it would be appropriate for university officials to provide the Regents with the longer-term scheme for the initiative. If the proposal is part of a longer-range program that is essential to the biosciences effort for which commitments have been made, the Board members should have some idea of where this fits into the entire scheme. He said it would be easier to make a decision on the center if it was part of a long-range plan.

President Rawlings stated that Vice President Skorton is heading up the biosciences initiative. He has provided a plan to President Rawlings. Once that plan has been approved by university administration it will be brought to the Board for the overall development of the biosciences. He noted that the proposed spine center does fit nicely into the broader picture.

Provost Nathan stated that the spine center initiative began before the biosciences initiative; however, there was no question that it would be an important component. As the biosciences initiative brings together strong faculty from two different parts of the university, it will create a synergism that would not be possible without either side.

Regent Dorr pointed out there were four major initiatives on the University of Iowa's docket this month that extend for a period of 5 years. He said the Regents have an obligation to look at those requests in the grander scheme of things -- what can they

legitimately fund, what can they legitimately take to the legislature as being essential to the mission of this university. There are choices that have to be made.

President Rawlings stated that Vice President Skorton is pursuing three or four different sources of funding. Appropriations are only one source. They also have to seek grant funds, private funds and reallocation opportunities within the university. If the university is going to emphasize these new initiatives something else will have to be de-emphasized.

Provost Nathan stated that in this case the College of Engineering has reallocated resources into the Department of Biomedical Engineering, believing that in that department lies a good part of its future.

Regent Hendricks asked if University of Iowa officials were forecasting any new construction or significant financial resources directed to reconstruction of facilities as a result of this center. Provost Nathan responded that they were not. The center will require about 5,000 square feet which will most likely be freed up in the University of Iowa Hospitals and Clinics. Location of the center will require minimal renovation costs.

VOTE ON THE MOTION: Motion carried unanimously.

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

PERMISSION TO PROCEED WITH PROJECT PLANNING

Biological Sciences Renovation/Replacement

University officials requested permission to proceed with project planning for the renovation of the Biological Sciences Building and nearby Annex. The renovation project will include Old Biology and the Biology Annex (constructed in 1902), and Biology I and Biology II (constructed in 1963 and 1969). Many areas of these buildings have remained essentially unchanged since their construction and do not meet the needs of modern science programs or occupant safety.

This project will include the complete renovation of Old Biology and an upgrade of the newer biology wings to meet modern laboratory requirements. The project will correct fire safety deficiencies which have caused the fourth floor of the Biology Building and the upper floors of the Annex to be vacated. The remodeling or replacement of the Biology Annex will be determined during the planning process.

Funding for this project was included in the Board's capital request for FY 1996 (\$10 million) and FY 1997 (\$4.95 million). This project is the university's third capital priority following fire and environmental safety and deferred maintenance, and the Board's fifth priority.

University officials requested approval to initiate the architectural selection process at this time in order to begin formal planning for the project. A master plan for improvements to the Biological Sciences complex was completed in 1991 by the firm of Brooks Borg and Skiles. Although much of that document is still relevant, the high priority placed on this project by the university and the Board dictates that efforts be undertaken immediately to further refine the scope and design of the project.

Vice President True stated that the highest single capital priority of the university was this \$15 million Biological Sciences Renovation/Replacement project.

PROJECT DESCRIPTIONS AND BUDGETS

Pharmacy Building--Pharmaceutical Services Remodeling

Source of Funds: Division of Pharmaceutical Services Earnings

Original Budget \$1,301,505
Revised Budget \$1,818,700

Project Budget

	Original Budget <u>May 1994</u>	Revised Budget <u>Oct. 1994</u>
Construction	\$ 957,000	\$ 1,495,095
Design, Inspection and Administration		
Consultants	198,555	198,555
Architect/Engineering Services	50,250	50,250
Contingency	<u>95,700</u>	<u>74,800</u>
 TOTAL	 <u>\$ 1,301,505</u>	 <u>\$ 1,818,700</u>

This renovation project is necessary to maintain compliance by the Division of Pharmaceutical Services with Good Manufacturing Practices, a set of Federal regulations that govern the pharmaceutical industry. The project will also increase

capacity to manufacture sterile pharmaceutical formulations for clinical trials, a major source of support for the Pharmaceutical Division.

The university received two bids for construction of this project on June 28, 1994. The low bid in the amount of \$1,249,000 exceeded both the engineering estimate of \$707,300 and the construction budget of \$957,000. University officials requested approval of the revised project budget to allow award of the construction contract to the low bidder.

Regent Dorr questioned the large cost overrun on the construction contract for the Pharmacy Building. Vice President True responded that this was a very complex project. The engineering work was done by a Massachusetts Company. This project was very small scale in terms of what they are used to. The budget was based on the schematic design and was scaled down in relation to what many of the larger pharmaceutical companies have done. Another reason for the high cost was the need to continue operating during the construction phase. This project is not discretionary. He believes the university received good bids and would like to proceed with the low bid. The project is necessary to maintain pharmaceutical services. He reminded the Regents that in May Vice President Manasse presented background on the nature of pharmaceuticals.

Regent Pellett stated that this was the third time today the Regents had been asked to approve increases in project budgets. Why is it happening so often?

President Berenstein said he was also concerned about the preliminary budget amount versus the recommended additional amount, which was almost a 50 percent increase. University officials should have waited to get a more exact figure before beginning the project.

Vice President Manasse stated that this project was not the remodeling of a laboratory or classroom but, rather, highly-specialized facilities under government regulations in terms of quality of care, processing of dust and particles, as well as the materials that are used to compose the walls and ceilings, etc.

Dean Banker stated that the pharmaceutical services operation is an enterprise that has been run by the College of Pharmacy under FDA registration for 23 years. The college has been manufacturing pharmaceuticals for the hospital for 70 years. The operation has been profitable. The college will be paying for about one floor of the new Pharmacy Building Addition through some of its accrued proceeds. The quality control and quality assurance laboratories and all of the solid dosage form areas will be moved to the new Pharmacy Building Addition. The existing sterile product laboratories which

are in the basement and sub-basement of the Pharmacy Building need to be renovated. The building was not originally conceived to produce sterile products which are the most complicated to produce.

Dean Banker stated that the facility is under a great deal of demand. Last year 65 companies utilized pharmaceutical services. The manufacture of sterile products to be injected into the body are the most profitable because they are the most complicated. The college is running 6 months behind on its ability to take contracts for sterile products. It is critical that this project be undertaken if they are to stay in this business. He said the college will quickly be able to pay back the cost of this development. Last year the college produced about \$1.5 million of its \$5 million of products in sterile products. With the completion of the addition the college will double its capacity in the sterile product area. He said the business is going to continue because of the biotechnology revolution.

President Berenstein asked Dick Gibson to address the cost overruns.

Director Gibson stated that a very unusual bidding climate is being experienced in Iowa City. University officials keep their "fingers crossed" every time they open a bid because the construction market is very busy at this time. He said the status of the market can manifest itself by a limited number of subcontractors expressing interest in a project and by an aggregation of bids from several major contractors relying on the same set of subcontractors. Even-looking bids can be received but they can be way off the chart because of the lack of competition. On this project university officials found there was at least one major subcontractor that is apprehensive about the project. It is difficult to know exactly what a subcontractor will be asked to do in the course of completing the project because everything is subject to review by the FDA. Inspectors in many cases will find something unacceptable, direct that it be torn out and done over again. If university officials had known they were going to have this much trouble adhering to the budget, they would have had a much higher level of scrutiny. He believes the university received a decent set of bids even though the estimates did not suggest the project was going to cost this much.

Regent Tyrrell suggested that when university officials present the Regents with an estimated budget they indicate whether there could be a volatile bidding process.

President Rawlings stated that this project requires expertise and is a technically difficult project. University officials have experienced a couple other instances where bids have been wildly inaccurate on the low side. The market right now is up. There have been some projects where the overruns have been much higher than he ever would have anticipated. Most firms do not need the work right now.

Director Gibson stated that university officials give the Regents their best estimate of project cost when they present the preliminary budget. The consultants are nervous because they do not know how to deal with the impact of the construction market.

Regent Dorr asked if there was ever a point at which a contract costs too much and university officials determine they cannot proceed with the project. President Rawlings responded that there were. In one instance recently they had to go back and reduce the size of the project.

Vice President Manasse emphasized that pharmaceutical earnings will pay for the project. The pharmaceuticals business for the university is booming.

Dean Banker stated that the money was in an endowment account for this project. Future business looks very promising.

President Berenstein stated that he would like to know what the dollar amounts mean in the future. This was the third time today that the Regents were asked to approve a cost increase and the only explanation was that it was tough to find labor. He said he would vote against the university's request, as a protest.

* * * * *

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

* * * * *

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

<u>University Hospitals and Clinics--Colloton Pavilion West Entrance</u>	<u>\$7,035</u>
<u>Enclosure and Lobby Development</u>	
Hansen Lind Meyer, Iowa City, Iowa	

University officials requested approval of amendment #3 in the amount of \$7,035 to the agreement with Hansen Lind Meyer for expanded services on this project. These services will include the development, design and documentation of built-in window washing equipment in the Colloton Pavilion west entrance three-story lobby.

Amendment No. 3 will not result in an increase in the total project budget.

University Hospitals and Clinics--General Hospital Sprinkler Installation-- \$800
Phase A
Design Engineers, Cedar Rapids, Iowa

CONSTRUCTION CONTRACTS

Pharmacy Building--Pharmaceutical Services Remodeling \$1,249,000
McComas-Lacina Construction Company, Inc., Iowa City, Iowa

University officials requested approval to award the construction contract to the low bidder, McComas-Lacina Construction Company, Inc., Iowa City, Iowa, in the amount of \$1,249,000. Two bids were received for this project on June 28, 1994. Both bids exceeded the engineering estimate.

University Hospitals and Clinics--OB/GYN Clinic Exam Room and \$420,726.00
Corridor Refurbishing
Award to: McComas-Lacina Construction Company, Inc., Iowa City, Iowa
(6 bids received)

Dental Science Building--Reconstruct Visitor Parking Lot \$415,250.65
Award to: All American Concrete, Inc., North Liberty, Iowa
(2 bids received)

University Hospitals and Clinics--Dietary Dock Building Life Safety Code Renovation

Reject Bids

Four bids were received for this project on June 15, 1994. All bids exceeded the engineering estimate of \$229,200 by at least 29.6 percent. The bids also exceeded the construction budget for the project. On September 16, 1994, the Executive Director authorized the university to reject the bids and reevaluate and re-bid the project at a future date.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Multi-Tenant Facility--Oakdale Research Park--Construct Center for Biocatalysis and
Bioprocessing Laboratory
Selzer-Werderitsch Construction Company, Inc., Iowa City, Iowa

University Hospitals and Clinics--Overhead Pedestrian Link--Pappajohn Pavilion to
Hospital Parking Ramp #2

Mid-America Construction Company, Inc., Iowa City, Iowa

Pharmacy Building Addition--Fire Alarm--Asbestos Abatement

Site Services, Ltd., Algona, Iowa

Steam Distribution System Improvements--Power Plant to South Grand Avenue

ACI Mechanical Corporation, Ames, Iowa

FINAL REPORTS

Van Allen Hall--Repair Exterior, Replace Roof \$887,110.74

Quadrangle--Renovate Rest Rooms \$662,744.12

Energy Management Program Implementation--Main Library \$650,000.00

University Hospitals and Clinics--Ambulatory Surgery Center
Sixth Operating Room \$635,521.17

Schaeffer Hall--Replace Windows \$600,102.60

University Hospitals and Clinics--Development of Radiology
Faculty Offices \$569,305.62

Electric Distribution Loop F \$467,788.00

Old Capitol Exterior Repairs \$357,670.78

South Grand Avenue Telecommunication Cable Replacement \$350,738.76

Electric Distribution Loop J--Phase II \$269,156.46

University Hospitals and Clinics--General Hospital Fire Protection
System Enhancements \$267,474.55

Burge Hall--Replace Windows, Second and Third Houses \$199,070.55

MOTION: Regent Newlin moved to approve the university's capital register. Regent Furgerson seconded the motion. **MOTION CARRIED WITH REGENT BERENSTEIN VOTING NO.**

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

University officials requested approval to renew its lease as lessor with Solltech, Inc., for its use of 694 square feet of business incubator space located at the Oakdale Research Park at the rate of \$231.33 per month (\$4 per square foot, \$2,775.96 per year), for a six-month period;

University officials requested approval to renew its lease as lessee with Thomas R. Alberhasky for the university's use of 2,017 square feet of warehouse space located in Iowa City, Iowa, at the rate of \$588 per month (\$3.50 per square foot, \$7,056 per year), for a two-year period.

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

MOTION CARRIED UNANIMOUSLY.

SALE OF PROPERTY. The Board Office recommended the Board authorize the University of Iowa to sell property located at 731 - 14th Avenue, Coralville, Iowa, to James Edward Miller and Janet K. Miller, subject to approval of the Executive Council of Iowa.

The property was inherited by the university in 1978 from the trust created under the will of Bert E. Manville, when the trust was terminated by the death of Martha J. Manville.

The land was subject to a real estate contract dated May 1, 1967, and was assigned later to another buyer. The buyer has kept payments current on the real estate contract and now sought to complete the obligation in accordance with the terms of the contract.

Approval of the Executive Council is required for the sale.

MOTION: Regent Collins moved to authorize the University of Iowa to sell property located at 731 - 14th Avenue, Coralville, Iowa, to James Edward Miller and Janet K. Miller, subject to approval of the Executive Council of Iowa. Regent Newlin seconded the motion, and upon the roll being called, the following voted:
AYE: Berenstein, Collins, Dorr, Furgerson, Hendricks, Johnson-Matthews, Newlin, Pellett, Tyrrell.
NAY: None.
ABSENT: None.

MOTION CARRIED UNANIMOUSLY.

AMBAC INDEMNITY SURETY BOND AND GUARANTY AGREEMENT. The Board Office recommended the Board adopt a Resolution approving an AMBAC Indemnity Surety Bond and Guaranty Agreement as substitute security for a portion of the debt service reserve fund established for the Utility System Revenue Bonds (State University of Iowa) Series SUI 1985, Series SUI 1989 and Series SUI 1993 and authorizing the Executive Director to approve certain terms and conditions relating to the substitution.

The \$7.5 million project will be funded from a combination of sources:

Utility Enterprise Improvement and Replacement Funds	\$1,500,000
Utility Enterprise Debt Service Reserve Funds	3,500,000
Treasurer's Temporary Investment Income	<u>2,500,000</u>
Total	\$7,500,000

At its May 1994 meeting the Board approved, with the concurrence of the Regents' bond counsel and financial advisor, the partial liquidation (\$3.5 million of the \$5.4 million mandatory reserve) of the Utility Enterprise System Reserve to finance these modifications through purchase of a surety bond.

Bids for the surety bond were opened August 24, 1994. The low bid of \$59,250 by AMBAC Indemnity Corporation of New York was substantially below the estimated cost of \$122,500.

The option to substitute a surety or insurance policy for all or part of the debt service reserve fund is a unique provision of the indenture for the Utility System Revenue Bonds.

Bond counsel requested adoption of a resolution, which it prepared, approving an AMBAC Indemnity Surety Bond and Guaranty Agreement as substitute security for the debt service reserve fund established for the Utility System Revenue Bonds and authorizing the Executive Director to approve certain terms and conditions relating to the substitution.

ACTION:

The motion for this item can be found under the report of the Banking Committee, page 384 of these Minutes.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, October 19, 1994.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the Register of Personnel Changes for September 1994 which included two requests for early retirement and one for phased retirement.

MOTION: Regent Newlin moved to approve the Personnel Register, as presented. Regent Collins seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

PROJECT DESCRIPTIONS AND BUDGETS

Maple-Willow-Larch and Commons Facilities--1993 Flood \$720,700

Damage Mitigation

Source of Funds: Dormitory System Surplus Funds and Federal
Emergency Management Agency

Preliminary Budget

Contracts	\$ 547,700
Design Services	86,000
Construction Administration	11,400
Miscellaneous	5,000
Landscaping	5,000
Utility Extensions	5,000
Project Reserve	<u>60,600</u>
TOTAL	<u>\$ 720,700</u>

University officials requested approval of a project description and budget for the design and construction of a ring dike and flood wall to surround the Maple-Willow-Larch and Commons facilities.

In December 1993 the university received approval to enter into an agreement with Snyder and Associates, Inc., for a study of flood damage mitigation measures. This project represented phase I of the consultant's recommendation, and included a gate well, pumping station, storm sewer/site drainage improvements, and an increase in the elevation of the access road to Willow and Larch Halls.

Design services for this project will be negotiated with Snyder and Associates.

Institutional Roads Project--Special Maintenance 1995 \$415,000

Preliminary Budget

Construction Contract	\$ 302,850
Design Services	70,000
Construction Administration	7,300
University Services	5,000
Miscellaneous	250
Project Reserve	<u>29,600</u>
TOTAL	<u>\$ 415,000</u>

Source of Funds:

1994 Institutional Roads Funds	\$ 40,000
1995 Institutional Roads Funds	253,000
1996 Institutional Roads Funds	<u>122,000</u>
TOTAL	<u>\$ 415,000</u>

University officials requested approval of a project description and budget for paving maintenance work on three institutional roads to be undertaken in the summer of 1995. The project will include patching, joint repairs, surface overlays, and subsurface drainage improvements. The streets to be repaired include 13th Street east of Stange Road, South 16th Street east of Elwood Drive, and State Avenue north of Mortenson Road.

IOWA STATE UNIVERSITY
October 19, 1994

The scope of work concurs with the 1995-2000 institutional roads program approved by the Board in July 1994.

Curtiss Hall--Brenton Center

Original Budget \$1,400,000
Revised Budget \$1,575,000

Project Budget

	Original Budget <u>March 1994</u>	Revised Budget <u>Oct. 1994</u>
Contracts	\$ 718,000	\$ 853,000
Design Services	105,500	119,570
Construction Administration	32,035	36,595
University Services	3,000	4,000
Miscellaneous	3,000	3,000
Movable Equipment	405,000	405,000
Landscaping	3,000	3,000
Art Work	7,000	7,875
Building Automation	11,000	13,000
Telecommunications	10,000	10,000
Project Reserve	<u>102,465</u>	<u>119,960</u>
 TOTAL	 <u>\$ 1,400,000</u>	 <u>\$ 1,575,000</u>
 Source of Funds:		
ISU Foundation	\$ 1,400,000	\$ 1,450,000
Overhead Reimbursement for Use of Facilities	<u> </u>	<u>125,000</u>
 TOTAL	 <u>\$ 1,400,000</u>	 <u>\$ 1,575,000</u>

The revised budget will allow the university to expand the scope of the project to include new toilet facilities adjacent to the Brenton Center. These new facilities will serve the entire building and were identified in the schematic design for future development if additional funding became available.

IOWA STATE UNIVERSITY
October 19, 1994

The existing toilet facilities in Curtiss Hall are substandard both in quantity and quality. The revised scope will add a women's restroom and remodel and expand an existing men's room. The areas being displaced by the rest rooms will be relocated to other areas of the building.

The revised budget reflects an increase of \$50,000 in the ISU Foundation fund source and the addition of \$125,000 from overhead reimbursement for the use of facilities.

Insectary--Greenhouse Renovation

March 1994 Budget \$185,000
Revised Budget \$265,000

	<u>Project Budget</u>	
	<u>March 1994 Budget</u>	<u>Revised Budget Oct. 1994</u>
Contracts		\$ 24,500
Demolition	\$ 3,500	3,410
Construction Contract	148,450	167,701
Design Services	5,000	5,000
Construction Administration	9,980	7,365
University Services	6,500	20,000
Miscellaneous	1,000	1,000
Movable Equipment		15,000
Telecommunications		1,000
Project Reserve	<u>10,570</u>	<u>20,024</u>
TOTAL	<u>\$ 185,000</u>	<u>\$ 265,000</u>
Source of Funds:		
Agriculture Experiment Station	\$ 165,000	\$ 245,000
Entomology	<u>20,000</u>	<u>20,000</u>
TOTAL	<u>\$ 185,000</u>	<u>\$ 265,000</u>

University officials requested approval of a revised project budget in the amount of \$265,000, an increase of \$80,000, to continue rebuilding the Insectary's greenhouse structure.

The university initiated this project in October 1993 and has been proceeding with the work as funding has become available. The current budget was approved by the

university in March 1994 in accordance with the Board of Regents Procedural Guide for projects under \$250,000. The Agriculture Experiment Station has received additional funding in the amount of \$80,000 which will allow the university to contract for necessary electrical and mechanical work and purchase equipment for the facility.

University officials reported five new projects with budgets of less than \$250,000. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university. Included was the Knoll--Replace Security System project in the amount of \$7,000.

ARCHITECT/ENGINEER AGREEMENTS

<u>Utilities--Increased Chilled Water Capacity--Phase I</u>	<u>\$14,300</u>
Brown Engineering Company, West Des Moines, Iowa	

University officials requested approval to enter into an agreement with Brown Engineering Company to provide engineering services for the restoration of the cooling tower area following construction of the new cooling tower cell. The restoration will include regrading, revisions to the storm sewer system in the area, and re-establishment of area service roads. The university had originally intended to provide design services for this work but now wishes to have the project consultant complete the required specifications and drawings.

The agreement provides for a fee of \$14,300, including reimbursables.

<u>Lake LaVerne Restoration</u>	<u>\$35,040</u>
Butts-Gjersvik Engineering Company, Des Moines, Iowa	

University officials requested approval to enter into an agreement with Butts-Gjersvik Engineering Company to provide design services for the restoration of Lake LaVerne. The restoration work will include removal of bottom sediments, rerouting of storm sewers, installation of a well to provide make-up water, installation of handrails on culvert wing walls, grading of the north shoreline, and construction of a small island for the nesting of swans.

Butt-Gjersvik Engineering Company completed the feasibility study for the lake restoration with input from the project program and planning committee members. The agreement for this study was reported to the Board in June 1994. At that time, the

Board was notified of the university's intent to also utilize the Butts-Gjersvik firm to provide design services for the project.

The agreement provides for a fee of \$35,040, including reimbursables.

Amendments:

<u>Curtiss Hall--Brenton Center</u>	<u>\$13,070</u>
Savage-Ver Ploeg and Associates, Inc., West Des Moines, Iowa	

CONSTRUCTION CONTRACTS

<u>Veterinary Medicine--Energy Conservation Remodeling--Phase 2</u>	<u>\$871,500</u>
Award to: ACI Mechanical Corporation, Ames, Iowa	
(2 bids received)	

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

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

University officials requested approval to renew its lease as lessor with Apogee Corporation for its use of 165 square feet of business incubator space at the ISU Research Park at the rate of \$210 per month (\$15.27 per square foot, \$2,520 per year) for a six-month period.

University officials requested approval to enter into a lease as lessor with Iowa Lighting, Inc., for its use of 900 square feet of business incubator space at the ISU Research Park at the rate of \$1,100 per month (\$14.67 per square foot, \$13,200 per year), for a one-year period.

University officials requested approval of a 28E agreement with the City of Ames, Story County, and the Iowa Department of Transportation for funding of the Skunk River/ Squaw Creek Flood Plain Management Study at a maximum cost to the university of \$45,000.

University officials requested approval to enter into a lease as lessor with J. A. Machinery Company, Ltd., for its use of hangar space at ISU Flight Service at the rate of \$375 per month (\$1.08 per square foot, \$4,500 per year), for a one-year period.

University officials requested approval to enter into a lease as lessee with Des Moines Area Community College for the university's use of 8,800 square feet of space for the Iowa Energy Center at the rate of \$1 per year for a five-year period.

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

MOTION CARRIED.

NAMING OF THE NEW ATHLETIC BUILDING AS THE RICHARD O. JACOBSON ATHLETIC BUILDING. The Board Office recommended the Board approve naming the new athletic building as the Richard O. Jacobson Athletic Building.

Iowa State University officials requested approval to name its new athletic building, to be constructed at the north end of Cyclone Stadium/Jack Trice Field, the Richard O. Jacobson Athletic Building.

Richard O. Jacobson is president and chief executive officer of Jacobson Warehouse Company, Des Moines, Iowa. He is a long-time ISU booster and lead donor for the project.

Mr. Jacobson's activities and honors include:

- o established scholarship fund for all high school graduates of his hometown Belmond;
- o focused philanthropy on charities that assist disadvantaged children, the homeless, and young people seeking to earn a college education
- o named 1993 Outstanding Philanthropist by the Central Iowa chapter of the National Society of Fund-Raising Executives; and

- o named 1994 honorary telephonic chairperson for Variety Clubs of Iowa.

President Jischke stated that it was with considerable pleasure that he requested the Board's approval to name the athletic building for Mr. Jacobson. He said Mr. Jacobson's support of Iowa State University was exemplary.

MOTION: Regent Pellett moved to approve naming the new athletic building as the Richard O. Jacobson Athletic Building. Regent Newlin seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

UNIVERSITY OF NORTHERN IOWA

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

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the university's Register of Personnel Changes for August and September 1994.

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

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

PROJECT DESCRIPTIONS AND BUDGETS

Price Laboratory School--Field House Replacement

Original Budget \$3,000,000
Revised Budget \$2,735,000

Project Budget

	Original Budget <u>Nov. 1993</u>	Revised Budget <u>Oct. 1994</u>
Contracts/Purchase Orders	\$ 2,450,000	\$ 2,220,000
Consultant/Design Services	200,000	200,000
Landscaping	50,000	50,000
Furnishings and Equipment	140,000	120,000
Art Work	15,000	15,000
Contingencies	<u>145,000</u>	<u>130,000</u>
TOTAL	<u>\$ 3,000,000</u>	<u>\$ 2,735,000</u>

UNIVERSITY OF NORTHERN IOWA
October 19, 1994

	Original Budget <u>Nov. 1993</u>	Revised Budget <u>Oct. 1994</u>
Source of Funds:		
Legislative Appropriations	\$ 3,000,000	
Academic Building Revenue Bonds		\$ 2,500,000
Institutional Funds		<u>235,000</u>
 TOTAL	 <u>\$ 3,000,000</u>	 <u>\$ 2,735,000</u>

University officials requested approval of a revised project budget in the amount of \$2,735,000, a decrease of \$265,000 from the budget approved in November 1993. The revised budget reflected an adjustment in the line item detail to correspond with the actual amount of bond funds to be applied to construction of the facility. The source of funds has been revised to reflect this amount and includes Academic Building Revenue Bonds and institutional funds.

University officials reported one new project with a budget of less than \$250,000. The title, source of funds and estimated budget for the project was listed in the register prepared by the university.

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

<u>Library Addition</u>	<u>\$12,500</u>
Herbert Lewis Kruse Blunck, Des Moines, Iowa	

University officials requested approval of Amendment #3 in the amount of \$12,500 to the agreement with Herbert Lewis Kruse Blunck for the design of the Library Addition. Under the amendment, construction documents will be modified to accommodate construction changes in two areas of the facility, the Acquisition Department and the Center for the Enhancement of Teaching.

In addition, the architect will resolve unanticipated field conditions discovered during construction. Reactivation and relocation of the west pipe zone for the fin tube heating

and structural support modifications to the exterior pre-cast concrete on the east unit of the building are included.

Amendment No. 3 will not result in an increase in the total project budget.

CONSTRUCTION CONTRACTS

<u>Center for Energy and Environmental Education--Art Work</u>	<u>\$19,900.00</u>
Award to: Roberta Lord, Kansas City, Missouri	

<u>Library Addition--Tables and Carrels</u>	<u>\$388,660.95</u>
Award to: Saxton, Inc., Cedar Rapids, Iowa (6 bids received)	

<u>Price Laboratory School--Field House Replacement</u>	<u>\$2,059,600.00</u>
Award to: Cardinal Construction Company, Waterloo, Iowa (6 bids received)	

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

<u>Commons Renovation--Phase I</u>	<u>\$856,748.77</u>
Cardinal Construction Company, Waterloo, Iowa	

<u>Library Addition/Wright Hall Renovation--Art Work</u>	<u>\$45,500.00</u>
Cork Marcheschi, San Francisco, California	

MOTION:	Regent Johnson-Matthews moved to approve the university's capital register, as presented. Regent Collins seconded the motion. MOTION CARRIED UNANIMOUSLY.
---------	---

LEASE OF PROPERTY. The Board Office recommended the Board approve the lease, as presented.

University officials requested approval to enter into a lease as lessor with Todd and Terry Ryan for their use of 864 square feet of residential property located in Cedar Falls, Iowa, at the rate of \$300 per month (\$4.17 per square foot, \$3,600 per year) for a nine-month period.

MOTION:

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

MOTION CARRIED.

PRELIMINARY RESOLUTION FOR SALE OF COLLEGE SAVINGS BONDS. The Board Office recommended the Board adopt a Resolution authorizing proceeding with the issuance of up to \$15,060,894 in aggregate principal amount of Academic Building Revenue Bonds (Iowa College Savings Program), Series U.N.I. 1994 and authorizing the Executive Director to approve certain terms and conditions relating to the structure and marketing of the Bonds including the preparation and delivery of a preliminary official statement.

The bonds and the projects to be funded with the proceeds were authorized by the General Assembly in 1994. The proceeds from the sale of the bonds will fund the following capital projects at the University of Northern Iowa (project amounts rounded to nearest thousand):

Price Lab Fieldhouse	\$ 2,500
Wellness/Recreation Center	11,500
Fire Safety/Deferred Maintenance	113
Maximum Reserve Deposit	<u>947</u>
Total	\$15,060

Project costs include normal issuance costs for underwriting fees. Additional issuance costs unique to the college savings bond program (costs for the brochure, advertising, the 800 number and printing and distribution of the Iowa College Student Aid Commission letter) will be added to the underwriting fee and billed through that means, as in prior issues of College Savings Bonds.

The reserve deposit may be less than the maximum because of lower reserve balances required as a result of the capital appreciation bond structure.

The maximum issue amount, per the legislation, is \$15,060,894. The exact amount will vary, given the effect of actual November 16 interest rates on actual debt service and hence the reserve amounts.

The bond sale is scheduled for Wednesday, November 16, 1994. A two-day order period is planned (Monday and Tuesday) prior to the Board meeting on November 16. During that period, large orders will be held long enough to assure priority to small orders.

The working group for the UNI Academic Building Revenue Bonds, recommended that the Banking Committee consider global book entry for that issue. Using "global book entry" registers all bond investors as a book entry without leaving investors the option of receiving a printed bond to be personally held, a current option a significant number of investors take advantage of presently.

Global book entry saves the costs of printing individual bonds, estimated at \$3,820, and registrar and paying agent annual cost of approximately \$2,800 for a \$15 million issue. Offsetting these cost savings would be the one-time, up-front bond depository payment of \$450 and additional legal expenses estimated at \$500.

UNI will issue a single check to the depository for payments to the investors when due. All payments flow through the depository to participants in the depository system, generally brokerage firms and banks, and from there to the bondholder, either as a check mailed directly to the bondholder, or, most frequently, as a payment credited to the bondholders' brokerage or bank bond department account.

ACTION: The motion on this matter can be found under the Report of the Banking Committee, page 384 of these Minutes.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on October 19, 1994.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the school's Register of Personnel Changes for August and September 1994 which included one early retirement.

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

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board The Iowa School for the Deaf presents the following change order for Board approval.

<u>1994 Tuckpointing and Sealing Project</u>	<u>\$9,445</u>
McGill Restoration, Omaha, Nebraska	

School officials requested approval of several change orders totaling \$9,445 to the construction contract with McGill Restoration for the sealing and waterproofing of various buildings on the Iowa School for the Deaf campus.

The change orders will provide for additional work to address deterioration in the exterior building system which was greater than originally anticipated. The change orders were reviewed in detail and were acceptable to the school project manager and the project architect. The change orders will be funded with FY 1995 Building Repair funds.

MOTION: Regent Johnson-Matthews moved to approve the school's capital register, as presented. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

AREA EDUCATION AGENCY UMBRELLA CONTRACTS. The Board Office recommended the Board approve the agreement with Loess Hills Area Education Agency 13.

Iowa School for the Deaf officials submitted an agreement that consolidates several previous agreements with Area Education Agency 13 into one umbrella agreement. The agreement changes the pattern of annual agreements.

The agreement was reviewed by the Attorney General's Office.

MOTION: Regent Hendricks moved to approve the agreement with Loess Hills Area Education Agency 13. Regent Furgerson seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

CONTRACTS WITH AREA EDUCATION AGENCY 13 AND LEWIS CENTRAL. The Board Office recommended the Board approve the agreement with Area Education Agency 13 and Lewis Central Community School District.

Iowa School for the Deaf officials submitted the annual renewal of an umbrella agreement that indicates that Area Education Agency 13, Lewis Central, and Iowa School for the Deaf will work together in programming for Iowa School for the Deaf students who wish to attend Lewis Central for classes determined in their Individual Education Plan.

This agreement sets forth responsibilities of Area Education Agency 13, Lewis Central Community School District, and Iowa School for the Deaf to provide special education services for Iowa School for the Deaf students who wish to attend Lewis Central.

Parties to the agreement will meet a minimum of two times per year to review the program. One member from each agency shall serve as a screening committee to determine feasibility and the parameters of each student placement.

This agreement is consistent with Federal law that mandates that disabled students be educated to the maximum extent possible with their non-disabled peers.

The agreement was reviewed by the Attorney General's Office.

MOTION: Regent Pellett moved to approve the agreement with Area Education Agency 13 and Lewis Central Community School District. Regent Collins

IOWA SCHOOL FOR THE DEAF
October 19, 1994

seconded the motion. MOTION CARRIED
UNANIMOUSLY.

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

School officials requested approval to renew a lease as lessor with the Iowa Association of the Deaf for its use of 1,113 square feet of office space on the Iowa School for the Deaf campus for a one-year period. The Association will provide various in-kind services to the school in lieu of paying rent.

School officials requested approval to enter into a lease as lessor with Community Services for the Deaf for its use of 280 square feet of office space located at the Iowa School for the Deaf at the rate of \$280 per month (\$12 per square foot, \$3,360 per year) for an eight-month period.

MOTION:

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

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

NAY: None.

ABSENT: Dorr.

MOTION CARRIED.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Wednesday, October 19, 1994.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve personnel transactions, as follows:

Register of Personnel Changes for the period July 31 to September 24, 1994, which included two early retirements.

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

POLICY ON STUDENTS RETURNING FOLLOWING ILLNESS. The Board Office recommended the Board approve the policy on students returning to the Iowa Braille and Sight Saving School following illness or medical treatment.

As a protection to students, staff and the school, Iowa Braille and Sight Saving School officials feel it is necessary to require complete medical information on any student prior to the student's return to the school following a prolonged illness.

The Attorney General's Office and the Iowa Department of Education's Special Education Bureau reviewed the policy. The proposed policy follows:

Students Returning to School Following Illness or Medical Treatment

To protect the health, safety and well being of students, current medical treatment plans must always be available to appropriate staff at the Iowa Braille and Sight Saving School.

When students have experienced surgery or hospitalization, parents must submit a doctor's release and any orders concerning the care and treatment of the student.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
October 19, 1994

When students have been absent due to illness lasting three or more days, parents may be required to submit a doctor's release and any orders concerning the care and treatment of the student.

All necessary information must be filed with the school prior to the student's return. The information must include notice of any restrictions, instructions for any therapeutic programs, and a detailed explanation of any special care or services required.

Based on the doctor's statement, appropriate in-servicing of staff providing care to the student will be provided prior to the student's return.

Until the school has received the necessary information, the school reserves the right to refuse re-entry of a student.

Following any subsequent medical visit or check-up, doctor's orders must be received when the student returns to the school.

Regent Tyrrell asked for the criteria for determining whether or not a doctor's statement would be required. Superintendent Thurman responded that it would be determined on an individual basis.

MOTION:

Regent Newlin moved to approve the policy on students returning to the Iowa Braille and Sight Saving School following illness or medical treatment. Regent Collins seconded the motion.
MOTION CARRIED UNANIMOUSLY.

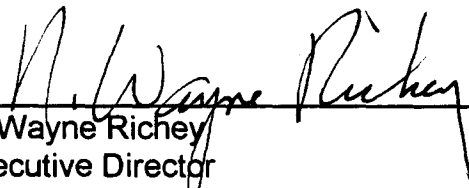
REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office stated there were no transactions on the school's capital register.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL
October 19, 1994

ADJOURNMENT.

The meeting of the State Board of Regents adjourned at 3:28 p.m. on Wednesday,
October 19, 1994.



R. Wayne Richey
Executive Director