

The State Board of Regents met on Wednesday, September 14 and Thursday, September 15, 1988, at the State University of Iowa. The following were in attendance:

	<u>September 14</u>	<u>September 15</u>
<u>Members of State Board of Regents</u>		
Mr. Pomerantz, President	All sessions	All sessions
Mr. Duchon	All sessions	All sessions
Mr. Fitzgibbon	All sessions	All sessions
Mr. Greig	All sessions	All sessions
Dr. Harris	All sessions	All sessions
Mr. Tyler	All sessions	All sessions
Miss VanEkeren	All sessions	All sessions
Mr. VanGilst	All sessions	All sessions
Mrs. Williams	All sessions	All sessions
<u>Office of the State Board of Regents</u>		
Executive Secretary Richey	All sessions	All sessions
Director Barak	All sessions	All sessions
Director Eisenhower	All sessions	All sessions
Director Wright	All sessions	All sessions
Equal Opp. Compliance Ofcr. Maxwell	All sessions	Excused
Associate Director Jensen	All sessions	All sessions
Assistant Director Peters	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Rawlings	All sessions	All sessions
Vice President Hubbard	All sessions	All sessions
Vice President Phillips	All sessions	All sessions
Vice President Vernon	All sessions	All sessions
Associate Vice President Small	All sessions	All sessions
Assistant to President Mears	All sessions	All sessions
Assistant Vice President Rhodes	All sessions	All sessions
Director Cooper	All sessions	All sessions
Director Gibson	All sessions	All sessions
<u>Iowa State University</u>		
President Eaton	All sessions	All sessions
Exec. Vice President McCandless	All sessions	All sessions
Vice President Glick	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Treasurer Thompson	All sessions	All sessions
Assistant to President Bradley	All sessions	All sessions
Director Lentz	All sessions	All sessions
Assistant to Vice President Pickett	All sessions	All sessions
<u>University of Northern Iowa</u>		
President Curris	All sessions	All sessions
Vice President Martin	All sessions	All sessions
Vice President Conner	All sessions	All sessions
Vice President Follon	All sessions	All sessions
Exec. Ass't. to Pres. Stinchfield	All sessions	All sessions
Assistant to President Geadelmann	All sessions	All sessions
Director Chilcott	All sessions	All sessions
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	All sessions
<u>Iowa Braille and Sight Saving School</u>		
Superintendent Thurman	All sessions	All sessions
Director Hauser	All sessions	All sessions

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, September 14 and Thursday, September 15, 1988.

President Pomerantz recognized Vice President Phillips.

Vice President Phillips said university officials were pleased that the Regents were meeting on the campus of the University of Iowa this month. She stated they would be taking a tour of some of the university's undergraduate facilities. Their capital report described some of their needs in that area. They would be visiting the Colleges of Engineering, Liberal Arts and Business.

President Pomerantz stated that immediately following the tour the Regents would reconvene at the University of Iowa Hospitals and Clinics. (Please refer to the "State University of Iowa" section of these Minutes for those reports.)

The meeting reconvened at 2:22 p.m.

President Pomerantz recognized President Eaton.

President Eaton introduced the new provost of Iowa State University, Milton Glick.

President Pomerantz welcomed Dr. Glick.

President Pomerantz recognized Vice President Vernon.

Vice President Vernon introduced Leodis Davis, Acting Associate Vice President for Academic Affairs.

APPROVAL OF MINUTES OF BOARD MEETINGS, JULY 11, JULY 15, JULY 22 AND AUGUST 30, 1988.

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

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MOTION:

President Pomerantz stated the Minutes of the July 11, July 15, July 22 and August 30,

1988, meetings were approved by general consent.

CONSENT ITEMS. The items on the consent docket appear in the appropriate sections of these Minutes and were approved by general consent of the Board.

REPORT OF INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Early Childhood Education Center. The Board Office recommended the Board approve the proposal from the University of Northern Iowa for a Regents Center for Early Development Education and request that the University of Northern Iowa, in implementing this proposal, make provisions for a strong joint presence in the Center's activities for Iowa State University and the University of Iowa, as well, if it should wish to participate.

Last month, the Board referred this request to the Interinstitutional Committee on Educational Coordination to make a recommendation for the program location and structure. A majority of the members of the committee felt that a fair and objective assessment of the two proposals and of related issues could best be accomplished by the use of a consultant with expertise in the area, from outside the Regent institutions. The committee recommended that, in consultation with the Board Office, one or more consultants be selected from outside the Regent institutions to evaluate the proposals, explore and evaluate related factors and approaches, and make recommendations to the committee as to appropriate actions on this matter. On the basis of the consultants' report, the committee would then make appropriate recommendations to the Board.

While there is considerable merit to the recommendations of the Interinstitutional Committee, the Board Office recommended that the Board approve the proposal as developed by the University of Northern Iowa for a "Regents Center for Early Developmental Education." It was recognized that both Iowa State University and the University of Northern Iowa developed excellent proposals in response to this legislative mandate. It was clear from discussions with legislators that the intent of Senate File 2295 was to establish a Center for Early Development Education at the University of Northern Iowa. For this reason, the Board Office felt that it was not a wise expenditure of time and resources to study further the proposals that were submitted.

In making this recommendation, the Board Office very strongly encouraged the University of Northern Iowa to consider the need for a closer ongoing working relationship with faculty at Iowa State University in the area of Early Developmental Education. It was evident that both universities exhibit strength in the area of Early Childhood Education, much of which is complementary. There is no question that a combined effort by the two universities under the aegis of the Regents Center for Early Developmental Education would provide for a very attractive and competitive entity for seeking external funding.

The University of Northern Iowa already included provisions for "Center Fellows" from the other Regent universities and this is a very thoughtful inclusion. The Board Office would like to see, in addition, someone at Iowa State University with responsibility for fostering cooperative relations with the Center.

MOTION:

Regent Tyler moved to approve the proposal from the University of Northern Iowa for a Regents Center for Early Development Education, and requested that the University of Northern Iowa, in implementing this proposal, make provisions for a strong joint presence in the Center's activities for Iowa State University and the University of Iowa, as well, if it should wish to participate. Regent Duchon seconded the motion.

Provost Glick stated that Iowa State University has a laboratory in preschool education. With the increased efforts to bring in grants he felt that having a center located not at Iowa State University would not help Iowa State University officials in that regard.

VOTE ON THE MOTION:

The motion carried unanimously.

(b) Social and Behavioral Research Center for Rural Health - Iowa State University. The Board Office recommended the Board approve the proposal to establish a Social and Behavioral Research Center for Rural Health at Iowa State University.

In April, Iowa State University submitted a supplemental docket item to establish a Rural Health Research Center in the College of Family and Consumer Sciences in cooperation with the Iowa Methodist Health System. That proposal was referred to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

During the review of the program by the Interinstitutional Committee, several concerns were raised regarding the wording "Rural Health" in the title of the center since this would appear to give the center a broader mandate than what may have been intended. There was also a need to clarify the exact relationship to Iowa Methodist Health System in Des Moines.

Since April, there have been a series of meetings involving representatives from Iowa State University and the University of Iowa with topics including: (1) the name of the proposed center; (2) whether its role was unique or whether it duplicated efforts of other Regent institutions; (3) the role of Iowa Methodist Health System; and (4) the potential for interinstitutional

cooperative efforts in rural health. Based on these discussions Iowa State University prepared a revised proposal.

The Iowa State University-proposed center meets the specific requirements of the Board for centers and institutes. It appears that the center will not duplicate similar organizational structures at the other Regent institutions. In fact, the agreement worked out with the University of Iowa makes it very complementary to other ongoing activities.

MOTION: Regent Harris moved to approve the proposal to establish a Social and Behavioral Research Center for Rural Health at Iowa State University. Regent Williams seconded the motion, and it carried unanimously.

(c) London Study Abroad Consortium. The Board Office recommended the Board approve the London Study Abroad Consortium and authorize the Executive Secretary to sign the agreement with the Arizona Board of Regents.

The three Regent universities wish to enter into an agreement with the Arizona Board of Regents representing the University of Arizona, Arizona State University, and Northern Arizona University for the purpose of forming an educational consortium to provide for a London Study Abroad Program. The Consortium is an outgrowth of activities in the two states in operating separate London Study Abroad Programs. Both states encountered problems of insufficient numbers of students and adequate numbers of faculty members to provide instruction. The consortium would overcome these concerns by providing cross registration of students and the acceptance of credit for courses taken under the auspices of each state's universities.

The agreement provides for the identification of the member institutions, the acceptance of resident credit for all courses offered by consortium faculty, the coordination of the study program, and provisions for a resident director in London.

The agreement has already been approved by the Arizona Board of Regents and signed by its Executive Director. It was recommended that this agreement be approved by the Iowa Board of Regents and signed by its Executive Secretary. The consortium will provide for enhanced opportunities for Iowa students to participate and receive credit for a London Abroad study experience.

Vice President Martin stated the program is an interinstitutional cooperative program. He said they have devised a new arrangement for the administration of the program with the three universities which he believes is a more economical arrangement.

President Pomerantz asked what they were actually approving. Vice President Martin said they were authorizing the Executive Secretary to sign so they can negotiate the contract.

President Pomerantz noted that he hadn't seen a financial agreement. Regent Williams said a fee will be charged to each student.

MOTION: Regent Fitzgibbon moved to approve the London Study Abroad Consortium and authorize the Executive Secretary to sign the agreement with the Arizona Board of Regents. Regent Harris seconded the motion, and it carried unanimously.

Vice President Martin stated that Vice President McCandless would present an oral report on the status on activities in developing a structure regarding the legislative intent language of the Consortium for Exchange and Integration of Knowledge Among Universities.

Vice President McCandless stated that one person has been identified from each university to serve on the consortium. They are in the process of appointing internal and external committees. A written report will be ready for the October Board meeting.

ACCREDITATION REPORTS. (a) Music Accreditation - University of Iowa. The Board Office recommended the Board receive the report on accreditation of the undergraduate and graduate programs in Music at the University of Iowa.

In July, the University of Iowa was notified by the National Association of Schools of Music Commission on Undergraduate and Graduate Studies that it continued the accreditation of the following programs:

- Bachelor of Arts in Music
- Bachelor of Music
- Master of Arts in Music
- Master of Fine Arts in Music
- Doctor of Musical Arts in Performance and Pedagogy
- Doctor of Philosophy in Composition
- Doctor of Philosophy in Musicology
- Doctor of Philosophy in Music Education
- Doctor of Philosophy in Theory
- Doctor of Philosophy in Music Literature

The association also approved a plan for the Bachelor of Music in Music Therapy.

This action was taken based upon a review of the University of Iowa according to accreditation standards in effect in June 1988. This action culminated

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almost two years of activity regarding this accreditation. It is perhaps a case study of the extent of negotiation and compromise involved in specialized accreditation in higher education. The primary focus of this activity centered around curricular requirements for the various music programs.

A full copy of this report, including related correspondence and self-study, are on file in the Board Office.

ACTION: President Pomerantz stated the Board received the report on accreditation of the undergraduate and graduate programs in Music at the University of Iowa by general consent.

(b) Chemistry Program - University of Northern Iowa. The Board Office recommended the Board receive the report of the American Chemical Society (ACS) regarding the University of Northern Iowa Chemistry Program.

In July, the University of Northern Iowa received notice from the American Chemical Society, Committee on Professional Training, that the University of Northern Iowa Chemistry program continues to meet the guidelines that have been established for American Chemical Society-approved schools. While the American Chemical Society does not employ the term "accreditation" to this activity, the review is very similar to accreditation-type activities.

The Board Office reported that no site visit was held with respect to this review; however, a document prepared by the University of Northern Iowa was reviewed by the ACS. This review included discussion between the University of Northern Iowa and the American Chemical Society regarding the content of several courses. The concerns of the American Chemical Society were satisfied by the responses from the University of Northern Iowa.

Regent Tyler asked if it was normal accrediting procedure to have an on-site team visit of programs to be accredited. Vice President Martin responded that it was. He said the American Chemical Society did send in a team to evaluate the university's program.

Dr. Barak said an on-site visit report was not included in the materials submitted to the Board Office by university officials. Later, Dr. Martin confirmed that no site visit had been conducted by the American Chemical Society.

A complete copy of the correspondence regarding this accreditation is on file in the Board Office.

ACTION: President Pomerantz stated the Board received the report of the American Chemical

Society (ACS) regarding the University of Northern Iowa Chemistry Program by general consent.

(c) Regional Accreditation - University of Iowa. The Board Office recommended the Board receive the report on accreditation of the University of Iowa by the North Central Association.

Regional or institutional accreditation is a status accorded an institution of postsecondary education which embraces the whole institution as it defines itself and therefore includes all areas, activities, and programs. It is a significant and comprehensive evaluation of an institution as a whole.

The North Central evaluation consists of a four step process including: (1) an institutional self-study, (2) a site visit by a team of consultant evaluators resulting in a team report, (3) a review of the self-study and team report by a Review Panel and/or Review Committee and (4) official action by the Commission.

The self-study report as well as the recommendations of the North Central site visit team raise a number of major issues that need to be addressed in the strategic plan now being developed by the university. The actions will help determine the future of the university. Overall, however, the NCA report is very positive and the university should be congratulated.

President Rawlings stated the report was an attribute to the on-going distinction of the university. He said it remains a great institution and a symbol of excellence. It is an established and prestigious institution despite financial difficulties. He said university officials are gratified by those findings. On the other hand he said there are many warnings in the report which he takes very seriously. The primary one is undergraduate education. There is substantial under staffing. Professional development was another area of concern. President Rawlings said many faculty members do not take such leaves because of their colleagues' workloads.

President Rawlings stated that the inadequate number of faculty was created in part by a rapid rise in enrollments and excessive teaching loads. He said some students find it difficult to register in certain required courses.

President Rawlings said they have to address these issues. The report noted a need for a strategic, overall university five-year plan which President Rawlings said they are committed to doing. He said problem areas identified by the report provided the basis for the university's budget request.

ACTION:

President Pomerantz stated the Board received the report on accreditation of the University of Iowa by the North Central Association by general consent.

ANNUAL REPORT OF COMMITTEE ON LIBRARY COORDINATION. The Board Office recommended the Board (1) receive the report of the Committee on Library Coordination and (2) approve the hiring of outside consultants to suggest opportunities for new avenues of interinstitutional cooperation between the three Regent university libraries.

The report notes the number of persons served at the various Regent libraries and the long tradition of cooperation through inter-library lending of materials and direct reciprocal borrowing at the three Regent universities.

The report indicates the extent of inter-library lending on the part of the Regent institutions, it notes the impact of inflation on library purchasing and describes cooperative activities in collection development. The Regent libraries also continued to cooperate in their approach to negotiating binding contracts (the costs of binding contracts have not increased since 1983-84 due to this long-standing cooperative effort).

The report addresses the automation activities at the three universities and notes that while all three are in the process of automating their collections, they are being automated using three different systems. The Regents were advised on several occasions that while these separate systems are being used at the three Regent universities, eventually the systems will be compatible. Board Office staff assume that this is still the case.

The report also indicates the extent to which preservation activities are being undertaken at the Regent universities. Finally, the report notes that a staffing study was carried out this past year in conjunction with the Board of Regents Office concerning the classification for Library Assistants.

Early in the report and in several sections elsewhere the committee notes the limitations on cooperative efforts. Indeed no new cooperative activities have been identified in the committee's report over those reported to the Board on previous occasions. The Board Office feels that because of the large investment in books and materials at the Regent libraries and the continuing requests by the university libraries for additional funding because of increasing costs and needs, that it is perhaps time to bring in some outside consultants to look at the libraries and attempt to identify additional ways in which the universities can cooperate and greater efficiencies can be obtained.

There has not been a Regentwide study of the libraries like that being proposed, to our knowledge. Such a study would be in line with the organizational audit being conducted in other areas. It was suggested that the three Regent universities submit names of possible consultants to the Board Office. The Board Office in consultation with the Board President will identify two consultants to prepare a report on possible new avenues of coordination and cooperation between the Regent university libraries. The

costs for this study will be borne equally by the three Regent university libraries.

Vice President Vernon stated, on behalf of the three institutions, that he would prefer to wait to approve bringing in consultants. He said they haven't had time to consult their librarians and that there are many consultants actively reviewing different aspects of the universities at this time. They would like to get out from under the current flow of consultants and auditors and, therefore, delay for a while. He suggested that the beginning of next calendar year might be an appropriate time.

President Pomerantz asked that they resolve the issue by the December Board meeting.

Regent Fitzgibbon expressed concern that it's too easy hiring consultants.

Regent Harris said his reaction to the recommendation was that it would be difficult to find people who are more expert than the three librarians.

President Pomerantz stated that if the librarians can agree on a recommendation, the Regents would receive that recommendation in December. If they can't agree then outside resources should be brought in. He said that if there are needs in the libraries he would like to know about those in time to make a request to the legislature.

Regent Duchen referred to the Board Office statement that "there has not been a Regent-wide study of the libraries like that being proposed to our knowledge" and said that he has been hearing about cooperative efforts in the library area for many years. He said that at some point they ought to decide whether some kind of joint effort would create some operating efficiencies.

MOTION: Regent Fitzgibbon moved to table action on the annual report of the Committee on Library Coordination. Regent Williams seconded the motion, and it carried unanimously.

Regent Williams stated that the universities were instructed to bring this matter back to the Board by the December meeting.

President Pomerantz stated the universities' administrations would also provide input, if necessary.

PRELIMINARY ENROLLMENT REPORTS. The Board Office recommended the Board receive the preliminary (unofficial) enrollment report for Fall 1988.

Each fall the Board Office prepares a series of reports on institutional enrollments. This initial report provides preliminary enrollment totals.

While this information is not the official Fall 1988 count, it does provide the Board with a rough idea as to the status of enrollments at each of the Regent institutions. The Board needs to take this information into account as it makes programmatic and budgetary decisions.

In both Fall 1987 and in preliminary Fall 1988 reports, nonresidents comprised 25 percent of the total Regent population. In Fall 1987, Regent universities experienced a significant 4.7 percent decline in enrollment of new freshmen, while private colleges and area colleges reported increases of 5.2 and 5.4 percent, respectively. Preliminary headcount of new freshmen in Fall 1988 shows an increase in this sensitive aspect of enrollments. The University of Iowa and Iowa State University report increases of 1.5 and 1.6 percent, while the University of Northern Iowa reports a gain of 7.3 percent over new freshmen enrollments in Fall 1987 (the 1987 decline at UNI was 27 percent).

The universities reported the following headcount enrollments for new undergraduate transfers:

	<u>Preliminary 1988</u>	<u>Actual 1987</u>
University of Iowa	1,244	1,485
Iowa State University	1,374	1,295
University of Northern Iowa	836	717

In October and November, the Board will receive the official enrollment counts and a breakdown of enrollments by unit, race, sex, handicap, resident/nonresident, and foreign student status. The Board will also receive a report on Fall 1988 enrollment at all postsecondary institutions in Iowa.

Regent Fitzgibbon expressed great concern about the downward trend of enrollments and the headcount of 1988 compared to 1987. He said he was concerned about the out-of-state and graduate numbers, too. He noted that a year ago he said they need to take a look at how enrollments effect buildings being planned and funding to be considered. He said enrollment numbers need to play a bigger part in planning. He would like to see this addressed soon.

President Eaton said the number of new freshmen is up this fall at Iowa State University, as well as the number of transfer and graduate students. The number of out-of-state students, however, has declined.

Regent Fitzgibbon said he is more interested in projections of what it would do to funding if there were an additional 1,000 or 1,500 students. He said planning is the key to this whole thing.

Vice President Vernon said the plan Regent Fitzgibbon was talking about in terms of enrollment has turned out to be one of the hardest things for a university to do -- enrollments projections have been wrong more than half

of the time. He said he did agree, however, that they have to project as much as they can.

Regent Fitzgibbon said they need to pattern a marketing program to address their enrollment needs.

President Pomerantz said this subject is going to be brought up next month. He said they need to ask questions such as rather than Iowa State University having 25,000 students, would it enhance the university by only having 20,000 students. He said they need to anticipate the question of whether we need to downsize or expand the university. They need to anticipate all sides of it.

ACTION: President Pomerantz stated the Board received the preliminary (unofficial) enrollment report for Fall 1988 by general consent.

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

The Iowa Coordinating Council held its first meeting of the academic year at the University of Northern Iowa on September 7th. The major activities at the meeting included:

- * Appointment of Audit Committee. The Coordinating Council established a committee to audit the work of the Coordinating Council's treasurer. The committee will include representation from each of the sectors.
- * Statewide Study of Postsecondary Education. The Coordinating Council heard a report from Doug Gross from the Governor's Office and Jim Carney of Peat, Marwick, Main & Co. regarding the study of postsecondary education in Iowa currently underway.
- * Committee Appointed to Review Coordinating Council Mission and Bylaws. After a discussion of the statewide study and the role of the Coordinating Council, the Council appointed a committee to undertake a study of the mission and bylaws of the Coordinating Council and to report back to the council in December.
- * Cooperative Agreement Reached Between Community Colleges and Independent Colleges. The Coordinating Council was instrumental in the development of an agreement between various independent colleges (i.e., Clarke College, Loras College, Luther College, University of Dubuque, Upper Iowa University and Northeast Iowa Technical Institute). The agreement enabled the institutions involved to work cooperatively in providing academic programs for the area. The initial concern raised in the

Council had to do with the vocational school's request to become a community college and offer college parallel work.

- * Programs Accepted. The Coordinating Council accepted a proposal from Merged Area V (Indian Hills Community College) for an electronics occupation program.

Regent Williams said the committee discussed a proposal from Northeast Iowa Technical College to move from an area vocational school to an area community college. She said that meeting was historic. The Department of Education provided leadership that encouraged that kind of effort. She said it has also been interesting to see how the organizational audit effort is dovetailing with the other studies that are going on.

President Pomerantz said it is extremely important to find areas of cooperation with all the other sectors of higher education. He said the idea of having to be competitive with each other is outmoded.

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

REPORT ON STATEWIDE STUDY OF POSTSECONDARY EDUCATION. The Board Office recommended the Board receive the report.

The Steering Committee for the Statewide Study of Postsecondary Education held its initial meeting on September 8. The major item of business was to consider a report from Mr. James Carney and his staff of Peat Marwick Main & Co. on the goals and objectives of the project, the work plan, the project schedule, and other details of the study. Regents Pomerantz, Harris, VanEkeren, Fitzgibbon and Williams are members of the Steering Committee.

The meeting was attended by Mr. Edgar Bittle and Ms. Roxanne Conlin, co-chairs of the Legislative Task Force on Postsecondary Education. A great deal of cooperation is planned in carrying out the two studies.

The final report for the Joint Study on Postsecondary Education is scheduled for December 19, 1988. Board members will be kept informed of the progress of the study.

President Pomerantz noted that a great deal of attention is being focused on the spectrum of higher education in Iowa. He said hopefully they can use the Regents' organizational audit as a base and won't have to redo what we have already started. He looked forward to the conclusions and the recommendations that will be coming forward.

Regent Fitzgibbon stated it was a very aggressive time frame for the report to be completed by December 19.

President Pomerantz stated the intent is to be ready with significant recommendations prior to the legislative session in January.

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

REPORT ON PRIORITY ISSUES. The Board Office recommended the Board receive the update on the Priority Issues.

Work on a number of the Regents Priority Issues has advanced during the summer months. Below is a brief report on these Priority Issues and a list of new Priority Issues to be considered by the Board of Regents.

Intercollegiate Athletics. The Intercollegiate Athletics Priority Issue Study Committee led by Regent Duchen has completed a round of discussions with the athletic staffs at each of the Regent universities. These discussions were helpful in identifying issues of concern and conveying the Regents position with respect to a number of topics including academic achievement of students, student financial assistance, compliance with NCAA regulations, the financing of athletic programs, and the relationship with the academic programs of the universities.

Admissions and Articulation. The Priority Issue Study Group on Articulation and Admissions led by Dr. Harris met with the Educational Relations Committee to discuss the recommendations of the committee. The committee was asked to conduct a further study on transfer credits and to develop a plan for informing counselors, students, and parents of the proposed admission requirement changes that go into effect in 1990.

Cooperation and Teamwork. The Regents Priority Issue Study Group on Cooperation and Teamwork led by Regent Tyler met and reviewed a report on Cooperation in Technology. The institutions and the Board Office were asked to form a committee to study the development of a policy that would facilitate coordination and cooperation between and among the Regent universities.

Since the last report to the Board in July, several other areas have been suggested as Priority Issues. These proposed issues and a brief explanation of each appears below:

Continuing Education. There are a number of issues that have been brought to the Board's attention regarding the problems of duplication and service to citizens concerning the Continuing Education and Extension offerings of the Regent institutions. It was recommended that a study

group composed of Regents assisted by institutional persons with a knowledge of continuing education be formed to address this issue.

Competition with Private Enterprise. Last session the Legislature passed legislation requiring the Regents to take certain actions with respect to competition with private enterprise. The Board needs to develop a policy and guidelines in this area. It was recommended that a Regent committee assisted by appropriate institutional personnel and the Board Office be formed to address this issue.

Alternative Use of Facilities of the Two Special Schools. Both special schools have excess space and could accommodate additional activities if appropriate activities can be identified. It was recommended that a Regent study group assisted by appropriate institutional personnel and the Board Office be formed to address this issue.

Academic Advising. This has been a long-term concern of the Board with respect to the extent and kind of advising being provided to students at the Regent universities. It was recommended that a Board study group assisted by appropriate institutional personnel and the Board Office be established to address this issue.

Mr. Richey noted that this issue could be addressed in the long-range planning.

Deaf School Merger. This issue is still under consideration and activities are going forward with respect to encouraging the development of a merger between the Iowa School for the Deaf and other schools for the deaf in the region. It was recommended that a Board study group assisted by appropriate institutional personnel and the Board Office be formed to address this issue.

Child Care Study Committee. Legislation passed this past session requires that the Regent institutions develop a report on Child Care. It was recommended that a Regent committee assisted by appropriate institutional personnel and the Board Office be formed to address this issue.

Unit Cost Formula Evaluation. At the July Board meeting the Board heard a report regarding the development of Unit Cost Estimates for the Regent institutions. A number of concerns were raised at that time regarding the adequacy of the Unit Cost figures currently being prepared. It was recommended that a Board committee assisted by appropriate institutional personnel and the Board Office be formed to address this issue.

Regent Fitzgibbon noted that some issues were being held up until the organizational audit studies are completed. He said the study itself isn't cast in concrete and they should get some of these things going.

Regent Tyler referred to the issue of competition with private enterprise. He said he didn't think that the way it came out in the media was the way the facts really were. He hoped someone would set the record straight.

Regent Duchen referred to the intercollegiate athletics meetings that were held. He said they have great programs at all the Regent universities, both men's and women's athletics. He said he enjoyed visiting with the people who are involved with organizing and maintaining those programs. He felt it was good to have made this a part of the organizational audit scope so that all the Regents have a good understanding of the programs.

President Pomerantz thanked Regent Duchen for leading that effort.

ACTION: President Pomerantz stated the Board received the update on the Priority Issues by general consent.

STUDENT AID REPORTS. The Board Office recommended the Board (1) receive the Annual Report on Student Aid, 1987-88; (2) request that the universities continue to track student aid set-aside funds so that the Board can be assured that funds set aside for student aid at the time tuition is increased are used for that purpose; and (3) request that the Priority Issue Study group on Student Financial Aid review and make recommendations to the Board of Regents on the recommendations contained in the last section of this report.

Approximately \$197,660,000 in student financial aid was provided to 47,338 students at Regent universities in 1987-88. One hundred sixty more students were served in 1987-88 than in 1986-87. (This total is an unduplicated headcount--i.e., each student is counted once no matter how many different programs the student participated in.)

At Regent institutions during 1987-88, a total of 24,545 students received grants, scholarships, or tuition and fee waivers; 24,647 students received loans; and 25,239 were employed by the institutions in various student employment positions.

Gains were registered at all three Regent institutions in three of the four student aid categories--Institutional, State, and Federal Programs (Institutionally Controlled).

Institutional awards in 1987-88 were \$96,489,143 compared with awards of \$84,530,930 in 1986-87. The majority of the increase can be traced to gains in institutional employment (plus \$7 million) and to increases in the non need-based talent and academic scholarship category (which increased \$2.9 million).

The value of State Programs increased by \$1,745,750 largely due to inauguration of the Iowa Work-Study Program which provided Regent universities with a total of \$1,538,275 in 1987-88.

Increases were also recorded in the category of Federal Programs-- Institutionally Controlled at all three institutions.

Decreases totaling \$5.4 million were registered in Federal Programs (Non-Institutionally Controlled) at the University of Iowa and the University of Northern Iowa. Implementation of the "need" requirement for Guaranteed Student Loans resulted in fewer students qualifying and less money being distributed.

MOTION:

Regent Fitzgibbon moved to (1) receive the Annual Report on Student Aid, 1987-88; (2) request that the universities continue to track student aid set-aside funds so that the Board can be assured that funds set aside for student aid at the time tuition is increased are used for that purpose; and (3) request that the Priority Issue Study group on Student Financial Aid review and make recommendations to the Board of Regents on the recommendations contained in the last section of the report. Regent Williams seconded the motion, and it carried unanimously.

BUDGET REQUESTS AND PRELIMINARY RECOMMENDATIONS FOR FISCAL YEARS 1990 AND 1991 INCLUDING INFORMATION ON EMPLOYMENT TRENDS. (a) Capital Budgets. The Board Office recommended the Board receive a report on fiscal years 1990 and 1991 capital needs and requests.

- * The institutional capital improvement requests for appropriations for fiscal years 1990 and 1991 are for two fiscal years this time to conform with a Department of Management requirement to submit a two-year budget request.
- * The Board Office outlined areas of general support with the institutions' requests and asked for comments and direction from the Board. Detailed recommendations will then be provided in October when the Board will determine the capital improvement request to be submitted to the Governor.
- * The Regent institutions presented capital requests totaling \$87.4 million for fiscal year 1990 and \$211.4 million for fiscal year 1991, not including the University of Iowa Hospitals and Clinics.

- * The institutional requests are predominantly directed at safety, accumulated deferred maintenance, utility needs, and undergraduate teaching facilities.
- * The University of Iowa's capital requests for fiscal years 1990 and 1991 are \$15.5 million and \$89.8 million, respectively. The university's two top priorities are for meeting basic infrastructure needs as well as undergraduate classroom and laboratory needs. Requests are also made to address needs in Pharmacy Education and renovation of the International Center.
- * The University of Iowa Hospitals and Clinics are projecting to spend \$5,243,000 in fiscal year 1990 and \$6,422,000 in fiscal year 1991 completely funded by the Building Usage Fund. Major projects include the Spine Diagnostic and Treatment Center and Sports Medicine Clinic (\$1,899,000), New Main Entrance Drive and Admitting Service, (\$3,875,00), and Restructuring of HVAC, Mechanical and Electrical Systems (\$1,475,000).
- * Iowa State University's capital request for fiscal years 1990 and 1991 total \$49.1 million and \$83.4 million, respectively. The university's request reflects an emphasis in basic infrastructure and agricultural research and teaching needs. Major fiscal year 1990 capital requests include Livestock Units for Swine and Cattle Research (\$2,800,000), Gilman Hall Remodeling (\$16,700,000), Coover Hall Remodeling (\$8,800,000), Increased Electrical Capacity (\$2,000,000), and Water Pollution Control (\$2,000,000).

Major projects requested for fiscal year 1991 include Livestock Units for Swine and Cattle Research (\$4,000,000), Intensive Livestock Research Facilities (\$18,000,000), Increased Electrical Capacity (\$7,000,000), Water Pollution Control (\$2,500,000), an Engineering Teaching and Research Facility (\$21,000,000), and renovation of the former Veterinary Clinic for Industrial Education (\$8,300,000).

- * The University of Northern Iowa requested \$19.7 million and \$36.5 million for fiscal years 1990 and 1991, respectively. Major projects requested for fiscal year 1990 include a Library Addition (\$6,350,000), Wright Hall Renovation (\$2,704,000), Classroom Equipment (\$1,500,000), and Art Building Remodeling (\$1,000,000). Major projects requested for fiscal year 1991 include a Recreation Center (\$13,120,000), Performing Arts Center (\$14,080,000), and Auditorium Building Remodeling (\$4,160,000).
- * The Iowa School for the Deaf requested \$3,173,000 for capital needs during fiscal year 1990 and \$1,235,000 for capital projects in fiscal year 1991. Construction of a Recreation Center (\$1,850,000) and remodeling projects (\$1,048,000) make up the major portion of the

school's request. The school also requested \$275,000 each year for four years to address serious needs for removal of asbestos.

Methods of funding the requested capital projects have not been addressed. The Board Office will prepare interinstitutional capital priority recommendations for consideration by the Board in October.

Mr. Richey said that bonding authority and tight state revenues present a major challenge for figuring out what the priorities should be and how they should be financed. He said the major emphasis is for undergraduate teaching facilities, especially at the University of Iowa. The major emphasis at Iowa State University is for agriculture and animal research. The library addition and the Recreation/Physical Education Center is the major emphasis at the University of Northern Iowa. Mr. Richey noted that in addition to requests for buildings there are some very major requests for supporting facilities such as pollution control, utility tunnels and sewer lines. He said the Board Office proposed that the Board discuss the requests at this meeting. Next month the Board Office will present a proposal including some alternatives for funding. They will also come in with more definitive information regarding the Board's bonding authority. Preliminarily, he said they still have a substantial amount of unused academic bonding dollars.

Regent Duchen stated that at some point he would like to hear from the universities about what some of their critical safety problems are, whether it's a building foundation, a roof or fire prevention.

Regent Harris asked approximately how much bonding authority of the Board remains.

Mr. Richey said they usually can't issue more than \$70 million/year and stay within the Iowa market. He said they usually can't exceed 7 to 9 percent of the total university budget and still maintain their credit rating.

President Pomerantz said there is the practical limitation of what they can amortize and pay for. He said there is also the political point of view. If they don't bond and they don't have appropriated capital they could have a significant capital shortfall. He said one of their high priorities is to find a way to facilitate the universities. They don't want to defer capital projects for a long time because the needs do not go away.

President Rawlings stated that this year University of Iowa officials decided to package their entire capital request around a theme of undergraduate education. He said that yesterday the Regents took a tour and saw some of their infrastructure needs in terms of undergraduate education. He said there are serious needs, particularly in the Colleges of Engineering, Business and Liberal Arts. He said they will try to repair and renovate, and look forward a couple years hence to new construction. Without help he said

they will see further deterioration. The basic thrust is to try to make some much needed improvement in the heart of the institution.

Vice President Phillips stated they are looking forward to remodeling McClean, Shaefer and Phillips Halls to provide additional classrooms and laboratory facilities. In addition, she said they are facing basic infrastructure needs such as fire and environmental safety. She said there are a number of areas around campus that need attention to access and egress with respect to fire safety. Fire alarm systems are also needed. In the infrastructure area university officials are requesting funding for accumulated deferred maintenance -- \$25 million worth has been identified. She said it can't all be done in one year. They are recommending it be dealt with over a period of ten years. Their first of two installments of that would cost \$2.5 million.

Vice President Phillips said the University of Iowa also has a number of utility needs. They need increased capacity in their electrical system. There is also sludge dewatering. University officials are also asking for planning dollars for the addition to the Pharmacy Building. They are looking for remodeling funds for the International Center. They are trying to deal with that in a piecemeal fashion. She said they have tried very hard to narrow their capital needs down, recognizing that this is going to be a difficult year.

Regent Fitzgibbon stated they were spending a lot of money on remodeling. He felt that somewhere along the line the decision needs to be made whether it is worth remodeling or not.

Vice President Phillips said those are very difficult decisions to make. She gave the example of the old music rehearsal hall where such a decision was recently made.

Regent Tyler expressed concern that in looking through the docket material he noticed a warehouse listed for Fiscal Year 1990 with 55,000 square feet for \$600,000. He said he has a contract for a 55,000 square foot building for a little less than \$500,000. He said he feels sometimes that these costs are out of line.

Vice President Phillips stated that university officials will certainly review those numbers.

Regent Duchon asked what good it does to remodel a facility if they don't have the right people.

President Rawlings stated that university officials will bring the Board their entire plan later in the meeting that does include faculty positions.

Regent Harris asked if there were enough funds in the Treasurer's Temporary Funds to address some of these building needs.

Vice President Phillips responded that Treasurer's Temporary funds are generally reserved for remodeling types of projects. She said they have been using them for projects such as the water plant. They have so many needs that they really have to reserve those funds for emergency types of projects.

Vice President Madden stated that Iowa State University officials are also trying to implement improvement in their infrastructure for both the undergraduate teaching benefit and for research facilities. Some projects the Board has previously approved. In some cases they have started on projects, such as the Livestock Research Facility which the legislature funded the first \$2 million of. The second part of that program involves the Intensive Livestock Research Facilities and the Animal Science Research Unit reallocation. The long-range plan addresses improvements in those types of facilities. It is an \$18 million program to provide those kinds of facilities they need for Iowa State University. In terms of new building space for undergraduate needs the College of Engineering is a priority. He said the Board previously approved an addition to the Meat Laboratory. They need additional funding to complete that facility. In terms of remodeling the most significant project is the third phase of Gilman Hall which is the university's chemistry building. Almost all the university's curriculum includes chemistry courses. There are also a number of safety needs.

Vice President Madden said equipment is another area. \$1 million is needed for agronomy equipment. The university has an accumulated deferred maintenance program of around \$15 million. They are proposing \$1 million for the coming year to start to tackle that. Their goal is to get \$1 million to \$1.5 million each year for the next 15 years. He said they also have utility problems. They need increased electrical capacity. University officials are continuing to evaluate purchasing firm power from other utilities. University officials are asking for \$500,000 for fire safety projects. An additional item in that category is underground fuel tanks. There are now state and federal standards regarding those tanks due to leakage problems. Another category is energy conservation.

Regent Harris asked about Iowa State University's use of Treasurer's Temporary funds.

Vice President Madden stated those funds are pretty well all committed. They are presently being used for remodeling and utility projects. They have almost no utility repair funds short of using those kinds of funds.

Regent Tyler stated that in light of past experience Iowa State University officials have had with the federal Environmental Protection Agency he was glad they are aware of possible problems with the underground storage tanks and are addressing those.

Vice President Madden said they have already removed and replaced a number of tanks.

President Curris said the total askings of the University of Northern Iowa are just under \$20 million. He said the list of capital projects identified during the first year of his presidency reflect needs developed through a process on campus. The number 1 priority was the addition of the fourth floor to the library, which is the heart of the campus. That project is still on the capital listing. With reference to new buildings they are asking for planning funds for two other facilities. One is the Recreation/Wellness Center. That facility was the first one on the priority list when he came to the university. University officials are also requesting planning funds for a Performing Arts Center. In the area of remodeling their number one concern is Wright Hall. In regard to the needs in Wright Hall he said they looked at the price of renovation and it does run high; close to the cost of a new facility. However, he said there are clear advantages to retaining that building.

With reference to areas of equipment needs President Curris said University of Northern Iowa officials are requesting funds for equipment for the School of Business classroom facility which is scheduled to be completed in the summer of 1990. In order to use that facility they will need to make equipment purchases in the upcoming fiscal year.

Vice President Conner stated that in addressing fire safety needs university officials have targeted Russell Hall, the music building, to receive a new second exit at a cost of \$270,000. There are various older classroom buildings where they have had to convert some classrooms into offices. With changes in fire safety codes they now don't meet the codes. Some ventilation systems don't go up to the roofs. In some of the older buildings they have not had an opportunity to correct some of the old wiring systems. In regard to utilities the biggest concern is utility distribution. University officials receive numbers of complaints each year from faculty and staff in older buildings that the windows are allowing snow to blow in. There are also needs for HVAC improvements. It is an eighty-year old system in which only half is working.

Regent VanEkeren asked if in looking down the road 30 to 40 years whether there would be any merit to adding two floors to the library at this time.

President Curris said he didn't know if that was an option since the building is designed for four floors and a penthouse on top of that. He said many of the changes in library facilities have to do with capping the size of libraries. He felt that in days to come much of the storage will be on microfilm.

Superintendent Johnson stated his school's needs may appear modest in comparison to the three universities. One request is for a new Gym/Recreation Area and a swimming pool. He said their students need an appropriate and safe place to play. He said they need to look at water and sewer lines as well as steam lines. They need to continue emphasizing improvement in the dormitories. Roof repair is another area. They would also like to update their telephone system.

Superintendent Thurman stated the Iowa Braille and Sight Saving School officials were not asking for any capital funding during this budget request. He noted, however, that there were capital improvement needs that will need addressed in the future.

ACTION: President Pomerantz stated the Board received a report on fiscal years 1990 and 1991 capital needs and requests by general consent.

(b) Operating Budgets. The Board Office recommended the Board (1) receive reports on operating budget requests for fiscal year 1990 and fiscal year 1991 and (2) direct the Board Office and the institutions to incorporate recommendations and directions made by the Board at this meeting in final fiscal years 1990 and 1991 requests to be presented to the Board in October.

The institutional requests were for two fiscal years to conform with a Department of Management requirement to submit a two-year budget request.

Specific dollar recommendations were not made by the Board Office this month. Instead, the Board Office outlined areas of general support with the institutions' requests and asked for comments and direction from the Board. Detailed recommendations will then be provided in October when the Board will give final approval to the budget request to be submitted to the Governor.

The Board Office was especially supportive of some additional funds for:

- * Strengthening undergraduate education;
- * Operating critical needs, including equipment and building repairs;
- * Library needs; and
- * Minority recruitment.

At the request of the Board Office, the institutions did not include in their requests increases for salaries other than annualization. Salary annualization includes the full year cost of merit increases granted in the previous year for general services staff as well as annualized benefits and unfunded health insurance costs for the current year. An equivalent request

of 1.5 percent was included for faculty and professional and scientific staff to make them analogous to other state agencies. Recommendations for salaries for non-organized employees will be made at a later date. This process is proposed to prevent the budget discussions from prejudicing the collective bargaining process for organized employees which will begin this fall.

Salary presentations were made by university faculty and professional and scientific employees. Presentations will be made in October by non-organized employees from the special schools. As the Board develops salary policies for 1990 and 1991, cost projections will be provided. Generally, it is anticipated that increasing faculty salaries will cost \$2.8 million for each percentage increase. Each increase of 1 percent for professional and scientific salaries will cost about \$1.68 million. It should be noted that every 1 percent increase in tuition will generate about \$1.0 million exclusive of student aid.

The operating budget request is organized into three areas; salaries, operating special needs, and program special needs. This latter category is similar to the improving educational quality category used last year. Operating special needs includes Equipment, Building Renewal, Supplies and Services, Administrative Systems and Opening New Buildings.

The institutions requested general operating budgets of \$858.1 million for fiscal year 1990 of which \$489.9 million would be state appropriations without salary increases other than annualization included. For fiscal year 1991 the institutions requested \$959.7 million of which \$576.2 million would be funded by state appropriations. These dollar amounts represent a \$101.1 million increase (13.2 percent) in the operating budget requests of institutions for fiscal year 1990 over fiscal year 1989. Because there is no increase in revenues reflected for items such as tuition increases, this translates to a 21.4 percent increase in the state appropriation request. For fiscal year 1991 the institutional requests reflect a \$101.6 million increase over fiscal year 1990 for the general operating budget and a resultant 17.7 percent increase in the appropriation request exclusive of salary adjustments.

Mr. Richey stated that Board Office staff departed from usual practice and did not make a preliminary recommendation for the institutional budgets. Staff felt the Board members would get a much more fulfilling discussion of the issues if they were presented with askings in this manner. He said the major requests relate to maintaining the budgets in terms of purchasing power, continuing the mandatory costs with respect to salary policy, addressing the issues of special maintenance and deferred maintenance, and strengthening undergraduate education. These requests were made in the context of almost a decade without price inflation adjustments except for employee salaries, which have been covered pretty much by internal adjustments. The institutions have had to make internal allocations to meet the salary policies mandated by the state. Massive amounts of money are

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required for health insurance costs. There is a request to recover some of those costs. Undergraduate education and minority education are also being emphasized in these requests.

President Eaton said the Iowa State University improving educational quality request addressed the mandate for a greatly-enhanced level of minority students on campus. He said that in looking at successful examples of minority recruitment at other post-secondary institutions where great strides have been made, it was obvious they didn't use a magic wand; enhanced student financial aid was the key. He said they would only be successful in Iowa if the state gets behind them. University officials are willing and eager to do this but they need more funding. President Eaton stated that George Jackson had been very successful in increasing the number of minority students at the university but they were near the end of that budget. They know they have the potential to be successful.

Vice President Glick stated that university officials have experienced sufficient losses in the teaching and research infrastructure. They need to ensure the ongoing success of their programs. There is an effort underway to strengthen those areas in spite of reductions they have had to make to meet budget issues. University officials are dependent on salary savings each year. Areas they wish to address are upgrading computer facilities, equipment, laboratories and temporary faculty. They particularly wish to address undergraduate education which has been an historic strength of Iowa State University. They wish to address the use of temporary faculty, faculty development activity, access to computing, microcomputer and library access for students.

Vice President Glick said they need to ensure they have adequate faculty of the right caliber. In that area they need to address start-up costs. Iowa State University faculty are heavily oriented toward science and technology. They are concerned with the same issues in research faculty. They need to ensure high quality faculty in the basic research areas.

Vice President Glick stated there is a continued request for the Agriculture Experiment Station for agriculture research. There has been a change in direction of the agriculture research request. He said agriculture schools of the future will be those that also take advantage of the social and behavioral sciences.

Vice President Madden stated that another important item is the utility area. He said the new boilers are on line and are burning Iowa coal. The boilers are working well. The debt service obligation on those boilers will be \$2 million next year. University officials have not had any fuel increases in the budget for the last several years. They are going to have to budget funds for that starting next year. University officials are pleased to be opening several new buildings but that means they will have to pay the operating expenses. Those buildings include the Durham Computational Center

and the Center for New Industrial Materials. Building renewal projects will need capital and operating funds. Inflationary price increases is another area needing addressed. There will be equipment replacement costs. He said the librarians continue to request library automation projects.

Vice President Madden stated that university officials are faced with implementing Generally Accepted Accounting Principles recommended by Peat Marwick Main. He cautioned that the changeover would not be inexpensive. University officials estimated the cost to develop that system would be over \$1 million.

President Curris said the needs of the University of Northern Iowa follow a continuum expressed in previous years. University officials were returning with a request for equity funding. He said the Board received a request for \$1.2 million last year. The General Assembly appropriated \$160,000. Their request now is for \$940,000 which is the remaining amount of that request. They were requesting funds for strengthening undergraduate education. He said that has been a key part of the university's budget presentation for the past few years. That is now also a priority of the other two universities. He said the time has come to focus attention on an adequate number of faculty. University officials wish to convert temporary faculty positions to permanent positions. They need to strengthen the curriculum and library acquisitions. They wish to make a serious effort to restore to the traditionally high quality of equipment and computer equipment.

President Curris said they need additional resources for their rapidly growing School of Business. He said that area is expensive due to the faculty shortage across the nation. University officials wish to proceed with initiatives for the College of Education. He said the Board has suggested that the university put renewed emphasis in the area of teacher education. There is new leadership in that college and a strong commitment to quality.

President Curris said the university has three proposals that reflect top-flight thinking concerning what the University of Northern Iowa needs to do. One area is the development of an Early Childhood Center. A second area is the need for the application of teaching to education in a meaningful way. The curriculum needs to address the development of an effective use of technology to benefit the K-12 area in the state. University officials also wish to address the declining number of minorities going into the teaching areas. University officials have initiated a program of strengthening minority enrollments. They are targeting areas where the university can make unique contributions to the state and the nation.

Regent Harris asked President Curris if he thought that if he had the money he could be successful in increasing the number of minorities that choose teaching as a career.

President Curris responded that he felt they could. He said they have already developed linkages with the school systems to identify prospective teachers. University officials are attempting to assure the students there will be no financial barriers to their college education. They are particularly working with students who have not had a role model to show them where a particular career path will lead them. He cautioned that finances alone will not do it. They need full cooperation.

President Rawlings thanked the Board members, the Governor and the legislature for making faculty salaries the number one priority the last two years. He said that has been beneficial in retaining faculty members. He said this year their highest priority is for faculty and Professional and Scientific staff salaries. He emphasized that it is essential to retain the third year of commitment to faculty salaries. President Rawlings said undergraduate education has suffered badly. The university is under staffed. They are trying to repair the basic education system and meet the student demand. He said there is a serious need resulting from 10 years of no increases in the infrastructure budget. There is a very much increased competition in faculty recruiting. In addition to offering a competitive salary they must also offer a substantial start-up package. He emphasized that there is a very competitive national environment regarding recruitment. In the area of minority recruitment university officials wish to extend their efforts to achieve much more success. He said it is critical that they receive funds for that effort this year. In the area of library needs, the university library is badly under staffed and has had to cut the hours it is open. They requested additional support for the College of Medicine to maintain its strength. He noted that the College of Medicine generates most of its own budget.

Vice President Vernon referred to handouts distributed by University of Iowa officials that describe academic programs in the undergraduate education area. He said that in essence they are trying to provide additional faculty. They wish to hire a mix of junior and senior faculty in terms of experience. He said it is essential if they are going to rectify what has happened. He explained that because enrollments were going down in the early-1980s university officials were using what they thought would be a temporary solution. They used visiting faculty and teaching assistants to teach at the undergraduate level and moved faculty up to the junior and senior levels. He said they ended up with a situation in which too many teaching assistants are teaching courses instead of assisting faculty to teach courses. The handout showed what they are trying to do with capital and operating funds put together. Lab courses were cut back because of space and lack of laboratory supervisors. They also had no money for equipment. University officials wish to give students the kind of laboratory experience they need. The request for the undergraduate level is a priority for faculty members and the facilities in which to work. They have also had difficulty providing instructional materials. University officials are requesting \$3 million for

the first year to provide 40 to 50 faculty and \$2 million for the second year to place faculty in departments to teach the undergraduate courses.

Vice President Phillips stated that University of Iowa officials were requesting funding for inflationary increases in supplies, services, equipment, and library books. She said there has been a deterioration of the university's base budget. They need instructional equipment for undergraduate teaching programs as well as other equipment needs. They are also looking to automate the library cataloging system and are in mid-stream of that process. They need continued funding for computerization, additional computer support and additional computer clusters. She said faculty start-up costs is one of the areas they look to Treasurer's Temporary Investment funds for funding. When recruiting a senior faculty person, particularly in the sciences, many faculty have particular research needs for space and equipment as part of the start-up package. In the supplies and services category there is a catch up factor since they have not received additional funding for the past eight years. They have lost purchasing power over last eight years. She said that building renewal needs are different from accumulated deferred maintenance. They have experienced problems over a period of time in just addressing ongoing renewal of building maintenance and alterations of classroom facilities. There is need for improvement in administrative systems. They have not been able to improve their computerized accounting and budgeting systems. They are utilizing outdated accounting systems and are going to have to address those in order to continue to be in compliance with federal and state auditors. There is currently a group on campus drawing up the specifications to put in such a system.

In terms of opening new buildings Vice President Vernon said they did not receive funds for two buildings including the Human Biology Research Facility. They opened half of that building this year. There are also needs in the new Engineering Research Facility.

Vice President Vernon said the final area he wished to address was utility systems. The University of Iowa has experienced increased utility costs because of rate increases and increased usage of systems on campus because of increased research projects.

Superintendent Thurman stated that one area Iowa Braille and Sight Saving School officials wished to address was restoration of funds for building and grounds. They also requested \$35,000 to refinance their summer school. The summer school served 50 children this summer.

Superintendent Johnson stated that Iowa School for the Deaf officials requested funds for extraordinary maintenance costs which includes increased health insurance and utility costs. In regard to expanded and new initiatives school officials have a long list of ideas and activities. They have a meeting planned with Board Office staff to provide information and receive more details on what the Board will want. This includes the merger

issue, the statewide evaluation center, the regional transition program and interpreter services for deaf people. Superintendent Johnson said they have other public and private funding sources that will help with those initiatives.

President Pomerantz recognized President Rawlings.

President Rawlings introduced Professor Peter Shane from the College of Law and Professor Don Marshall from the Department of English.

Professor Shane stated he appreciated the opportunity, as President of the University of Iowa Faculty Senate, to address the 1989-1990 budget priorities. First, faculty were asking the Board to carry through on the third year of a successful faculty salary enhancement program, and then, to turn with new urgency to problems in the university's operating budget.

Professor Shane said he is starting his eighth year at the university. He has never seen faculty energies and expectations so strong. He said last year the Board respected the wishes of faculty and established a presidential search process that gave faculty powerful input into the ultimate decision making. The Board selected a president intent on bringing new insight, energy and enthusiasm to collaboration with faculty in building the university's future. Each of these steps has had a positive and powerful impact on faculty morale.

Professor Shane said he felt that this year faculty will be turning their attention to how they might collectively improve the university's quality. Faculty has already resolved to collaborate in a study of peer evaluation of tenured faculty. They are collaborating with President Rawlings and his administration to help renovate the university's processes for priority setting and to focus on those steps that can move them solidly forward in the enterprises of preserving, transmitting and generating knowledge.

In deciding on budget askings, Professor Shane urged the Board to seek a strong third year for the salary enhancement program. He said that third year will propel the university salaries to a competitive position. Faculty also urged the Board to reconsider the salary position of Professional and Scientific staff. The Professional and Scientific staff includes people who are essential to the teaching and research of the university. The adequacy of their compensation is thus critical to the quality of the university's educational mission. After salaries are addressed he said they must turn to the university's base budget. In terms of maintaining the strongest setting for public higher education, the university's needs in terms of equipment, library support, computerization, building renewal, and supplies and services rank comparably to its needs in the salary area. He said there are some areas where just a little help will produce dramatic results.

Professor Shane concluded by stating that he hoped the Board would embrace two priorities -- first, salary enhancement and then, improvement in the base budget -- as measures to protect the Board's investment.

Professor Marshall stated that the faculty has been more fully consulted than ever before in the development of these budget askings and the priorities they reflect. The budget askings and priorities have received the informed and full support of the faculty. They hope to complete a three-year program of substantial increases in faculty salaries, increases that will continue to improve the faculty's salary ranking in relation to comparable institutions. They hope that it will then be possible to maintain Iowa's competitive position by a steady program of reasonable increases so that costly "catch up" programs will be unnecessary. They also support attention to the inadequate salaries of professional and support staff.

Professor Marshall stated that over the years the university's base budget has suffered from reversions, reductions and the erosion of purchasing power. These losses have had a cumulative and serious impact on every part of the university community. Money has been in short supply or completely lacking to support departmental operations and day-to-day instructional costs, computerization, library purchases and automation, maintenance and repair of buildings, purchase of equipment for instruction and research, innovative programs, improvements in undergraduate education, opening of new buildings and start-up costs for new faculty.

Professor Marshall concluded by saying that they hope and trust that it will be possible to complete the program of faculty salary raises, and they appreciate that program and the success it has achieved. They also want to put on record their concern for the base budget of the university. After many years without growth to offset rising costs and new needs, it increasingly merits attention.

President Pomerantz recognized President Eaton.

President Eaton introduced faculty representatives Dr. Richard Engen, President of the Faculty Senate, and Dr. Terry Smay.

Dr. Engen said his presentation would demonstrate what the faculty see as their responsibilities. He said university faculty members have two main responsibilities: to educate students and to create new knowledge. He said the former president of Iowa State University made a statement to the Des Moines Register in which he said that during the four years professors spend with undergraduates they teach two fundamental lessons. They seek to nurture a thirst for knowledge. That means that the professors are the coaches in the educational systems. Educators of undergraduate education spend one-half to two-thirds of their time on lecture presentation and in laboratory settings. The total amount of time depends on courses taught. The other major duty of a faculty member is in graduate education which is a one-on-one

type of education. The hope of all professors is that a student will leave with a knowledge base equal to or better than the professor. The better graduate students make the better wages. The graduate program provides industry with researchers. In the graduate program where 2 to 3 students are working on related projects it can easily consume another one-half to two-thirds of the faculty member's time. Other duties include serving on graduate program committees, serving on university college committees and on the Faculty Senate. In order to maintain faculty at any university the university must offer competitive salaries. He said he could not stress enough the importance of keeping and hiring good faculty. They must also provide the necessary updated equipment. He said universities should be the leaders in using new and updated equipment.

Dr. Smay stated that his comments would essentially echo those made by other faculty, especially Professor Marshall. He said Iowa State University faculty also express gratitude for the three-year focus on faculty salaries. A preliminary report indicates that the goal appears to be within reach. What it means to faculty is that the completion of the third year of the plan will likely put them in a competitive position. He said they need to address necessary resources and not just the bandaid approach. They need more support in some areas that have been neglected. There is much harmony now.

President Rawlings introduced Pat Piper of the Professional and Scientific Staff Council. He said he has worked extensively with her during the past few months.

Ms. Piper introduced David Huling, Vice President, Professional and Scientific Staff Council.

Mr. Huling stated that the University of Iowa Staff Council represents approximately 4,600 employees. As a representative of that group he said he would talk about salary requests for the Professional and Scientific employees at the Regent universities for the 1989 academic year. He encouraged the Board to seriously consider reestablishing the principle of seeking the same percentage increase for the faculty and Professional and Scientific staff. For the fiscal year 1986-87 they requested an 11 percent increase; they received 7 percent. For the fiscal year 1987-88 they requested 10 percent; they only received 3-1/2 percent from the legislature. They did receive an additional increase from internal reallocations that raised the percentage to approximately 7 percent; however, that was insufficient to keep them competitive in the employment market. At the University of Iowa, faculty and Professional and Scientific staff salaries lag behind their peers at comparable institutions to the same degree. They are lagging behind other institutions with percentages ranging as high as 42.5 percent in the most senior staff grades. In a survey of 26 different job classifications at Big 10/Big 8 universities, the University of Iowa was significantly behind on the average.

Mr. Huling said that equally disturbing, in light of the fact that a substantial number of their open Professional and Scientific staff positions are filled by recent University of Iowa graduates, is the wide differential between entry-level University of Iowa salaries and the national average starting salaries in the private sector. University of Iowa salary scales range from 11.2 percent to as high as 48.1 percent behind the private sector in such classifications as dental hygienist, pharmacist, computer programmer, accountant and engineer.

Mr. Huling stated that the University of Iowa is currently among the top 25 research institutions in the country in terms of federal research and training funds. It is a goal of the institution to be among the top ten. The Human Biology Research Center is nearing completion and the ground breaking for the Laser Facility is rapidly approaching. These facilities are intended to make the University of Iowa a national center of research at the forefront of knowledge in these areas. To achieve these goals he said it is necessary to be able to draw from a national pool of applicants. In order to successfully recruit the most qualified staff, they must provide a competitive salary scale. He said the loyalty of the staff has been a tremendous help during the recent financial difficulties. Continued reliance on this loyalty without an adequate expression of appreciation can have long-term detrimental effects. The salaries of the faculty and staff of many units remain well below those at peer institutions. He cautioned that if they continue to fall further and further behind, it will be extremely difficult to ever "catch up".

President Eaton introduced Elaine Hieber, Chair of the Iowa State University Professional and Scientific Council.

Ms. Hieber stated that the 1,350 members of the Iowa State University Professional and Scientific staff are people whose expertise is crucial to sustaining the infrastructure of the university. They contribute substantially to achieving and furthering the goals of the university. They have a substantial impact on the quality of service the institution provides, the efficiencies with which it is managed, and the stature it attains. This is true for the university's three primary missions: teaching, research and extension. It is also true for such diverse functions as alumni relations, affirmative action, minority recruiting and industrial liaisons.

Ms. Hieber stated the Professional and Scientific staff members come from diverse professional backgrounds and contribute to the university in many ways. For example, the coordinator of the honors program, the director of the Center for Industrial Research, the coordinator of the Women's Center, admissions counselors, and senior scientists are all Professional and Scientific staff. She said that many Professional and Scientific staff affiliated with teaching programs are recognized nationally and internationally for their work.

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Ms. Hieber stated that the Professional and Scientific staff is committed to meeting the diversified needs of the agricultural economy of the state through the Iowa State University Extension Service. Approximately 25 percent of the Professional and Scientific staff are crop and livestock specialists, home economists, 4-H and youth leaders, community development specialists, and small business development specialists. They develop, teach and deliver training programs that contribute to economic and social progress across the state of Iowa.

Ms. Hieber said that in order for Iowa State University to become one of the top land grant institutions in the nation, the university must be able to attract and retain high-caliber individuals such as those just described. She said it is increasingly difficult, however, to recruit top candidates and retain well qualified staff members when salaries are not competitive. Starting salary figures from the College Placement Council's national survey of 1988 indicate the severity of the problem. For example, Iowa State University's starting salary for a programmer/analyst requiring a bachelor's degree in computer science ranges from \$20,827 to \$23,435. This is at least 16 percent lower than the national average starting salary of \$27,312. The university's starting range for an associate scientist with a Ph.D. is \$28,365 to \$32,120, nearly 30 percent below the national average entry salary of \$41,416. She said these figures represent the competition in both the private and public sectors.

One of Iowa State University's goals for this year is to restore the university's infrastructure. Ms. Hieber said Professional and Scientific staff are crucial to building and reinforcing this underlying foundation and basic framework. Salary consideration directly impacts the quality and morale of the staff. She urged the Board's support in assuring excellence and maintaining an equitable and competitive salary position for the Professional and Scientific staff.

President Curris introduced Jim Nantz, President of University of Northern Iowa Professional and Scientific Council.

Mr. Nantz thanked Board members for the opportunity to address the salary issue. He urged the Board, through this budget development process, to take action to eliminate the gross disparity between University of Northern Iowa Professional and Scientific employee salaries and those at their comparison schools and the other Regent institutions. He said the May 1988 docket included information that shows University of Northern Iowa median salaries are 9 percent less than their comparison institutions. Even more important, though, that documents points out a 26 percent difference in salaries at University of Northern Iowa and those at the University of Iowa and Iowa State University. He acknowledged that the University of Northern Iowa is a smaller school. He said that although they may be smaller in number and may be less specialized, their staff have a greater scope of responsibilities. A

larger percentage of their staff deal directly with students and student services.

Mr. Nantz asked the Board to consider the recent enrollment increase at the University of Northern Iowa as an indication of their success. He fears a trend of staff turnover may develop because of these salary discrepancies, resulting in the loss of employees who have worked so hard toward the university's goals, and even more difficulty in replacing those employees. The university's administration and the Professional and Scientific Council have worked together to reduce salary disparities over the last few years but now is the time for increased Board support for their effort. He urged the Board to approve the university's special needs funding for FY'90 to provide Professional and Scientific salary catch up dollars as a beginning step toward reducing the gap between University of Northern Iowa salaries and those at peer and sister institutions. He also asked that they approve the funds requested for FY'91 which will finally bring salaries into parity. He said the time has come to address the equity issue.

Regent VanGilst asked for the starting salary for the Professional and Scientific salary range.

Vice President Martin responded that it was around \$16,00 depending upon which class the position is in. He said each one starts at a different level.

President Pomerantz asked for the salary at the top end of the range.

Vice President Martin responded that again that would depend upon the position. He said it can run as high as \$40-50,000.

Vice President Conner said pay grade one is the lowest entry-level classification and carries a minimum starting salary of \$14,741. The highest level is pay grade eight which includes physicians with a top-level salary of \$75,507.

Regent Williams asked what kind of tasks the lowest entry-level person would perform.

Vice President Conner said he could provide that information for each pay grade at a later time.

President Pomerantz asked that each institution provide a display of all the Professional and Scientific salaries by grade, how many people are in each category, etc.

ACTION:

President Pomerantz stated the Board, by general consent, (1) received reports on operating budget requests for fiscal year

1990 and fiscal year 1991 and (2) directed the Board Office and the institutions to incorporate recommendations and directions made by the Board at this meeting in final fiscal years 1990 and 1991 requests to be presented to the Board in October.

(c) Tuition. The Board Office recommended the Board receive the Board Office assessment of tuition replacement appropriation needs for fiscal year 1990.

Tuition replacement appropriations have historically been made as an ongoing commitment of the Governor and General Assembly to meet the debt service costs of Academic Building Revenue Bonds. Debt service payments on the academic building revenue bonds are made from tuition and fee revenue with this appropriation serving as a replacement of that university revenue.

Tuition replacement needs have been updated from projections made a year ago and a comparison of the fiscal year 1990 projections is described in the table below. The new projections are based upon revised debt service schedules and revised estimates of investment earnings as prepared by the universities. Further, the earlier projection did not include the use of capital appreciation bonds because they had not been authorized. Current projections indicate that lower amounts of tuition replacement funding are needed compared to earlier projections.

	<u>Fiscal Year 1990</u>	
	<u>October 1987 Forecast</u>	<u>Current Forecast</u>
Total debt service	\$21,815,848	\$21,440,221
Reserve contribution	<u>2,348,184</u>	<u>2,290,519</u>
Subtotal	24,164,032	23,730,740
Less estimated investment earnings	<u>2,223,846</u>	<u>3,796,046</u>
Net tuition replacement	\$21,940,186	\$19,934,694

Updated fiscal year 1989 projections are being developed and will be reported in October.

Director Eisenhower asked that as the Board considers the budget for fiscal year 1990 it take into consideration tuition replacement needs and future bonding capacity. For fiscal year 1989 she said the amount will be \$17.8 million which is the amount appropriated plus the amount carried over. She said it was quite possible that at the end of this fiscal year they would only have \$1 million to carry over for fiscal year 1990. Tuition replacement needs appear to be less than projected, at \$19.9 million. The reason for the reduced projection seems to be that investment income exceeded original

estimates. She referred to information provided to Board members concerning bonding capacity. Based on an analysis of the Board's debt capacity it appears that in 1990 and the 2 to 3 years that follow there could be \$25 million per year bonding capacity at the University of Iowa, \$15 million at Iowa State University and \$5 million at the University of Northern Iowa.

ACTION: President Pomerantz stated the Board received the Board Office assessment of tuition replacement appropriation needs for fiscal year 1990 by general consent.

President Pomerantz stated it would be helpful to know what is practical to refund and if they did refund what the impact might have on the total tuition replacement program. He noted that they had gone through some extensive refunding already. He said it's important to have those options.

TUITION POLICY FOR FISCAL YEAR 1989-1990. The Board Office recommended the Board (1) adopt the tuition rates shown below at the November Board meeting to be effective with the 1989 summer session.

Table 1

CURRENT AND RECOMMENDED TUITION RATES FOR REGENT UNIVERSITIES

	<u>RESIDENT</u>		<u>NONRESIDENT</u>	
	Current 1988	Proposed 1989	Current 1988	Proposed 1989
University of Iowa				
Undergraduate	\$1,706	\$1,826	\$5,488	\$5,982
Graduate	\$2,020	\$2,162	\$5,720	\$6,236
Law	\$2,200	\$2,354	\$6,790	\$7,401
Dentistry	\$3,870	\$4,140	\$10,582	\$11,534
Medicine	\$5,376	\$5,752	\$13,540	\$14,760
Pharmacy	\$2,196	\$2,242	\$6,790	\$7,402
Iowa State University				
Undergraduate	\$1,706	\$1,826	\$5,488	\$5,982
Graduate	\$2,020	\$2,161	\$5,720	\$6,236
Veterinary Medicine	\$3,870	\$4,142	\$10,168	\$11,084
University of Northern Iowa				
Undergraduate	\$1,690	\$1,810	\$4,346	\$4,650
Graduate	\$1,876	\$2,010	\$4,790	\$5,126

(2) That at the time that new tuition rates are adopted, an appropriate set-aside be made for student financial aid.

Recommended tuition increases amount to a 7 percent increase for resident students at all three universities and for nonresident students at the University of Northern Iowa. A 9 percent increase was recommended for nonresident students at the University of Iowa and Iowa State University.

The resulting increase in tuition revenue is projected to be \$9,642,000 excluding student aid setaside. The projected increase in student aid setaside is \$1,559,000.

With the proposed rate of increase in tuition and fees, the percentage of educational costs borne by this source of income is expected to remain unchanged in fiscal year 1990.

The proposed tuition increase is essential if the third year of the faculty salary program initiated by the Board of Regents two years ago is to be achieved. Even then, substantial additional state appropriations will be required for this purpose.

Table 2

	<u>Cost of 1% Faculty Salary Increase*</u>	<u>Net Revenue Increase of Tuition Increase After Student Aid Setaside</u>	<u>Corresponding Faculty Salary Percent Increase</u>
University of Iowa	\$1,289,852	\$4,451,000	3.5%
Iowa State University	1,164,316	4,250,000	3.7%
Univ. of North. Iowa	329,581	941,000	2.9%

* Salary cost includes fringe benefits

Resident undergraduate tuition rates at Regent universities did not increase as much as the Consumer Price Index from 1971 until 1986.

Resident undergraduate tuition fees at the University of Iowa are the lowest in the Big Ten.

Undergraduate resident tuition at the University of Iowa and at Iowa State University ranks seventh in comparison with 11 AAU public institutions and peer land grant universities, respectively. The University of Northern Iowa ranks sixth when compared with comparable institutions in an eleven-state area.

For FY 1989, the general fund portion of student health services at each university is \$908,500 at the University of Iowa and a projected shortfall of

\$415,209; \$714,406 at Iowa State University; and \$305,000 at the University of Northern Iowa.

Mr. Richey stated that the Board Office proposal recommended that next July 1 resident tuition increase 7 percent for resident at all three universities and for non-resident at University of Northern Iowa, and 9 percent for non-resident tuition at the University of Iowa and Iowa State University. For resident undergraduate students that amounts to \$120/academic year or \$10/month. He said the student aid set aside averages 15 percent which amounts to \$1,500,000. The recommendation is based partly on the need to maintain the quality of the institutions. This recommendation is essential as the Board completes the three-year program of competitive faculty salaries. The recommendation was also made with the knowledge that the Regent institutions' tuition rates are quite low and modest compared to comparable institutions. It was also made with the knowledge that the room and board are also the lowest among those in the region. Mr. Richey pointed out that there are many uses for the tuition proceeds besides the cost of education. \$207,000 of the tuition income is used for student health care, \$2,300,000 is for student activities, \$1.3 million is used for student transportation, \$3 million is for intercollegiate athletics, \$1.2 million for student newspapers and student union, and \$3.5 million for buildings including recreational and athletic facilities. In addition to the mandatory fees, the Board Office and institutional officials are studying student health costs. They will bring a recommendation to the Board in October. He stressed that health care of students is somewhat a separate issue from general university resources.

Regent Harris stated that it is important for people to know that within the system exists a very easy method of paying tuition. It can be paid on a monthly basis without significant additional costs. He said that is a considerable advantage for some people.

Mr. Richey noted that it does not cost any more to pay tuition in monthly amounts.

Regent Duchen asked for the amount of student aid.

Mr. Richey stated it will remain at the same percentage rate (15 percent) of the tuition as it has been.

Regent Duchen asked if there is a substantial shortfall on need.

President Pomerantz stated that they could use as much student aid as could be mustered. There is never enough.

Regent Duchen asked how the proposed increase in tuition was arrived at.

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Mr. Richey stated there had been rather substantial increases in the last 6 to 7 years. The Board gave a strong message a year ago that it would not tolerate significantly higher than normal increases. He felt that the 7 percent proceeds from the recommended level of increase were as low as they could go and still maintain the commitment to the three-year faculty salary program.

Regent VanGilst said they must remember that the Board has taken action to initiate internal audits and now knows that the funds are being spent wisely. He said they did not know that previously. He said they also know that there are two places to get the funds. One is from appropriations from the legislature and the other is from tuition. He said he would feel more comfortable raising tuition if he felt the Regent institutions had done all they could to sell their needs to the legislators and the legislative candidates. He said the K - 12 officials did their job with all the candidates and they could be sure the independent colleges had done their job. Regent VanGilst stated that a legislator recently told him that in the ten years he had been in the legislature no one from the universities or alumni has talked about their needs. Prior to ten years ago he said they did do those things. The universities had their people come to every legislative district. University officials and alumni met with legislators and candidates to try to sell their programs to them. They would then get a response as to how the legislator felt about it. Assuming the legislator was positive toward their ideas, the alumni would help the legislator get elected. When the alumni called after helping a legislator get elected the legislator was very supportive of the alumni's requests. Regent VanGilst said the institutions are not doing enough to sell themselves to the legislature. He said Iowa State University has the extension services in all the counties. He said he was contacted by the extension personnel prior to elections and the extension offices presented their needs. He said he would like to see this kind of effort by the universities now so that he would know the universities were doing all they could.

President Eaton introduced two Iowa State University students: Doug Cruse, Vice President of the Government of the Student Body, and Deena Rawlings.

Mr. Cruse apologized for Doug Martin who had prepared a presentation but had become ill. He said Mr. Martin would make his presentation at the November meeting. Mr. Cruse said all the groups concerned stand in basic agreement that higher education must be a priority. He said everyone agrees this priority can be maintained with additional funds. The disagreement is where the funds will come from. He suggested they should take advantage of 1988 being an election year and challenge the state legislature to make higher education a priority. He said they should not propose a tuition increase and expect the state to offer additional funding. Mr. Cruse had a conversation with a professor on how the students should approach the tuition issue. The professor said it was too bad students have to spend time being concerned

about what their tuition will be. Mr. Cruse said he hoped the day will soon come when they won't need to worry about that.

Ms. Rawlings, a senior marketing student, said she was speaking as a student who is a minority and an out-of-state student. She said she was voicing the opinion of 600 Black students at Iowa State University, all students with academic potential. She noted that the Board wished to raise minority enrollment by 8.5 percent. She said that will not happen if they decide to increase tuition. It is already tough enough for students with full class loads who already have to supplement with extra jobs that take away from their school work. The 9 percent tuition increase would not be looked favorably upon, especially by Blacks, if they wish to increase minority enrollments.

President Eaton introduced a third student, Grace Shah.

Ms. Shah said she is a minority student, also. She urged the Board to freeze tuition now.

President Rawlings introduced University of Iowa students Gino Baerta and Christy Holcomb.

Mr. Baerta thanked the Board for the opportunity to speak. He expressed concern for students' ability to finish their education and receive their degrees. He gave an example of an undergraduate student with a 3.2 grade point average, who played football and had a part-time job at a gas station. This student's goal is to receive his degree and live and work in Iowa. However, because of tuition costing more and more, it is difficult for him to get that degree. As a citizen of this state Mr. Baerta urged the Board to freeze tuition now for the students and the future of this state. The students will be the taxpayers of the state in the years to come. He said they should send the message that all Americans are entitled to good quality higher education. He said the time has come to say enough is enough. By freezing tuition he said they would send the message that we are all in this together. He stated that out-of-state minority students that come to Iowa to receive their education have to make very tough choices. He said he is very lucky get to meet people from all over the world. He asked the Board to freeze tuition now. He said the students will do everything they can to make the statehouse understand how important education is.

Ms. Holcomb stated that this was the third year she has seen the Board Office proposal become tuition policy. She said tuition has risen considerably since 1980. It has doubled, in fact. In 1980 today's college students were making decisions about their futures and their desire to pursue higher education. They could not predict that tuition would double. They tried to plan what their needs would be when attending college. She said the class of 1990 has seen a 30.8 percent tuition increase over their freshmen year. She said they will still be paying off their educational debts when they should

be saving for their children's education. She noted that the proposal does not consider that a new health fee may soon be assessed to students. She asked that as the Board deliberates in the next two months they critically examine the data and decide if students can really afford this increase. The individual students are seeking the Board's assistance in continuing their education.

President Curris introduced David Sanders, President of the University of Northern Iowa student body, who he said is a non-traditional student, a husband and a father.

Mr. Sanders said he has two sons and another child on the way. He has a full-time job and keeps quite busy trying to make ends meet. He used to live in university housing but moved to a cheaper place. He said he was addressing the Board as a concerned father and a student leader. He asked that the Regents not forget that the bottom line here is made up of the human element. He presented the following analogy. He believes that we are all a team. The Regents are the Board of Directors. When the team wins the state benefits. Faculty are the quarterbacks. The students make up the rest. The rules of the game have changed. More hours are required to get a degree. Now they were proposing increases without enough pads or equipment. Financial aid goes down as tuition goes up. He said he appreciated the Board's position and knows they have a tremendous task. He perceived we are behind in the game. They needed to look at their strategic position. The long pass is tuition increases. An interception or holding penalty could cause them to lose the game. He said we have lost students because they cannot afford tuition. Students are extremely in debt. He suggested they have a team meeting to discuss their strategic planning and long-term goals. He said students are tired and frustrated and don't know the strategic plan. They doubt the ability of other team members. There are constant tuition increases which are starting to pit student against student as they compete for financial aid. It pits students against faculty by questioning whether they deserve these salary increases.

Mr. Sanders asked why undergraduates pay one-third of the cost while masters-level and doctoral students pay 15 percent, and professionals pay 10 percent. He asked if they have made all possible cuts to reduce those increases. The universities are spending money on trees and landscaping. He reiterated that students are tired and frustrated. He asked that if the Regents believed there had to be a tuition increase that they approve a lower amount as a compromise. He suggested they sit down together and hammer out a strategy to lobby the legislators. He said the students can be effective lobbyists.

President Pomerantz stated that the Regents were trying to make sure the Regent universities are competitive within the state as well as the world. There is a great emphasis on higher education in western Europe. They recognize that for countries that lagged behind to gain they have to be better educated. As he looks forward to the very near future he sees a much

more competitive international scene. He said it comes down to the issue of quality and what kind of education we want to have. He asked if they want to settle for mediocrity so all students are disadvantaged. They cannot afford to let that happen. The people of this state must ensure quality education is a strong priority. They are setting the agenda for 1990 and beyond. The people of Iowa have three outstanding universities. They recognize the importance of quality of students in setting the agenda. Education implies quality. Quality versus accessibility becomes an issue. The Board is highly committed to student aid. We must use all funding sources. The Regents are not picking the student as the singular source of funds. They are sending the message loud and clear to the Governor, legislature, and the people of the state. He said the students' offer of willingness to participate in lobbying the legislature is well received.

President Pomerantz stated that the universities' operating needs are more this year than last. Their capital needs are significant. He said that when they add up the total askings it is a staggering number. They must find a way to accommodate some of those needs.

President Pomerantz thanked students for their input and the fine way they made their presentations. He said it was only fair to send the message now that the needs of the institutions are significant. The total amount of money needed is substantial. Tuition increases are very much on the agenda of this Board. The Board appreciates the comments and the input of the students. As they deliberate this subject they will be mindful of the students' concerns.

ACTION: President Pomerantz stated that the November meeting will be the meeting at which tuitions are determined.

Regent Harris said he emphasized President Pomerantz' statement to students that the Board has heard their comments. They have fallen on ears that are sympathetic and understanding. He also said the Board should send a message to the Professional and Scientific staff as well as faculty that the Board is deeply appreciative of what they are doing for these institutions. The Regents will do their very best to see they are compensated for what they are providing. He asked the presidents to carry forth that message.

ANNUAL REPORT ON TARGETED SMALL BUSINESSES. The Board Office recommended the Board (1) receive the report, (2) approve 2.25 percent of total non-utility procurement and construction as the certified Targeted Small Business goal for fiscal year 1989, and (3) request that institutions take appropriate action which would result in the award of more contracts to Targeted Small Businesses in the area of goods and services and a more equitable distribution of effort compared to the construction industry.

Regent institutions spent \$7,746,533 with Targeted Small Businesses (TSB's) during fiscal year 1988. This was an increase of \$2,322,803 from the previous year. Regent awards to Targeted Small Businesses accounted for 61 percent of all state awards to these businesses.

Institution and Board Office representatives participated in nine Targeted Small Business Job Fairs throughout the state from January through May.

Mr. Richey stated the institutions fell just slightly short of the goal for Targeted Small Business procurement. He said the institutions appear to be relying too much on the construction industry to supply those numbers.

Vice President Madden stated that the Iowa State University purchasing department does not go through a competitive bidding process for small awards. He said that when they call businesses to obtain price comparisons they do business with the company that offers the best prices. He noted that they pay a premium for purchases from Targeted Small Businesses.

Mr. Maxwell stated that the law allows the institutions to negotiate a price within five percent of the estimated price for the goods or services if they were to be purchased on the open market. He said that might account for some of the \$18,623 premium.

Regent Tyler noted that it does cost money to follow this state mandate.

MOTION:

Regent Harris moved to (1) receive the report, (2) approve 2.25 percent of total non-utility procurement and construction as the certified Targeted Small Business goal for fiscal year 1989, and (3) request that institutions take appropriate action which would result in the award of more contracts to Targeted Small Businesses in the area of goods and services and a more equitable distribution of effort compared to the construction industry. Regent Williams seconded the motion, and it carried unanimously.

REPORT OF REGENTS BANKING COMMITTEE. The Board Office recommended the Board receive the report of the Banking Committee and take action on appropriate items.

Regent Fitzgibbon, Chair of the Banking Committee, stated the committee received the quarterly investment and cash management reports for the month of June and for the last quarter of fiscal year 1988. They approved a resolution for the issuance of capital appreciation bonds and discussed whether the bonds should be callable or non-callable. They agreed the bonds

should be non-callable. The Banking Committee authorized the Executive Secretary to sign the extension agreement with the Board's financial advisor, Springsted, Inc. Regent Fitzgibbon said the committee members discussed the strategy of the risk management priority issue.

MOTION:

Regent Fitzgibbon moved that the Board approve a resolution authorizing the Executive Secretary to initiate the preparation of documents and authorize final pricing in anticipation of the Board's issuance of capital appreciation bonds at the October Board meeting; report the tentative bond sale schedule for the balance of Fiscal Year 1989; and the capital appreciation bonds be noncallable. Regent Tyler seconded the motion.

Regent Duchen asked that they take a couple of minutes to describe the launching of the college savings bonds.

Director Eisenhower stated that the General Assembly authorized the Regents to issue up to \$19 million in capital appreciation bonds to be sold as Iowa super college savings program. They are targeting first-time investors and focusing on long-term savings to finance future college costs. The bonds will be sold in denominations of \$1,000. The managing underwriter is the Edward D. Jones firm and they are involving Iowa firms for a good broad base representation.

President Pomerantz stated that a \$1,000 investment at approximately 10 percent interest rate for 20-year bonds at the end of 10 years would double their investment and then double again. The bond would be worth \$3,500 to \$4,000 at 20 years out. The bonds are both federal and state tax exempt. The bonds are for supplementing the cost of higher education at a time when inflation would diminish purchasing power. He said it is an exciting program with highly competitive returns. It is an exciting opportunity for the people in Iowa to invest in the future of educating young people.

Regent Greig said he talked to the local Edward D. Jones representative in his area. They are calling them grandfather bonds. He said he was real glad the Regents were able to do it.

President Curris asked about the maturity ranges.

Regent Fitzgibbon said they are from 5 to 20 years.

Regent Harris said that unlike other bonds these bonds are packaged to be sold in \$1,000 denominations which makes it easy for a number of people to buy bonds that were not able to in the past.

VOTE ON THE MOTION: The motion carried unanimously.

MOTION: Regent Fitzgibbon moved to approve the extension of the contract with Springsted, Inc., as the Board's financial advisor for one year through August 31, 1989, under the same terms and conditions as the most recent contract. Regent Tyler seconded the motion, and it carried unanimously.

SPECIAL SCHOOL OVERSIGHT. The Board Office recommended the Board approve fiscal year 1989 oversight policy for the special schools.

It was recommended that the following oversight policies for the special schools be revised and approved as indicated (new language is underlined):

1. The Board president or the president's designee approve new or changed vacated positions before filling.
2. The Board president or the president's designee approve equipment purchases and building repairs in excess of ~~\$1,000~~ \$2,000 for Iowa School for the Deaf and \$5,000 for Iowa Braille and Sight Saving School.
3. The Board president or the president's designee approve all repairs, remodeling, or additions to superintendents' residences or the on-campus residences of any school employees.
4. Trust fund expenditures are to be budgeted, submitted for review to the Board Office, and considered for approval by the Board.
5. Superintendents' out-of-state travel must be approved by the Board president or his designee.

Oversight policies for the special schools began in April 1986, were revised in July and December of 1986, and have continued through fiscal year 1988. The schools' administration and business offices have matured to the extent that modified oversight policies were recommended by the Board Office for fiscal year 1989. Because of newly-reorganized business functions at the Iowa School for the Deaf, it was recommended that the threshold amount for equipment purchases and building repairs be lower than those thresholds for the Iowa Braille and Sight Saving School.

MOTION: Regent Williams moved to approve fiscal year 1989 oversight policy for the special schools. Regent Duchon seconded the motion, and it carried unanimously.

EMPLOYEE APPEAL - UNIVERSITY OF NORTHERN IOWA. The Board Office recommended that the Board deny the request of Darrell Mudra for review of a final institutional decision at the University of Northern Iowa.

Dr. Mudra requested that the Board review a final institutional decision regarding his separation from the University of Northern Iowa. Dr. Mudra resigned from the university on May 26 through a public press conference. Dr. Mudra's letter of resignation, dated May 26 and received by the university on June 1, stated that he was retiring effective August 1, 1988.

The university sought and secured another head football coach for the 1988 football season.

When the university would not accept Dr. Mudra's retirement date of August 1, Dr. Mudra wrote to withdraw his resignation.

The university then placed Dr. Mudra on vacation for the month of July and continued his benefits through August 1, 1988.

Dr. Mudra believes that he is entitled to have his retirement/resignation letter withdrawn and to be paid as an employee of the university.

The Board Office believes the university acted in good faith and that there is not a basis for reviewing this matter.

Director Wright emphasized that the university's Professional & Scientific staff policies provide that the university may place an employee on vacation when it is judged by the university to be in the best interest of the university and the employee.

MOTION:

Regent Duchon moved to deny the request of Darrell Mudra for review of a final institutional decision at the University of Northern Iowa. Regent Williams seconded the motion, and it carried unanimously.

FINAL ADOPTION OF COMBINED CHARITABLE CAMPAIGN RULES. The Board Office recommended that the Board approve final adoption of the Administrative Rules for Combined Charitable Campaigns as published in the Iowa Administrative Bulletin and approved by the Board for Notice of Intended Action at its meeting of April 1988.

The Board approved a time for receiving comments on the rules and authorized a hearing which was held September 10, 1988. The proposed rules were further reviewed by the Administrative Rules Committee on September 13 and the committee recommended two words be inserted. The words were "all of". The University of Northern Iowa requested several minor changes, also.

MOTION:

Regent Harris moved to approve final adoption of the Administrative Rules for Combined Charitable Campaigns as published in the Iowa Administrative Bulletin and approved by the Board for Notice of Intended Action at its meeting of April 1988, and as revised by the Administrative Rules Committee on September 13, 1988, and the University of Northern Iowa. Regent Williams seconded the motion, and it carried unanimously.

ACCEPTANCE AND APPROVAL OF HARRY J. AND NELLIE B. GRIFFITH TRUST. The Board Office recommended the Board accept and approve bequests to the University of Iowa and Iowa State University from the Harry J. and Nellie B. Griffith Memorial Fund in accordance with section 262.9 of the 1987 Iowa Code.

A bequest of \$75,000 plus one sixth of the residual estate of Harry J. and Nellie B. Griffith has been made to each university.

Income from the trusts is to be used to provide scholarships for students at the universities, particularly those students from Wilton, Iowa.

MOTION:

Regent Tyler moved to accept and approve bequests to the University of Iowa and Iowa State University from the Harry J. and Nellie B. Griffith Memorial Fund in accordance with section 262.9 of the 1987 Iowa Code. Regent Harris seconded the motion, and it carried unanimously.

BOARD OFFICE BUDGET REQUEST. The Board Office recommended the Board receive the report.

Peat Marwick Main & Co. is in the final stages of preparation of its report on the Board of Regents and the Board Office portion of the Organizational Audit. The report will be on the docket for consideration by the Board in October.

It is probable that the findings and recommendations of Peat Marwick Main & Co. will have significant impact on the Board's budget request for fiscal year 1990. Therefore, the proposed budget for the Board Office should be postponed in order that the results of the report can be taken into consideration in its preparation.

ACTION:

President Pomerantz stated the Board received the report by general consent.

BOARD OFFICE PERSONNEL REGISTER. The Board Office recommended that the Board approve the Register as outlined below for August and September 1988.

Transfer:

Ann (Sloan) Powell, Clerk II (Board Office Receptionist), transfer to the University of Iowa Hospitals and Clinics effective September 19, 1988.

Merit Increase:

Gaye Pack, Secretary II, Grade 508, from \$17,617.60 to \$18,428.80, effective August 4, 1988.

Extra Meritorious Increase:

Sheila Lodge, Secretary II, Grade 508, from \$18,428.80 to \$19,344.00, effective September 2, 1988.

ACTION: President Pomerantz stated the Board approved the Register as outlined above for August and September 1988.

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

October 19-20	Dubuque Inn	Dubuque
November 16-17	University of Northern Iowa	Cedar Falls
December 14-15	Marriott Hotel	Des Moines
January 18-19, 1989	Iowa State University	Ames
February 15-16	Marriott Hotel	Des Moines
March 15-16	Iowa School for the Deaf	Council Bluffs
April 12	University of Iowa	City
April 13	Iowa Braille and Sight Saving School	Vinton
May 24-25	(To Be Designated)	Atlantic
June 21-22	University of Northern Iowa	Cedar Falls
July 14	(To Be Designated)	Okoboji
August	NO MEETING	

Regent Fitzgibbon said a suggestion had been made to change the January meeting to the 11th and to hold it on just that one day. This change was requested because of a national conference being held on January 18-19.

Regent Tyler said he thought he recalled discussion about not going to Okoboji in the future. Regent Fitzgibbon stated that his concern with going to Okoboji was that they should meet at each of the university campuses more often than every 14 months.

GENERAL
September 14-15, 1988

ACTION: President Pomerantz stated the meetings schedule was received by general consent.

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

EXECUTIVE SESSION. President Pomerantz requested the Board enter into closed session to conduct confidential evaluations pursuant to Code of Iowa section 21.5(1)(i) as requested by employees, and to conduct a collective bargaining strategy session pursuant to Code of Iowa section 20.17(3).

MOTION: Regent VanEkeren moved to enter into closed session. Regent Greig seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 4:30 p.m. on September 14, 1988, and arose therefrom at 6:15 p.m. on that same date.

STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, September 14 and Thursday, September 15, 1988.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the Registers for the months of June and July 1988.

ACTION: President Pomerantz stated the Board approved the Registers for the months of June and July 1988 as a consent item.

RESIGNATION AND APPOINTMENT. The Board Office recommended that the Board (1) accept the resignation of PAUL SHANG as Director, Special Support Services, effective August 5, 1988, and (2) appoint PHILLIP E. JONES, Acting Director, Special Support Services, effective August 6, 1988, and serving until a permanent director has been named, at his salary as Dean of Student Services.

Vice President Vernon presented the following supplemental appointment:

LEODIS DAVIS as Acting Associate Vice President for Academic Affairs, half-time, effective September 1, 1988, at an academic year salary of \$82,400.

MOTION: Regent Harris moved to approve the appointments and resignation of administrators, as presented. Regent Tyler seconded the motion, and it carried unanimously.

REPORT ON REGENTS MEETING AS BOARD OF TRUSTEES OF UNIVERSITY OF IOWA HOSPITALS AND CLINICS. The Board Office recommended the Board receive the report on the University of Iowa Hospitals and Clinics.

President Rawlings said the University of Iowa Hospitals and Clinics is a very complex operation. The hospital is known throughout the country. He introduced John Colloton who he said is one of the most able directors of hospitals in the United States.

Mr. Colloton said there were a lot of talented university hospital staff members around the table that he would introduce throughout the presentation.

Mr. Colloton noted that one important development since they last met was the appointment of a deputy director. The university conducted a national search and appointed W. Petasnick as of August 1. He is from the University of North Carolina. He said John Staley was promoted to Deputy Administrator.

Mr. Colloton said the University of Iowa Hospitals and Clinics is now in the strongest administrative position it's been in for the last 30 years.

Mr. Colloton stated that University Hospitals is the largest hospital in the state with 902 beds. It served 436,023 patients in fiscal year 1987-88. The number of ambulatory patients has increased 142.3 percent since 1960. Ten percent of its admitted patients come from outside the state. Three of every five Iowa families have been served at UIHC during the past six decades. University Hospitals serves a greater percentage of Medicare patients than any other hospital in the state. The complexity of patients is 32 percent greater than other Iowa hospitals and is becoming more complex year by year. The more complex the patient the more it costs to care for them. The total students training in University Hospitals on a representative day is 1,173. University Hospitals employs 1,160 doctors in 125 specialties. There are 474 resident doctors and 171 fellow doctors in training. It employs 7,187 staff members.

Mr. Colloton stated that University Hospitals has the lowest per admission cost of all the midwestern hospitals that belong to the Association of Medical Colleges.

Mr. Colloton said the question has been asked whether Iowa can afford UIHC. He said the 1988-89 estimated cash flow is \$235 million of which 89 percent comes from paying patient earnings and 11 percent from state appropriations. The total impact on Iowa's economy is \$743 million.

Mr. Colloton stated that the recruitment of an adequate number of nursing staff members is one of the most serious challenges facing them today. He said the problem is likely to get much worse before it gets better. They expect a shortage of 500,000 nurses by the year 2,000. He introduced Sally Mathis, Director of Nursing.

Ms. Mathis stated that the nursing department has an operating budget of \$71 million and employs 2,000 staff members. Their budget exceeds the budgets of 8 to 10 collegiate units on the campus.

Ms. Mathis said the major problem they are facing is the shortage of nurses. Before this decade is over, U.S. hospitals will have experienced two major nursing shortages. The first began in the late 1970s and, for most regions of the country, ended in 1983. However, the problem has now returned. Over the past three years, vacancy reports from the hospital sector, where two-thirds of the nation's nurses are practicing, confirm that a new shortage now exists and is likely to grow if remedial action is not taken. Ms. Mathis presented the following as evidence of the shortage of nurses nationwide: Seventy-six percent of all hospitals indicate some degree of shortage; 19 percent indicate a "severe" shortage. Hospitals' use of proprietary nursing agencies to meet their needs is up from 30 percent in 1986 to 47 percent in 1987. Temporary bed closings have occurred in 30 percent of urban hospitals

and 15 percent of rural hospitals as a result of the nursing shortage. Eighty-two percent of hospital executives across the nation believe the nursing shortage is affecting the quality of patient care.

Ms. Mathis discussed the comparison of UIHC and national registered nurse vacancy rates. In 1983 it was pretty close: 4 percent nationally and 3 percent at UIHC. In 1985 it was 6 percent nationally and 4 percent at UIHC. 1986 began showing a big difference with a 14 percent vacancy rate nationally compared with a 4 percent vacancy rate at UIHC. In 1987 the national vacancy rate was 17 percent compared to UIHC at 5 percent. Ms. Mathis said they appointed 30 new nurses in September of this year.

Regent Harris asked how many of the nurses employed by UIHC are B.S.-degreed nurses. Ms. Mathis responded that 50 percent of their nurses are B.S.N., 27 percent are associate-degreed nurses and 20 percent are diploma nurses.

Ms. Mathis introduced Kay Broman, Associate Director of Nursing, to discuss the recruitment and retention effort at UIHC.

Ms. Broman said their goal is to achieve a balance of initiatives including shared governance structure. She said the nursing staff participates in decision making. University Hospitals honors nurses each year. Over 120 staff nurses become teaching assistants and serve as mentors. Career day is held annually. Nurses are offered shift options and level of care (acute, intermediate, intensive), and adult or child. Nurses are offered professional enrichment and promotion opportunities. They are also offered economic rewards.

Ms. Broman stated that in 1987 staff nursing starting salaries were higher at University Hospitals than the national average starting salary. She showed that University Hospitals starting salaries are also higher than those of hospitals in the surrounding area.

Regent Williams asked why there is no starting salary differentiation for B.S. and non-B.S. nurses.

Ms. Broman responded that the board exams are the same. In addition, studies have demonstrated there is very little difference in their ability to carry out entry-level duties.

Regent Williams stated that she was concerned that within the College of Nursing the graduates are treated the same as the graduates of a community college associate degree program.

Ms. Broman acknowledged that that is a concern they share. They are in dialogue about this. For about 20 years the profession has been working on this.

Regent Harris noted that there is a difference that comes later. The B.S.N. has the ability to move up much faster.

Regent Harris asked what percentage of the B.S.N.. nurses at University Hospitals are involved in patient care?

Ms. Mathis responded that all staff nurses are involved in patient care.

Regent Harris asked how much the increase in the standards of requirements for B.S. degrees has contributed to the nursing shortage.

Ms. Mathis responded that she didn't think it had contributed very much to the shortage. She said that what some of the B.S. programs are now doing is trying to incorporate the best of the three types of nursing programs.

Regent Williams noted that the Veteran's Administration Hospital in Iowa City discriminates between the B.S.N. and the diploma school nurse.

Ms. Mathis stated that 20 percent of the UIHC new nursing positions are R.N.s who chose to return to UIHC.

The Regents were presented with a membership listing of the UIHC nursing department's multi-disciplinary advisory council.

Mr. Tinker stated that through his participation on the advisory council he has gained much more respect for their nursing college.

Ms. Mathis stated that they are in the process of assessing and evaluating the responsibilities previously of the R.N. that can be done now by someone else.

President Pomerantz noted that he didn't fully understand the mission of the advisory council, whether it is to internally generate advice or to deal with broader issues. He said that if it is to deal with broader issues they should have some external membership on it.

President Rawlings said he comes from a state where in the month of May the nursing issue reached a crisis. Nurses were on the verge of a strike. He said that is a serious issue. They want to stave off this sort of a problem. The key word is respect. He said doctors are part of the problem.

Regent Harris said he took issue with that last statement. He said that in Cedar Rapids there is a tremendous amount of respect for nurses. There are some areas the nurses know more about than the doctors. He said nurses are the key to the survival of many patients. When an emergency occurs a patient's life is measured in seconds. The nurse deals with the emergency and then she calls the doctor.

President Rawlings said he appreciated that statement.

Regent Duchen said that he has felt for a number of years that the nursing profession has not received enough real recognition.

Regent Fitzgibbon asked specifically what it takes to attract them. He said there has to be more than recognition.

Regent Harris said money was another part of it.

Regent Greig stated that another factor contributing to the nursing shortage was career options. Women have so many more choices available to them today. He said more respect and more pay will bring some of those women back to nursing.

Mr. Colloton said he has been working with nurses for 30 years and has been married to one for 28 years. He has developed a very high regard for what nurses do. It is a very tough job physically and psychologically, and is very intrusive to usual life styles. He said nurses work with some very high powered professionals day by day. He admitted he didn't know the answers. He said what they have at UIHC is a very effective nursing department that has worked quite hard to get where they are. However, he said they are fighting a losing battle. There is an increasing aging population and a medical explosion of knowledge. He said they are only dealing with the symptoms. They need to find ways to attract large numbers of people into nursing. He said it would take \$33 billion to increase the salaries of nurses by 50 percent so they need to come up with some kind of practical solution. He said there are three entry-level nursing credentials: 1) associate degree for 2 years of training, 2) hospital degree for three years of training, and 3) a 4-year B.S. degree. In most hospital settings they are all paid the same because the nursing leadership says they all do the same thing. He said 70 percent of all nurses in the United States do not have a B.S. degree. The question is what body of knowledge is required to practice nursing and what curriculum is needed to deliver that? Some people think clinical nursing requires a different level of preparation.

Regent Williams said the nursing profession will be going through a transition period. She said they need to determine what level of education is required and make that transition.

Regent Greig asked how they are doing at recruiting males. Ms. Mathis responded that in Iowa it's about 5 percent. It's a very gradual increase.

President Pomerantz said we can't solve the national problem but we can certainly do a lot about solving the Iowa problem. He urged that they take what appropriate steps can be taken and send the message of being highly supportive. He said if something can be done to head off a crisis they should do it.

Mr. Colloton stated that within the university they have very good cohesion.

Mr. Colloton introduced Bill Hesson to present the governance report.

Mr. Hesson reviewed the basic structure by which the Board meets its governance responsibilities. He said the Board's relationship with the hospital is different than its relationship to the other institutions within its jurisdiction. UIHC is subject to licensure and accreditation standards. In order to satisfy those requirements the Board adopted basic bylaws. Through the bylaws the Board of Regents created two channels through which the governance responsibilities are met. Responsibility for those governance functions typically exercised directly by the board of trustees of a community hospital is retained at the Board of Regents level. The bylaws establishes the University Hospital Advisory Committee and delegates to it the responsibility to act as an internal governing body of the hospital. The Board of Regents' ultimate accountability for these functions is met through periodic reports by UIHC to the Board concerning actions taken pursuant to this delegation, and through other University of Iowa reporting mechanisms.

Mr. Hesson reviewed the agenda items for the year's University Hospital Advisory Committee meetings.

Mr. Hesson presented proposed amendments to the UIHC bylaws. The purposes of these amendments were as follows:

- a. To amend the bylaws to change the name of the Clinical Pharmacology Subcommittee to the Pharmacy and Therapeutics Subcommittee.
- b. To amend the bylaws to reflect changes in the names of external agencies to which reference is made in the bylaws.
- c. To amend the bylaws to change the name of the Child Abuse Subcommittee to the Subcommittee on Protection of Persons and to modify the charge to the subcommittee to reflect an expanded role in assuring University Hospitals' compliance with its responsibilities to abused or neglected children and dependent adults.
- d. To amend the bylaws to provide appropriate recognition for the outreach missions of the University of Iowa Hospitals and Clinics.
- e. To amend the bylaws to add the Administrator of the University of Iowa Hospitals and Clinics to the permanent membership of the University Hospital Advisory Committee.
- f. To amend the bylaws to comply with the JCAHO requirement that the bylaws, rules and regulations specify the circumstances in which an individual is to report involvement in a professional liability action.

- g. To amend the rules and regulations to reflect the renaming of the Clinical Pharmacology Subcommittee to the Pharmacy and Therapeutics Subcommittee.

President Pomerantz stated that the Code of Iowa establishes the law that is the ultimate authority in terms of governance of University Hospitals and Clinics. He said the Board's comments and actions at this meeting should not create the illusion that they are delegating anything they have a right to govern. He noted that the Board members have a particularly heavy schedule in preparing for this meeting. He asked to table the bylaws amendments for one month.

Regent Fitzgibbon stated that the hospital officials run an outstanding operation. He felt it was appropriate it is governed the way it is; however, he said that in the last legislative session it became apparent that some people feel differently about it. He reiterated that he feels it is a great operation.

Mr. Colloton stated that the medical care system in this country is in a state of great turbulence. The turbulence is stemming from many forces, but particularly key has been the country's adoption of the evolving competition model for delivery and financing of medical care in an effort to constrain aggregate costs. He said teaching hospitals have not escaped this revolution and in many situations have been greatly impacted. Many are experiencing census declines, cash flow problems, severe staffing shortages, and additionally many, particularly university-owned teaching hospitals, are having great difficulty in coping with the new competitive pressures. In some universities this has resulted in "the powers that be" lurching about in search for a more adequate governance structure for the teaching hospital. This is done in recognition of the unique nature of teaching hospitals that are quasi-educational-business enterprises. Presently, the 64 university-owned teaching hospitals of our nation are governed under a number of models, including the model we use, which is the predominant structure throughout the nation; some boards of regents appoint subcommittees to help them address certain features of the teaching hospitals; and a few university hospitals have governing boards that are separate from the Regents' governance of the university.

Mr. Colloton said the universities are attempting to resolve three basic problems in the structuring of the governance of their teaching hospitals. First, to address the dearth of capital resources -- many teaching hospitals are capital "starved" and have huge capital needs. Second, to provide the teaching hospital freedom from the restraints of rigid state governments and university regulations and procedures that impede optimal management of a large quasi-business-educational enterprise -- often times operating at a clip of \$1 million a day like the UIHC. Third, to obtain the managerial flexibility to adapt to the dynamics of the competitive

model of medicine. He said UIHC has had none of those problems because they have had university presidents and Boards of Regents over the last twenty years who have recognized that a hospital has unique managerial problems, standards and external accountabilities that must be met. Our university has met these challenges through decentralized management and thus has reaped substantial benefits for the university as a whole. Resultingly, Iowa has the best of all models and the best of all outcomes -- a teaching hospital with intimate cohesion with its parent university because of common governance and, accordingly, one that contributes substantially to the academic vitality of its university; one that cares for 400,000 Iowans per year; one that finances its own capital replacement program; and one that operates very cost effectively and without state subsidy.

Mr. Colloton said that in response to the question what he thinks about the future structure of governance of UIHC that he believes the Regents and the university should continue doing what they have been doing except they must do a much better job of communicating the successful outcomes and the true role of governance that the Regents have played in the success story that they have at the UIHC.

Regent VanGilst asked if the resolution the Regents adopted in 1984 was still in effect. Mr. Colloton responded that it was.

President Rawlings stated that UIHC is a great hospital. He said that when he was considering this great job opportunity in Iowa he asked around about the university. One consistent remark he found what that he would have the strongest university hospital in the United States. From what he has seen he believes that to be so. He said this is a model for other states and other universities. Other states are visibly divesting their hospitals from the universities. Colorado is doing precisely that. He said that in this rapidly-changing health care world we need to become as informed as possible about issues like the nursing problem. He suggested that they continue to educate and inform themselves to stay up with these issues. He said this session was a good model for what they may want to do to pin point those types of issues before they become crisis issues. The more they can educate themselves, the better.

Regent Fitzgibbon said that a semi-annual meeting of this kind is appropriate.

President Pomerantz stated that between two and four of these types of meetings every year would be a good idea. On behalf of the Board he said this was an excellent presentation. He has been personally involved in two blue ribbon studies of the hospitals and has spent much time becoming very familiar with UIHC. He said it is absolutely clear that this hospital may be the very best in this nation. Russian visitors' comments were that this hospital is the finest they have seen and serves as a model for what medicine should be around the world. The appreciation of the quality of medicine here

is far reaching and well established. However, he said there are some adversarial positions taken from time to time. He said the people of Iowa are very fortunate to have this facility available. The state budget support of the hospital is a very small increment of the state's wealth. In order to discharge the Regents' responsibilities for all constituencies involved he asked UIHC officials to prepare this type of meeting at least two times and up to four times a year. The fact is that their inquiry and desire to gain information is spirited by an effort to be more helpful and recognize the tremendous institution here. He offered the Board's congratulations on where they are today and said they will help the university attain an even higher, more proficient level of care.

Mr. Colloton stated that the Regents would next be taken on a tour of the Ambulatory Surgery Center, the Center for Digestive Diseases and the Cardiovascular Intensive Care Unit.

At the Ambulatory Surgery Center the Regents walked through the examination and the pre-operative evaluation area, saw the four operating rooms which will adjoin the new operating suite and saw the first and second stage recovery rooms. A tremendous range of procedures could be done at this facility; procedures that patients can go home from.

Regent Harris noted that 10 to 12 years ago cataract patients were staying in the hospital for 2 weeks. Now that procedure can be done on an outpatient basis. He said the typical 80-year-old patient recuperates better at home with her family.

At the Center for Digestive Diseases the Regents were introduced to the facility by Dorothy Finke, R.N. and Dr. Weenstock. Dr. Weenstock stated that health care knowledge and abilities have exploded. Previously, patients had to go back and forth to many specialists. University Hospitals officials looked at these problems and developed this unit where patients come into a system of sophisticated health care and have their needs tended to in minimal visits without being bounced around. This unit includes a pediatric area, diagnostic and therapeutic services, endoscopic procedures, gastro-intestinal specialties, general surgeons and gastro neurologists. A patient can see them all within one visit. All the specialists are working very closely together on the patients. Procedures are scheduled through the outpatient unit. Sixty percent of the patients in this unit are out patients. Patients are given written information on what will happen to them either before or after they gown. They also have video equipment that will explain the procedure. The majority of the procedures are to look into the upper and lower G.I. tract. The majority of the procedures involve the placement of tubes through the mouth into the stomach. Some of those are very time consuming.

The Regents were shown the newest technology for eliminating gall stones. This procedure is called lithotripsy. University Hospitals is one of several

hospitals in the nation that are trying out this new procedure which is used to shatter gall stones. In most cases they do not have to use anesthesia. They had treated 50 patients by the last week in May. This procedure will replace half the reasons people had their bellies opened in the past.

At the Cardiovascular Intensive Care Unit the Regents were told that it has a 90 percent occupancy. The whole scope of cardiovascular care has changed dramatically. Patients require very intensive monitoring. There are three physicians in the unit at all times. There are ten private intensive care units. One hundred to one hundred and twenty patients per month come through the unit. Most of the patients need one nurse 24 hours per day. The nurses float between this area and the surgical intensive care unit.

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

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the Register of Capital Improvement Business Transactions.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

College of Medicine Administration Building

The Board granted permission in October 1987 to proceed with planning for this project, which will result in the replacement of a 17-year-old "temporary" prefabricated metal building. Permission was also granted to negotiate an agreement for professional design services for the project with Hansen Lind Meyer, Inc., the designers of the Human Biology Research Facility.

At the time the Human Biology Research Facility was being planned, it was decided to eliminate the wing to house the college administration in favor of one additional floor of badly-needed research space. Favorable construction bids have resulted in sufficient remaining funds to permit completion of the facility. College personnel now housed in the temporary College of Medicine Administration Building that is located on the site of the proposed new facility will be housed on one floor of the Human Biology Research Facility pending completion of the new space.

The project will consist of approximately 34,200 gross square feet. Of this sum, 14,700 will be finished for immediate use and shell space for 7,800 square feet of usable space will remain to be finished later. The net-to-gross ratio objective for the facility will be 65 percent. The conceptual construction budget for the project is approximately \$3.6 million, producing a construction cost of \$105 per gross square foot.

The design theme and construction materials for the project will be a continuation of those used for the Human Biology Research Facility. The exterior of the wing will be constructed of a glazed brick in two colors with aluminum windows and tinted glass. It will not be evident that the wing was constructed later than the initial structure. The main entry to the new facility will share the structural courtyard now serving the Human Biology Research Facility. Upon completion of the new wing the courtyard will serve as an identifiable and formal entry point to the College of Medicine.

The project will be submitted for the review and approval of the Board upon completion of the schematic design and the preliminary budget.

PROJECT DESCRIPTIONS AND BUDGETS

University Hospitals and Clinics--Psychiatric Pavilion
Replacement Facility--Phase C \$12,124,222
Source of Funds: University Hospital Building
Usage Funds

Preliminary Budget

Construction	\$10,145,793
Architectural and Engineering Support	659,476
Planning and Supervision	304,374
Contingency	<u>1,014,579</u>
 TOTAL	 \$12,124,222

This project, the third and final major phase of the Psychiatric Pavilion Replacement Facility, entails construction of the inpatient bed sector of approximately 75,000 gross square feet of space adjacent to the Psychiatric Pavilion clinic wing now under construction. The project will include Adult and Child Psychiatry inpatient units and supporting service space to replace outmoded facilities now located in the 1919 vintage Psychiatric Hospital. The project will be completed via the fast track mode with shell construction proceeding while interior design is being completed. An added alternate of approximately 19,000 gross square feet of critically-needed basement warehousing space to be located between the Colloton Pavilion and Psychiatric Pavilion will be taken and evaluated upon receipt of bids. The availability of this space will permit the elimination of costly and functionally inefficient off-site leased warehouses now used for the storage of medical and surgical supplies.

Armory Demolition--Field House West Wall Replacement \$1,169,365
Source of Funds: University Hospital Building
Usage Unrestricted Gift Funds

Preliminary Budget

Design, Inspection and Administration	\$ 131,565
Construction and Demolition	894,600
Asbestos Removal and Construction Fence	49,200
Contingency	<u>94,000</u>
TOTAL	\$1,169,365

In September 1987 the Board authorized the university to proceed with the planning that would permit the Armory to be demolished to allow construction of the Psychiatric Pavilion Replacement Facility, Phase C, to the University of Iowa Hospitals and Clinics. The first phase of that activity was the construction of a replacement facility for the Armory, a project identified as the Field House Addition. That project is fully under contract and under construction. The next step of the process is the demolition of the Armory.

There is no wall separating the Armory from the Field House where the activity areas in the two buildings join. The opening between the two spaces is an arch 146 feet wide at the floor level and 52 feet high. Demolition of the Armory is to occur in time to permit construction of the Psychiatric Pavilion, Phase C, to begin in February 1989. In order for the Field House to remain usable during the winter construction process, the opening will have to be closed before the Armory can be demolished.

Some of the materials required for construction of the replacement wall have relatively long delivery times. For this reason the structural steel and the translucent exterior skin will be ordered by the quotation and purchase order process and assigned to the general contractor who is to be selected by the public bidding process.

Construction time for the wall is estimated to require four months. Demolition of the Armory is estimated to require one month, which can overlap with the last month of wall construction. The completion time objective of mid-February will require that construction of the wall begin in mid- to late-October. Wall construction will require the equivalent of one-half of a basketball court in the east-west dimension at the east end of the Armory. The three basketball courts in this location will be shortened to half-court size by a temporary wall to provide a secure and safe environment for construction of the permanent wall and to permit continued use of the remainder of the Armory during the balance of the fall semester. If the project proceeds according to plan, it will not be necessary to close down the Field House for any portion of the construction activity. The Field House Addition is scheduled to be ready for beneficial occupancy in mid-January 1989, which will permit transfer of Armory activity to that facility following the semester break.

C O R R E C T E D

STATE UNIVERSITY OF IOWA
September 14-15, 1988

International Center--Restore Lounge \$259,500
Source of Funds: State Contingent Fund

Preliminary Budget

Design, Inspection and Administration	\$ 21,200
Construction	171,600
Furnishings and Window Covering	45,000
Contingency	<u>21,700</u>
 TOTAL	 \$259,500

This project will result in the repair of the damage caused by the fire in the lounge area of the International Center on April 4, 1988.

The main and most extensive damage was limited to the lounge proper. Work in that area will include replacement of pine wainscot and false beamed ceiling, damaged plaster, all or parts of 15 windows, room lighting, and some wiring and carpeting. Remaining surfaces will be painted or stained and varnished. The roof over a small one-story section of the lounge will be replaced. Work in the other rooms will consist of limited repair and surface cleaning and painting. Furniture and window covering will be replaced in the lounge.

* * * * *

The university presented revised budgets on the following projects.

Chemistry-Botany Building Remodeling-- Original Budget \$8,550,000
Phase II Revised Budget \$8,900,000

	<u>9/87</u> <u>Approved</u> <u>Budget</u>	<u>Revised</u> <u>Budget</u>
Design, Inspection and Administration	\$1,173,000	\$1,173,000
Construction	5,697,000	6,084,000
Reserve for Chiller Plant	1,110,000	1,110,000
Contingency	<u>570,000</u>	<u>553,000</u>
TOTAL	<u>\$8,550,000</u>	<u>\$8,900,000</u>

Source of Funds:

72nd General Assembly Academic Revenue Bonds	\$8,550,000	\$8,550,000
Building Repairs or Treasurer's Temporary Investments	<u>-0-</u>	<u>350,000</u>
TOTAL	<u>\$8,550,000</u>	<u>\$8,900,000</u>

This budget adjustment is to provide funds and to revise project scope to accommodate two conditions that have developed during the initial stages of construction. The major problem is that quantities of asbestos encountered far exceed those anticipated in the initial budget. This problem accounts for \$330,000 of the recommended budget adjustment.

The roof of the northwest wing has become sufficiently damaged during installation of new roof top equipment to require replacement. Replacement is estimated to cost \$20,000.

Engineering Research Facility

Original Budget \$2,445,355
Revised Budget \$2,528,855

	<u>5/88 Approved Budget</u>	<u>Revised Budget</u>
Design, Inspection and Administration	\$ 265,000	\$ 275,000
Construction	1,636,290	1,719,790
Fixed Equipment	444,065	444,065
Contingency	<u>100,000</u>	<u>90,000</u>
TOTAL	\$2,445,355	\$2,528,855

Source of Funds:

General University Building		
Repairs or Treasurer's		
Temporary Investments	\$2,190,000	\$2,273,500
Equipment Funds	<u>255,355</u>	<u>255,355</u>
TOTAL	\$2,445,355	\$2,528,855

The construction budget for this project included a \$50,000 allowance for construction of a steam line to the building. Upon review of the budget it was also determined that several other costs were not accommodated within the budget. They include the cost to design the clean rooms incorporated in the project toward the end of building design and testing and balancing of the mechanical and water systems. The design and construction budgets have been adjusted to accommodate these changes. The contingency account is reduced to partially accommodate the increase in requirements. The increase in the budget totals \$83,500.

Medical Laboratories Animal Care Unit
Remodeling--Fourth Floor, West Wing

Original Budget \$1,010,233
Proposed Budget \$1,010,233

This budget was amended to show changes in the source of funds.

Source of Funds:	<u>Approved 6/23/88</u>	<u>Proposed</u>
Department of Health and Human Services		
National Institutes of Health	\$ 297,295	\$ 350,249
Treasurer's Temporary Investment	<u>712,938</u>	<u>659,984</u>
TOTAL	\$1,010,233	\$1,010,233

<u>Oakdale--Animal Quarters A. HVAC Renovation</u>	Original Budget	<u>\$125,400</u>
	Proposed Budget	<u>\$125,400</u>

This budget was amended to show changes in the source of funds.

Source of Funds:	<u>Approved 6/17/87</u>	<u>Proposed</u>
Department of Health and Human Services		
National Institutes of Health	\$ 52,954	\$ -0-
Treasurer's Temporary Investment	<u>72,446</u>	<u>125,400</u>
TOTAL	\$ 125,400	\$ 125,400

* * * * *

The university presented nine new projects with budgets of less than \$200,000 that will be initiated in the coming months. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

CONSULTANT AGREEMENTS

Approvals Requested:

The university requested approval of the consultant selection and negotiated agreements on three projects:

<u>College of Medicine Administration Building</u>	<u>\$218,075</u>
Hansen Lind Meyer, Inc., Iowa City, IA	

An agreement for professional design services was negotiated with Hansen Lind Meyer, Inc. The agreement is in the form of the standard Board agreement. The agreement provides that standard design services will be provided for a fixed fee of \$218,075. Additional services will be provided as a multiple of

2.5 of direct personnel expenses and at fixed rates for principals.
Reimbursables are established at \$35,000.

Armory Demolition--Field House West Wall Replacement \$58,200
Bussard/Dikis Associates, Ltd., Des Moines, IA

A standard form of agreement of professional design services was negotiated. It provides for a fixed fee of \$58,200 for basic design and construction observation services. Reimbursables are established at \$7,500. Additional services will be provided at a multiple of 2.6 of direct personnel expenses and at a fixed hourly rate for principals.

North Campus Parking and Chilled Water Facility--
Soil Retention System \$6,640
Structural Consultant, PC, Des Moines, IA

The North Campus Parking and Chilled Water Facility project requires the construction of a temporary earth retention system along the north, east, and possibly the south side of the site. The retention system is to be designed to minimize the impact of excavation on Capitol Street and the utilities that have been designated to remain.

This agreement provides for preliminary design, preparation of construction and bid documents and document clarification services. Basic services shall be on the basis of a fixed fee in the amount of \$6,640. Additional services shall be billed on the basis of \$70 per hour for principals' time.

Amendments:

Recreation Building--Resurface Floor \$9,248
Shoemaker & Haaland Professional Engineers, Coralville, IA

The additional services include pre-construction assistance and preparation, observation, and coordination services, as well as quality testing and survey services. The amendment provides for an increase in basic services not to exceed \$9,248 and \$300 in additional reimbursables.

Oakdale--Waste Incinerator \$48,545
Kruse Associates, Iowa City, IA

This amendment covers change in the scope of the original contract through the addition of a loading dock, equipment changes, and the duration of the contract. This amendment provides for an increase in the basic services not to exceed \$48,545 and in reimbursables of \$4,910.

Amendments Reported:

<u>Chemistry-Botany Building Remodeling--Phase II</u> CPMI, Inc., Des Moines, IA	<u>\$4,272.48</u>
<u>North Campus Parking and Chilled Water Facility</u> Stanley Consultants, Inc., Muscatine, IA	<u>\$21,581.00</u>
<u>North Campus Parking and Chilled Water Facility</u> Stanley Consultants, Inc., Muscatine, IA	<u>\$8,041.00</u>
<u>North Campus Parking and Chilled Water Facility</u> Stanley Consultants, Inc., Muscatine, IA	<u>\$7,635.00</u>
<u>Field House Addition</u> Bussard/Dikis Associates, Ltd., Des Moines, IA	<u>\$6,900.00</u>
<u>University Hospitals and Clinics--Patient and Visitors</u> <u>Activities Center</u> Engineering Associates, Cedar Rapids, IA	<u>\$2,300.00</u>
<u>University Hospitals and Clinics--Carver Pavilion</u> <u>Secondary Power Modifications</u> Hansen Lind Meyer, Inc., Iowa City, IA	<u>\$1,202.00</u>
<u>University Hospitals and Clinics--Surgery Faculty Office</u> <u>Consolidation</u> Hansen Lind Meyer, Inc., Iowa City, IA	<u>\$1,000.00</u>
<u>University Hospitals and Clinics--Installation of Adult</u> <u>Cath Lab</u> Hansen Lind Meyer, Inc., Iowa City, IA	<u>\$800.00</u>
<u>Field House Addition</u> Bussard/Dikis Associates, Ltd., Des Moines, IA	<u>\$546.00</u>

CONSTRUCTION CONTRACTS

The following construction contracts were awarded by the Executive Secretary:

Oakdale Campus--Agricultural Medicine Research Facility

<u>General Construction</u> Award to: Larson Construction Company, Inc., Independence, IA (3 bids received)	<u>\$123,677</u>
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STATE UNIVERSITY OF IOWA
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Mechanical Construction \$257,400
Award to: Universal Climate Control, Inc., Coralville, IA
(5 bids received)

Electrical Construction \$108,500
Award to: Advanced Electrical Services, Iowa City, IA
(4 bids received)

University Hospitals and Clinics--Staff Dining and Patient
Solarium Completion

General Construction \$171,503
Award to: McComas-Lacina Construction Company, Inc, Iowa City, IA
(3 bids received)

Mechanical Construction \$153,705
Award to: Larew Company, Inc., Iowa City, IA
(4 bids received)

Electrical Construction \$51,645
Award to: Acme Electric Company, Cedar Rapids, IA
(3 bids received)

University Hospitals and Clinics--4 Tower Maternity
Modernization--Phase II \$284,663
Award to: McComas-Lacina Construction Company, Inc., Iowa City, IA
(1 bid received)

Recreation Building--Resurface Floor \$253,638
Award to: Robert P. Laska and Associates, Inc., Oak Brook, IL
(3 bids received)

President's Residence Renovation \$48,210.85

Bid Package A
Award to: McComas-Lacina Construction Company, Inc., Iowa City, IA
(renegotiated bid)

Bid Package C
Award to: R. M. Boggs Company, Inc., Iowa City, IA \$112,974.00
(renegotiated bid)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Diagnostic Radiology Completion
Phase--M & E Phase--Work Category 10--Signage
Johnson Specialty Sales, Ltd., Des Moines, IA

Field House Addition--Phase I--Site Demolition and Deep Foundations
Mid-America Construction Company of Iowa, Iowa City, IA

Iowa Memorial Union Remodeling--Phase II--Electrical Contract
Menninga Electric, Inc., Cedar Falls, IA

University Hospitals and Clinics--Diagnostic Radiology Completion
Phase--Work Category 6--Lightning Protection
Harger Lightning Protection, Inc., Cedar Rapids, IA

Rienow Hall--Domestic Water Piping Replacement
Muller Plumbing and Heating, Inc., Iowa City, IA

University Hospitals and Clinics--Medical Surgical Cancer Center Unit
McComas-Lacina Construction Company, Inc., Iowa City, IA

Rienow Hall--Domestic Water Piping Replacement--Asbestos Abatement
Quad Cities Insulation, Inc., Burlington, IA

Iowa Memorial Union Remodeling--Phase II--Mechanical Contract
Universal Climate Control, Inc., Coralville, IA

MOTION:

Regent Duchen moved to approve the university's capital register. Regent Harris seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

LEASE OF PROPERTY, TECHNOLOGY INNOVATION CENTER. The Board Office recommended that the Board approve a one-year lease with ACCEL CATALYSIS for their use of approximately 588 square feet of office space (Rooms 11 and 11B) in the university's Technology Innovation Center (TIC) at the Oakdale Campus for a period of one year commencing October 1, 1988, at an annual rent of \$5,444.04.

Essential terms and conditions of the lease were outlined by the Board Office.

MOTION:

Regent Williams moved to approve the one-year lease with ACCEL CATALYSIS, as outlined above. Regent Greig seconded the motion, and upon the roll being called, the following voted:

STATE UNIVERSITY OF IOWA
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AYE: Duchen, Fitzgibbon, Greig, Harris,
Pomerantz, Tyler, VanEkeren, VanGilst,
Williams.
NAY: None.
ABSENT: None.

IRENE BENJEGERDES ESTATE - TRANSFER OF INTEREST IN PROPERTY. The Board Office recommended that the Board authorize the transfer of the interest of the University of Iowa School of Medicine in a parcel of land composed of 12.5 acres in the estate of Irene Benjegerdes in Beaver County, Oklahoma, for a pro rata share of the \$6,500 selling price of the land.

The university's School of Medicine is one of eight beneficiaries to the estate of Irene Benjegerdes. As one of the beneficiaries the university has received a 13.125 percent interest in a 12.5 acre parcel of land in Beaver County, Oklahoma. The oil, gas, water, and mineral rights are not a part of the land bequeathed to the university.

An offer for the surface rights has been received in the amount of \$6,500. The university wishes to join with other beneficiaries in selling their interest in the land for this offer.

The university believes the value of the land to be so small that hiring an independent appraiser is not justified. The university accepted the representations of the executor, attorney for the estate, and local beneficiaries that \$6,500 is a fair price for the land.

President Pomerantz asked if the university's total value of the interest in the estate was its share of the \$6,500. Vice President Phillips responded that it was not.

President Pomerantz asked if the university will end up with a net gain from this transfer. Vice President Phillips responded that it would.

President Pomerantz asked to table this matter until the Board could gain greater insight into the total background.

Assistant to the President Mears stated that the University of Iowa was one of several charitable organizations to be bequeathed property. Among the property is this parcel of real estate in Oklahoma. University officials wish to relinquish their interest in this small piece of real estate in order to get the estate wound up.

ACTION: President Pomerantz asked to defer action on this matter until the following day.

The next day President Pomerantz stated they were prepared to move forward with this item. He said he had discussed this matter with university

officials and found that this represented a substantial gift to the university.

MOTION:

Regent Harris moved to authorize the transfer of the interest of the university in the property, as outlined above. Regent VanEkeren seconded the motion, and upon the roll being called, the following voted:
AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.
NAY: None.
ABSENT: None.

NORTH CAMPUS PARKING AND CHILLED WATER FACILITY. (a) Chapter 28E Agreement with City of Iowa City and (b) Easement - City of Iowa City. The Board Office recommended the Board (1) approve the North Campus Parking and Chilled Water Facility 28E Agreement with the City of Iowa City, (2) approve conveyance of utility easements, and (3) authorize the Executive Secretary to execute the agreement on behalf of the Board.

The university asked Board approval of a 28E Agreement describing the arrangements for completing the North Campus Parking and Chilled Water Facility with the City of Iowa City.

The proposed negotiated agreement was approved by the City Council of the City of Iowa City on August 9, 1988.

The agreement addresses the design, construction, ownership and operation of the facility and the allocation of design and construction costs between the university and the City.

The agreement provides that the State of Iowa will convey three utility easements to the City of Iowa City. Two of those easements relate directly to the water storage tank and the third is a direct result of the construction of the multi-purpose facility.

Regent Fitzgibbon asked if the presentation of these agreements was an indication that the university has a better working relationship with the city of Iowa City.

Vice President Phillips responded that they have been working hard to create a better working relationship with the city. She said this agreement was a good example of the results of that effort.

MOTION:

Regent Williams moved to (1) approve the North Campus Parking and Chilled Water Facility 28E Agreement with the City of Iowa

City, (2) approve conveyance of utility easements, and (3) authorize the Executive Secretary to execute the agreement on behalf of the Board. Regent Harris seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

OLD MUSIC BUILDING - REHEARSAL HALL DEMOLISHMENT. The Board Office recommended the Board approve the razing of the Old Music Building--Rehearsal Hall.

In April 1988 the Board received a report explaining that the university had vacated the hall out of concern for its deteriorated structural condition.

The Rehearsal Hall is a one-story, south wing of the Old Music Building constructed in 1931.

University personnel have concluded that the problems to be corrected are so fundamental that renovation is not considered feasible.

The razed site was proposed to be used as a parking lot, resolving some of the parking problems arising from utilization of the lot north of the Memorial Union for the Laser Laboratory Building.

The lot contains about 28,300 square feet and will yield approximately 100 parking spaces.

Vice President Phillips stated this project also provided an opportunity to reexamine their parking situation. She said they will not use the temporary space at the union.

MOTION:

Regent VanEkeren moved to approve the razing of the Old Music Building--Rehearsal Hall.

Regent Duchen seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

REPORT ON RESEARCH PARK FEASIBILITY STUDY. The Board Office recommended the Board receive a report describing the progress of the University of Iowa in

determining the feasibility of developing a research park on the Oakdale campus.

A work group at the University of Iowa has determined that a research park could serve the long-term academic interests of the university and contribute to the economic vitality of central Iowa.

A proposed site for the research park is a tract of about 160 acres of farm land immediately north of the occupied portion of the Oakdale campus.

An evaluation study is underway to determine market risks and financial options.

Regent Duchen asked when university officials first got the idea for a research park. Vice President Phillips responded that it was before she came to the university, approximately four years ago. She said there was a Regent-wide effort to study the feasibility of research parks. She said Iowa State University is considerably further along than the University of Iowa. They have moved more slowly to see what develops in this area. They are getting inquiries from firms in the Technology Innovation Center that are requiring more space.

Regent Fitzgibbon asked when university officials expect the feasibility study to be brought back to the Board. Vice President Phillips said they hoped by November.

ACTION:

President Pomerantz stated the Board received a report describing the progress of the University of Iowa in determining the feasibility of developing a research park on the Oakdale campus by general consent.

FACILITIES PLANNING PRESENTATION AND TOUR. The Board Office recommended the Board receive the university's report on the acute need for new and improved undergraduate education facilities.

The university proposed a comprehensive program to upgrade its undergraduate education programs. The capital budget requests flow directly from the emphasis on undergraduate teaching which is found in the university's operating budget request. The capital request emphasizes the Colleges of Business Administration, Engineering, and Liberal Arts. These are core colleges providing the bulk of the university's undergraduate teaching at the center of the campus.

The university suggests that the obvious needs for capital improvements include better and more classrooms to meet a variety of class sizes, instructional laboratories and computer cluster space. In addition to providing safe space that is conducive to learning, the university wants to

make the best use of its most senior faculty and its most effective instructors. To do this the university proposes the construction of classrooms and laboratory settings where the university's finest teachers can reach more undergraduate students.

Enrollment increases have produced a series of problems related to inadequate space on the Pentacrest, the "heart of the university," and in the immediately surrounding area. The last general purpose facility constructed on the campus was the Lindquist Center-Phase II, finished in 1980. Since that time, the enrollment of the university has increased by approximately 4,000 students.

The Phillips Hall addition in 1965 was the last classroom space constructed adjacent to the Pentacrest and since then the university enrollment has more than doubled. General assignment classrooms are used an average of 37.9 hours per week. Classrooms have been cannibalized to create laboratories and computer clusters for students, yet even more laboratories and computer facilities are needed, particularly in Business and Engineering. When Phillips Hall was opened for Business Administration in 1965, there were 885 majors and premajors and 75 staff within the college. Since then, student numbers have increased by 476 percent and staff has increased by 107 percent.

The College of Engineering was last expanded in 1965. Since then enrollment has doubled to 1,200 and has been capped. The College of Engineering library has over half of its collection in storage and too few library work stations for the college enrollment. Two of the five departments in the College of Engineering were judged in the accreditation report to have marginally adequate laboratory experience for students.

Previous capital requests have treated the above problems as separate and distinct, examining each college and each building separately. The university believes that a more comprehensive approach to the solution of these problems is more appropriate. This approach is taken in the university's capital program request.

College of Engineering (Engineering Building)

President Rawlings stated that one of his top priorities was to undergraduate education. University officials are having a serious problem meeting students' needs. They have a large student body and have not had the resources to keep up with demand at the undergraduate level. They have determined they need help in the areas of faculty and new classrooms in order to provide education worthy of the students.

Vice President Phillips introduced Dean Hering and Associate Dean Scholz.

Dean Hering said they wished to make a special thrust in the area of undergraduate education. He said that when he travels around the state he

hears that students can't get into the classes they need, they can't graduate in the amount of time it's supposed to take, overcrowding in the classrooms, and classes taught by teaching assistants. The purpose of this presentation was to acquaint the Regents with the situation around the campus where they have problems. He said that during tough times the university has done a great job but it's time these needs were addressed. His greatest concern at this time was lack of quality education. Space and faculty need to be addressed. They need to expand and update the laboratory opportunities. Office space doesn't provide readily-accessible consultation for students with faculty. To correct the situation the college requests the addition of space that will double that now available. The college presently has 170 undergraduate and 35 graduate students. In 1965 the most recent addition was completed. Undergraduate enrollment has doubled since then.

President Pomerantz asked for the demographics regarding in-state and foreign student enrollment.

Associate Dean Scholz responded that 80 percent of enrollment is of in-state students, 15 percent non-resident/U.S., and 5 percent non-resident/international. The graduate programs has a higher portion of international students (60% overall). The engineering faculty brought in \$7 million in external funding last year which averages \$100,000/faculty member/fiscal year. That amount translates into \$21 million to the state economy.

Regent Duchen asked if their undergraduate students are in the engineering program.

Associate Dean Scholz stated that the University of Iowa has only two programs in which freshmen enter: engineering and liberal arts. Therefore, engineering students are engineering students from day 1. The college proposes to construct an addition of 150,000 gross square feet. The new addition would extend south of building. It would provide instructional labs, offices, library, lecture rooms and classrooms.

Dean Hering cautioned that if their space needs are not addressed they will face a loss of accreditation, loss of faculty and an inability to propose research and accept new grants. He said there are no alternatives to expanding their building. Their expansion project has been on the 10-year plan since 1982.

Prior to the walking tour of the college, Associate Dean Scholz informed the Regents that they would not see a fire trap or depreciated areas. What they do have is in good shape. He also said he can't show them what they don't have.

Dean Hering stated the computer lab represents innovative contemporary use of computers. That facility was created by using classroom space. It was

previously two classrooms. The college formerly had 15 classrooms -- they now have 7.

The Regents were shown an area where a faculty member was doing innovative research on robotics. The research was of two or more robots cooperating on a joint task -- computers that interact with robots.

The Regents were shown the small area that houses the electronics shop that repairs or maintains all the electronic equipment in the college.

College of Liberal Arts (Schaeffer Hall)

Dean Loewenberg and Associate Dean Cooper met with the Regents in the auditorium on the top floor of the liberal arts building which was the old physics lecture hall. In 1965 physics moved out. The Regents were told that this is a densely-occupied building.

Regent Williams asked what they plan to use this room for. Associate Dean Cooper responded that they hope to use it for a computer laboratory. Mr. Gibson said they hope to get the fire marshal to agree.

Dean Loewenberg said they have had various plans for the building but they haven't been able to do anything with the plans. He said the college's needs have changed. The languages are more important than they were 20 years ago. The nature of instruction has changed. Most instruction is provided to students with one-on-one instruction in front of computers.

Regent Duchon asked how learning the languages is assisted by computers.

Dean Loewenberg stated that students receive drills and review sentences on the screen of the computer. That technology releases faculty from drills.

Dean Loewenberg said they need to provide teaching assistants with desks and chairs for consulting with students.

Regent Duchon asked what it would take to run all the students through in a 4- instead of 5-year period. Dean Loewenberg said he calculated that it would take a 30 percent increase in the budget of the College of Liberal Arts.

Regent Tyler asked what percentage of freshmen students are totally served by teaching assistants.

Dean Loewenberg said he didn't know, however, the number is very small. Students in the first year are disproportionately involved with teaching assistants, primarily in the rhetoric program. He said the instruction received by undergraduate students is not poor and it has its place.

Regent Duchen asked if the quality of the student who finishes in 4 to 5 years has changed from a student who graduated in 1965 or 1970.

Dean Loewenberg said the finished product is still a student who is well trained and competitive in the world. He said he couldn't say the quality has gone down but he feared they had deferred for so long that they will lose quality years down the line.

The Regents were shown the teaching assistants' cubicles.

The Regents were shown the math computer cluster which can be used by any student in the college or university to do work on homework, etc. It is one of the most heavily-used computer clusters in the university.

The Regents were shown computer science teaching assistants' offices and were asked if they were graduate students with a choice of working as a teaching assistant at Minnesota, Illinois or Iowa, what would their preference be.

President Pomerantz asked if they had developed a budget to address the needs in this building. Mr. Gibson responded that it would take \$1.2 million to renovate this building.

In Schaeffer Hall the Regents were shown foreign languages teaching assistants' offices. Many undergraduates are taking Spanish and Portuguese. They were also shown the language media center which is the computer cluster in Schaeffer Hall. All students have access to the computers. They are particularly useful for instruction and advanced training in the languages.

College of Business Administration (Phillips Hall)

The Regents were taken to Phillips Hall where the College of Business Administration is housed.

Dean Daly stated that the building was built in 1965. He said that in some ways it was obsolete before it ever started. The building did not have a single auditorium-type or circular tiered-type room. In a final effort to cut costs one large lecture room that would have seated 300 students was eliminated. The largest classroom now seats about 60 people. At the time this building was built they could not have anticipated that in 20 years 25 percent of the degrees granted by the University of Iowa would be from the College of Business Administration. The M.B.A. is the most popular graduate degree in the United States.

Dean Daly said the College of Business Administration is an enormous bargain. Theirs is the lowest cost per student. Eighty percent of the college's classes are held outside its building. Ten percent of the faculty and all the graduate students are housed in other buildings.

Dean Daly joined the university in 1983 when he was recruited by then-President Freedman. He was told that the University of Iowa and the state needed a first rate nationally-recognized business school. In 1983 President Freedman told Dean Daly that in order to do that they would need a new building. Since that time the College of Business Administration dean, faculty and staff have talked about a new building in everything they do. Dean Daly said they cannot recruit nationally-recognized faculty and have them teach undergraduates in classrooms that will only hold 40 people. He said that over half of the faculty have come since 1983 believing that a new building will be built. Dean Daly believes that time is growing short. They need some resolution of this. He noted that the room they were meeting in had been revitalized thanks to private contributions.

President Pomerantz asked for the demographics. Dean Daly responded that they have 1,425 undergraduate students. They try to cap that at 1,300. The M.B.A. program has increased 150 percent over the last 5 years. They have 70 M.A. and 140 Ph.D. students. He said they believed their Ph.D. placements are as strong as those anywhere in the university.

Vice President Phillips introduced Associate Dean Albrecht.

Associate Dean Albrecht said they plan to streamline their curriculum. It will be less vocational and held in larger classrooms taught by individual faculty members. He said they cannot do it in this building. He noted that the University of Michigan has more square footage of space in their continuing education program than the University of Iowa has in its whole College of Business Administration.

President Rawlings said that around the country business deans say they can't teach large classes. He said that is not what Dean Daly says. He is willing to teach some large classes in order to achieve greater efficiency.

President Pomerantz asked if this building could satisfy other campus needs.

President Rawlings said they would have no trouble putting the building to use. University officials are working with Mr. Richey to design a package to bring to the Board of Regents.

Regent Fitzgibbon cautioned that there are needs in every college. He said they can't help one college while another falls apart.

President Rawlings stated that university officials are proposing to address needs in the Colleges of Business, Liberal Arts and Engineering together.

Vice President Phillips said the program will likely have to be phased.

President Pomerantz said everything will have priorities.

Regent Fitzgibbon asked when they will have the package put together. President Rawlings said they are aiming for around December -- prior to the legislative session.

President Pomerantz cautioned that it can't be later than that.

Mr. Richey said the Board Office is targeting November.

ACTION: President Pomerantz stated the Board, by general consent, received the university's report on the acute need for new and improved undergraduate education facilities.

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, September 14 and Thursday, September 15, 1988.

RATIFICATION OF ACTIONS IN REGISTER OF PERSONNEL CHANGES FOR JULY AND AUGUST 1988 INCLUDING PHASED AND EARLY RETIREMENT REQUESTS AND DESIGNATION FOR SPECIAL SECURITY OFFICERS. The Board Office recommended that the Board approve the Registers for the months of July and August 1988.

The Register included ratification of early and phased retirements, as follows:

Early Retirement

John R. Baker, retirement date - July 31, 1988
Jean Crovisier, retirement date - July 5, 1988
Emmit H. Haynes, retirement date - July 31, 1988
George E. Holland, retirement date - September 28, 1988
Elaine E. Munson, retirement date - November 30, 1988

The university noted that the cost for early retirement incentives for these five employees would be \$128,403, and any cost savings would be used for staff replacement and budget reallocations.

Phased Retirement

Bille C. Carlson, Mathematics/Ames Laboratory, reduced 50 percent time effective August 21, 1988, with full retirement on June 30, 1993.

Lois A. Hovick, Student Counseling Services, will reduce to 75 percent time effective October 1, 1988, with full retirement on May 31, 1990.

ACTION: President Pomerantz stated the Board approved the Register for the months of July and August 1988 as a consent item.

APPROVAL OF ADMINISTRATIVE APPOINTMENTS. The Board Office recommended that the Board approve the appointment of administrators, as follows:

1. MICHAEL M. CROW, Director, Institute of Physical Research and Technology, serving at the pleasure of the university president, at an annual salary of \$82,500;

2. THOMAS J. BARTON, Director, Ames Laboratory, effective October 1, 1988, serving at the pleasure of the university president, at an annual salary of \$105,000;
3. ROSALIE H. NOREM, Associate Professor and Interim Chair, Department of Family Environment, effective July 1, 1988 and serving at the pleasure of the dean until a new chair has been appointed, at an annual salary of \$59,900;
4. REID W. CRAWFORD, Interim Director, Office of Administrative Services and continuing as Assistant to the President effective September 12, 1988 and serving as Interim Director at the pleasure of the university president until a permanent director has been appointed, at an annual salary of \$69,230.
5. RAND D. CONGER, Director, Social and Behavioral Research Center for Rural Health, effective October 1, 1988, and serving at the pleasure of the university president, at an annual salary of \$69,046.

Regent VanGilst asked how university officials arrive at salary figures. Vice President Madden stated that faculty members are paid according to their salary scales and Professional and Scientific employees are paid according to P & S salary scales.

MOTION:

Regent Harris moved to approve the appointments, as presented. Regent VanEkeren seconded the motion, and it carried unanimously.

ACCEPTANCE OF REPORT ON ESTABLISHMENT OF UNIVERSITY TRANSPORTATION RESEARCH CENTER FOR FEDERAL REGION VII. The Board Office recommended the Board refer the report to the Interinstitutional Committee and the Board Office for review and recommendations.

Iowa State University and the University of Iowa have jointly been awarded a grant for the development of a U. S. Department of Transportation Regional Research Center. The proposed center will require initial financial commitments on the part of the University of Iowa and Iowa State University of about \$275,000. Additional financial commitments will be required in future years.

Regent Tyler asked for clarification of the requirement for additional future financial commitments.

Provost Glick stated the original federal legislation was for \$1 million per year from the Department of Transportation with a \$1 million match from the various other organizations. However, it ended up being only \$500,000 the first year because of federal budget constraints.

Vice President Vernon stated this was an example of the two universities acting jointly on a project.

ACTION: President Pomerantz stated the Board referred the report to the Interinstitutional Committee and the Board Office for review and recommendations by general consent.

ACCEPTANCE OF POST-AUDIT REPORTS. The Board Office recommended the Board refer the reports to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

Consistent with the Board of Regents requirement for Post-Audit Reviews of new programs, Iowa State University submitted post-audit reports for the Master of Science in Architectural Studies and the Ph.D. program in Agricultural History and Rural Studies. These programs were initially approved by the Board five years ago.

ACTION: President Pomerantz stated the Board referred the reports to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation by general consent.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the capital register.

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

Dairy Industry--Addition and Renovation

This project was last reported to the Board in May 1988. At that time the project's budget was approved.

Initial Project Budget

(Approved May, 1988)

Construction Contracts	\$11,024,391
Design Services	857,000
Construction Administration	470,000
University Services	160,000
Miscellaneous	9,000
Landscaping	60,000
Utility Extension	205,000
Fixed Equipment	115,000
Movable Equipment	100,000
Art Work	71,600
Building Automation	138,000
Telecommunications	100,000
Contingency	<u>1,010,009</u>
 TOTAL	 \$14,320,000 =====

Source of Funds:	Iowa Lottery Funds	\$ 500,000
	USDA Cooperative	
	States Research	
	Service	6,183,000
	Other Federal Funds	<u>7,637,000</u>
 TOTAL		 \$14,320,000 =====

The project is to house the new National Agriculture Product Development Center. The building program for the new facility has been completed and approved by appropriate university personnel. The program was written by project architects, Bussard/Dikis Associates, with input from the future users of the facility, Facilities Planning and Management, and other university personnel. The building program presents material that provides a basic understanding of the issues that will shape the schematic design and establish a framework that will guide the completion of the design development and construction document phase of the work. The existing Dairy Industry Building will be remodeled and expanded to meet the state-of-the-art requirements of the Center.

The project will be submitted for review and approval of the Board upon completion of the schematic design.

PROJECT DESCRIPTIONS AND BUDGETS

The university submitted four projects for approval by the Board.

<u>ISU Research Park--Phase I</u>		<u>\$4,623,540</u>
Source of Funds:	Iowa State University Foundation	\$1,400,000
	Iowa Department of Transportation RISE Grant	\$1,238,000
	Department of Housing and Urban Development Block Grant	\$ 600,000
	Income from Treasurer's Temporary Investments	\$ 130,240
	72nd General Assembly Academic Building Revenue Bonds or Other Sources	\$ 750,000
	City of Ames	\$ 305,300
	Story County	\$ 200,000

This budget was amended to show Story County as an additional source of funds. Income from Treasurer's Temporary Investments was reduced by \$200,000. The total project budget remains unchanged.

<u>Swine Nutrition and Management Center</u>		<u>\$1,750,000</u>
Source of Funds:	Building Repair Fund (Special Appropriations)	

<u>Feed Preparation and Support Facilities</u>	<u>\$640,000</u>
--	------------------

Initial Project Budget

Construction Contract	\$454,000
Design Services	
Architect/Engineer Agreement	92,000
Facilities Design and Construction	500
Construction Administration	
Project Management	27,500
University Services	700
Miscellaneous	300
Movable Equipment	20,000
Reserved for Future Contracts and Contract Changes	<u>45,000</u>
TOTAL	<u>\$640,000</u> -----

Swine Housing \$900,000

Initial Project Budget

Construction Contract	\$735,000
Design Services	
Architect/Engineer Agreement	79,000
Facilities Design and Construction	1,000
Construction Administration	
Project Management	20,000
University Services	700
Miscellaneous	300
Reserved for Future Contracts and Contract Changes	<u>64,000</u>
TOTAL	\$900,000

Research Unit 210,000

Initial Project Budget

Construction Contract	\$160,000
Design Services	
Architect/Engineer Agreement	23,500
Facilities Design and Construction	500
Construction Administration	
Project Management	10,000
University Services	700
Miscellaneous	300
Reserved for Future Contracts and Contract Changes	<u>15,000</u>
TOTAL	\$210,000 =====

These projects are part of the \$2 million appropriation for animal research facilities recommended by the Governor and approved by the General Assembly. This appropriation is within the university's general operating budget and must be encumbered through issuance of contracts during fiscal year 1989.

The three elements composing the Swine Nutrition and Management Center are to be located approximately three miles northwest of the central campus on a site known as the Kelley Farm. The swine housing facility is to be used for a breeding herd of approximately 200 sows plus their offspring to the point of reaching market weight and replacement gilts. The Veterinary Medicine Research Institute project is expected to increase the available space devoted to research on viral enteric disease, which the university reports is an increasingly serious problem in young swine.

* * * * *

The university presented one new project with a budget of less than \$200,000 that will be initiated in the coming months. The title, source of funds, and estimated budget for the project was listed in the register prepared by the university.

CONSULTANT AGREEMENTS

Amendments:

Recreation/Athletic Facility \$9,250
Bussard/Dikis Associates, Des Moines, Iowa

The university requested approval of Change Order #6 for additional architectural and engineering services on the Recreation/Athletic Facility (piling installations and utilities service entrance tunnel). This will not result in an increase in the total project budget.

A summary of all changes to the agreement is as follows:

<u>Original Agreement</u>		<u>\$642,000</u>
Change Order No. 1	\$ 20,000	
Change Order No. 2	8,500	
Change Order No. 3	16,000	
Change Order No. 4	5,000	
Change Order No. 5	19,000	
Change Order No. 6	<u>9,250</u>	
Subtotal	\$ 77,750	
Maximum Amount Payable for Services Including Change Order No. 6		<u>\$719,750</u>

Amendments Reported:

The Durham Center (Computation Center) \$7,850
Henningson, Durham, Richardson, Omaha, Nebraska

Applied Science Center--Center for New Industrial Materials \$9,000
Rudi/Lee/Dreyer, Ames, Iowa

Vice President Madden stated that one of the alternates to this project was an auditorium. University officials requested to delete the construction of that auditorium which will reduce the budget by \$230,000.

CONSTRUCTION CONTRACTS

Awarded:

Mechanical Engineering/Engineering Science and Mechanics Building--
Construct Environmental Chamber \$73,900

Award to: Badding Construction Company, Carroll, Iowa
(3 bids received)

Plant Introduction Station--Seed Storage Building \$163,631

Award to: Siedelmann Construction, Inc., Ames, Iowa
(6 bids received)

Molecular Biology Building--Phase I--Site Preparation and
Utility Relocation \$77,300

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

Molecular Biology Building--Parking Lot \$100,289

Award to: Manatt's, Inc., Ames, Iowa
(1 bid received)

Applied Science Center--Center for New Industrial Materials \$3,880,000

Award to: Story Construction Company, Ames, Iowa
(8 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

Coover Auditorium Renovation--Phase II
Harold Pike Construction Company, Ames, Iowa

FINAL REPORTS

Iowa State Center--Scoreboard and Marquee \$707,986.12

Source of Funds: Field House Auditorium Revenue Bond
Construction Fund, Field House-
Auditorium Surplus Fund \$366,707.19
Advertising Sponsors \$294,837.50
1983 Class Gift \$ 46,381.43

MOTION: Regent VanEkeren moved to approve the
capital register. Regent Duchen seconded
the motion, and it carried unanimously.

IOWA STATE INNOVATION SYSTEM LEASES - ELECTRONIC LEARNING TECHNOLOGIES, INC.,
ENERGY MARKETING MIDWEST, INC., SPECTROCHROM, LTD., AND TELFAX
COMMUNICATIONS. The Board Office recommended that the Board approve leases

with tenants in the university's Iowa State Innovation System Center (ISIS), located in the Lab of Mechanics Building, as follows:

- a) ELECTRONIC LEARNING TECHNOLOGIES CORPORATION for their use of 213 square feet of space (Room 108) at a monthly rental of \$97.63 for a period of four months commencing September 1, 1988 with the right to renew for successive six month intervals, (new);
- b) ENERGY MARKETING MIDWEST, INC. for their use of 300 square feet of space (Room 303) at a monthly rental of \$150 for a period of five months commencing August 1, 1988 with the right to renew for successive six month intervals (new);
- c) SPECTROCHROM, LTD. for their use of 341 square feet of space (Rooms 206 and 207) at a monthly rental of \$156.29 for a period of five months commencing August 1, 1988 with the right to renew for successive six month intervals (renewal with increased space); and
- d) TELFAX COMMUNICATIONS for their use of 474 square feet of space (Rooms 202A, 202B, and 202C) at a monthly rental of \$237 for a period of three months commencing October 1, 1988 with the right to renew for successive six month intervals (renewal).

Essential elements of the leases were outlined by the Board Office.

The university reported that SPECTROCHROM may move to the university's research park at the conclusion of this lease.

MOTION:

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

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

CITY OF AMES/IOWA STATE UNIVERSITY RESEARCH PARK AMENDMENT TO 28E AGREEMENT.
The Board Office recommended the Board approve the amendment to the 28E Agreement for the development of the Iowa State University Research Park and authorize the Executive Secretary to execute the amendment on behalf of the Board.

The university asked Board approval of an amendment to the 28E Agreement describing the arrangements for completing the Iowa State University Research Park among the university, the Iowa State Achievement Foundation, and the City of Ames approved by the Board in July 1987. In the negotiations of the

Agreement, no decisions took place regarding Chapter 427 of the Code of Iowa. Provisions providing for private firms to request tax abatement for a period of years which can be adopted by local municipalities, the City of Ames has adopted such a provision for other portions of the city and in order to offer competitive alternatives to private firms which might consider locating in the Research Park. The following amendment to the existing 28E Agreement has been developed:

"The foregoing notwithstanding, an owner of research park property, whether land or building or both combined, that is not eligible for exemption from taxes by virtue of Chapter 427 of the Code of Iowa, may apply for an exemption pursuant to Chapter 427B of the Code of Iowa."

The clarification of the current Agreement does not materially alter or have any impact on the university's financial obligations under the Agreement.

Vice President Madden hoped that this amendment would be beneficial in attracting tenants.

Regent Duchen asked for a status report on the Research Park. Vice President Madden stated the road has been constructed and will be opened for use in the next thirty days. The first tenant building is underway. Within the last few days university officials announced another company that will be joining the park. The city council approved the zoning requirements for that tract of land. The research park staff are actively pursuing other types of firms as well as pursuing various federal initiatives. He noted that the operating cost requires much coordination with the Department of Economic Development. He felt that they had made remarkable progress in this short amount of time.

MOTION:

Regent Williams moved to approve the amendment to the 28E Agreement for the development of the Iowa State University Research Park and authorize the Executive Secretary to execute the amendment on behalf of the Board. Regent VanEkeren seconded the motion, and it carried unanimously.

SMALL BUSINESS DEVELOPMENT CENTER (SBDC) OFFICE LEASE - AMES. The Board Office recommended that the Board approve the renewal of a lease with Dayton Road Development Company for the university's use of approximately 2,401 square feet of office space in the building located at 137 Lynn Avenue, Ames, for a period of one year commencing October 1, 1988 at a rent of \$2,406.53 per month with an option to continue the lease for a second year at a rent of \$2,436.58 per month, on condition that the university provides a satisfactory explanation of the rent increase.

The university currently leases this space for the Small Business Development Center.

The lease rate of \$12.03 per square foot per year, including utilities, is considered fair by the university.

In the present lease the university pays a pro-rata share of increases in taxes, utilities, and insurance in addition to rent. The university was unable to provide the Board Office with the exact amount it was presently paying for these increases. Hence, an accurate percentage of increase for the new lease could not be determined.

Vice President Madden indicated that certain expenses associated with the lease, including custodial services, previously had been paid by the university and will be paid by the landlord under the new lease.

The rent for this lease is paid through grant funds secured by a cooperative agreement with other parties.

Essential factors in the lease were outlined by the Board Office.

MOTION:

Regent Greig moved to approve the renewal of the lease with Dayton Road Development Company, as presented. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Duchen, Fitzgibbon, Greig, Harris, Pomerantz, Tyler, VanEkeren, VanGilst, Williams.

NAY: None.

ABSENT: None.

CENTER FOR MATERIALS PROCESSING. The Board Office recommended the Board receive the report regarding the status of the Center for Materials Processing and authorize the university to continue its negotiations with the Department of Energy regarding the development of the center and the possible construction of facilities on the campus to house the center.

In June, the Board received a report on the major initiatives underway at Iowa State University to develop various centers for research and study. Among the centers listed in the June report was a Center for Materials Processing. The university is continuing to pursue the development of this center and provided the Board with an update on the status of this center. The university also requested authority to continue its negotiations with the U. S. Department of Energy regarding the development of the center and the possible construction of facilities on the campus to house the center.

The Center for Materials Processing is a new initiative in materials processing to be undertaken by the Ames Laboratory of the Department of Energy. It will be a means of developing both the basic science and technology of automated

control of processing materials on an industrial scale. The goals of the proposed center are to: (1) develop new processing techniques; (2) develop the use of sensors for on-line control of processing; and (3) develop special instrumentation for automated process control.

Funds are currently being sought through the U. S. Department of Energy and long-range planning for development of the center's programs is underway. The proposal anticipates large scale industrial and state support in addition to the federal funds. The exact scope and size of the project is still being developed but will likely include the construction of a \$10 million facility. As the proposal develops, the university will be presenting the proposal to the Board for formal approval if it involves more than \$25,000 in state funds.

ACTION:

President Pomerantz stated the Board, by general consent, received the report regarding the status of the Center for Materials Processing and authorized the university to continue its negotiations with the Department of Energy regarding the development of the center and the possible construction of facilities on the campus to house the center.

ISIS LEASE OF RESEARCH PARK SPACE. The Board Office recommended that the Board authorize the university to develop a lease with Iowa State University Research Park Corporation (hereinafter Corporation) for the university's use of approximately 7,000 square feet of space in the Corporation's Research Park for offices, laboratory, and product assembly with the lease presented to the Board for approval when all terms and conditions have been negotiated.

In 1986 the Board approved the university's use of the old Lab of Mechanics Building (hereinafter Building) for the university's business incubator and technology transfer program known as the Iowa State Innovation System (ISIS). It was known at that time that the Building was too old and antiquated to support fully the ISIS program. The Building lacked adequate power, heating, and cooling to support ISIS when fully operational.

The Iowa State University Research Park Corporation has under construction an office and laboratory building in which university officials would like to lease 7,000 square feet of space for subletting to ISIS tenants. This space would provide the mechanical systems and amenities lacking in the present Lab of Mechanics Building. The university anticipates that it will pay approximately \$12.50 per square foot per year for the space, including all operating costs.

Presently the university leases space in the ISIS facility for from \$5.50 to \$10.00 per square foot per year, depending on the type and quality of space. The source of funds for paying the rent on the new space would be from the tenant rentals and grants from the Department of Economic Development.

The university recognizes that risks exist with this funding scheme. The Department of Economic Development has not committed long-term funding to the ISIS. If continued funding were not forthcoming the university would either have to secure other funding sources or discontinue the incubation program.

The university reported that the Iowa State University Research Park Corporation is constructing the building in which ISIS would become a tenant with financing by the Iowa State University Achievement Foundation.

The university reported that if the ISIS leaves the Lab of Mechanics Building there will be a forthcoming plan for utilization of the building as offices for temporary faculty, graduate students or student services.

The Department of Economic Development, in a letter from Daniel Dittmore, President of Iowa Product Development Corporation, has endorsed the plan of the university to move the ISIS from the campus to the Research Park.

Vice President Madden stated university officials would like the Board's general concurrence. They will develop the appropriate lease and return to the Board for approval.

Regent Fitzgibbon asked how much risk is involved. Vice President Madden stated that the Iowa State University Foundation would be underwriting the program and they would be at the greatest risk.

Vice President Madden stated that university officials view ISIS as a resource for the state. It is their understanding that the Department of Economic Development is committed to helping them fund this.

ACTION: President Pomerantz stated that the Board, by general consent, authorized the university to develop a lease with Iowa State University Research Park Corporation for the university's use of approximately 7,000 square feet of space in the Corporation's Research Park for offices, laboratory, and product assembly with the lease presented to the Board for approval when all terms and conditions have been negotiated.

BEARDSHEAR HALL WEST FIRST FLOOR RENOVATION AND FIRE STAIRS. The Board Office recommended the Board receive the schematic design drawings prepared by Herbert Lewis Kruse Blunck Architects, and authorize the university to proceed with the project.

This project was last reported to the Board in April 1988. The project budget of \$740,000 was approved at that time.

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Before final drawings and specifications are begun, the university wishes to update the Board on the project. Planning for the project has progressed through schematic design phase and is well into the design development phase. A tentative bid date has been set for December 1, 1988.

This project contains components to renovate space for use by the Provost Office and to install two fire stairs. The two fire stairs are adjacent to the remodeled area and extend from the third floor to the ground floor. They are being installed as part of a master plan for fire safety compliance for the entire building.

The renovation of space on the first floor for use by the Provost and his staff has not been improved in over 20 years and extensive work will be required. All of the building systems in the area, including HVAC, lighting, telecommunications and power distribution require major renovation or replacement. The university wishes to complete the remodeling in a manner consistent with the style of the turn-of-the-century building and earlier remodeling done in the south and north ends.

MOTION:

Regent VanEkeren moved to receive the schematic design drawings prepared by Herbert Lewis Kruse Blunck Architects, and authorize the university to proceed with the project. Regent Fitzgibbon seconded the motion, and it carried unanimously.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, September 14 and Thursday, September 15, 1988.

President Curris introduced Vice President Joe Mitchell.

REGISTER OF PERSONNEL CHANGES. The Board Office recommended the Board approve the Registers for the months of June, July and August 1988.

ACTION: President Pomerantz stated the Registers were approved as a consent item.

OTHER PERSONNEL TRANSACTIONS. The Board Office recommended that the Board approve appointments, changes of status and changes of position title, as follows:

a) Changes of Status --

RUTH B. ANDERSON, from Professor to Professor and Acting Head, Department of Social Work, effective August 22, 1988, and serving until a Head is appointed, at an academic year salary of \$26,800;

MOHAMMED F. FAHMY, from Associate Professor to Associate Professor and Acting Head, Department of Industrial Technology for a two-year period, effective August 1, 1988, at an academic year salary of \$42,000;

RUSSELL E. TEPASKE, from Professor to Professor and Acting Head, Department of Biology, effective August 1, 1988, and serving until a Head is appointed, at an academic year salary of \$46,218;

MARION R. THOMPSON, from Professor and Head of Special Education to Professor and Head of Special Education and Acting Head of Curriculum and Instruction for the 1988-89 academic year, at an academic year salary of \$54,329; and

ROBERT J. WARD, from Professor and Acting Head, Department of English Language and Literature to Professor and Head of the Department of English Language and Literature for a two-year term effective August 1988, at an academic year salary of \$46,547.

b) Appointments --

JOHN W. SOMERVILL, Acting Dean of the Graduate College for the 1988-89 year, effective August 1, 1988, at an annual salary of \$63,000.

c) Change of Title --

From Coordinator of International Studies to Assistant Vice President for International Studies

d) New Appointment --

TIMOTHY J. MCKENNA, Operations Auditor, effective August 22, 1988, and serving at the pleasure of the university president, at an annual salary of \$44,000.

President Curris presented the following supplemental appointment:

NOREEN M. HERMANSEN, Director/Alumni Relations, effective September 19, 1988, at a salary of \$40,000.

MOTION:

Regent Fitzgibbon moved to approve appointments, changes of status and changes of position title, as presented. Regent Williams seconded the motion, and it carried unanimously.

POST-AUDIT REVIEWS. The Board Office recommended that the Board refer the reviews to the Interinstitutional Committee on Educational Coordination for review and recommendations.

The University of Northern Iowa submitted post-audit reviews of five programs that were approved by the Board five years ago. Board policy requires that these programs be reviewed to see if they are still achieving their original objectives.

ACTION:

President Pomerantz stated that the Board referred the reviews to the Interinstitutional Committee on Educational Coordination for review and recommendations by general consent.

FORMAL CLASSIFICATION TITLING SYSTEM REVISIONS. The Board Office recommended that the Board approve the following revisions in the classification series for Nurse:

- 1) Create new entry-level classification, Nurse I (\$17,725-\$28,040), Pay Grade 2.
- 2) Change in Classification Title

<u>From</u>	<u>To</u>	<u>Pay Grade</u>
Nurse I(\$20,388-\$32,728)	Nurse II(\$20,388-\$32,728)	3
Nurse II(\$23,658-\$38,525)	Nurse III(\$23,658-\$38,525)	4

The university has need for a class to recognize the provision of nursing care by a relief nurse at an entry level below the level currently provided. The nurse who would be in the new Nurse I classification will be a relief nurse. The relief nurse, while qualified as an RN, will not have the same level of responsibility for medical programs and services as have the Nurse II and III classifications. The current classifications of Nurse I and II in grades 3 (\$20,388-\$32,728) and 4 (\$23,658-\$38,525) would become Nurse II and III in grades 3 and 4. Incumbents in the proposed new class of Nurse I in grade 2 (\$17,725-\$28,040) would work under more direct supervision than is given incumbents in the current entry-level class and they would perform a more limited range of nursing care.

Regent Williams stated that the last time this item was presented to the Board she asked if there was a difference in the academic qualifications of a Nurse I and Nurse II.

Director Wright responded that the difference between the two positions was in the responsibilities; that the academic qualifications were the same.

MOTION: Regent VanGilst moved to approve the revisions in the classification series for Nurse, as presented. Regent VanEkeren seconded the motion, and it carried unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended the Board approve the University of Northern Iowa capital register.

PROJECT DESCRIPTIONS AND BUDGETS

The university presented one new project under \$200,000 that will be initiated in the coming months. Information provided on this project was presented in the university's register.

CONSTRUCTION CONTRACTS

Approval Requested:

Maucker Union--Phase II Addition

General:

Larson Construction Company, Inc., Independence, Iowa

Base Bid of \$937,728, plus Alt. G-2 of \$4,550, plus Alt. G-3 of \$4,200,
plus Alt. G-4 of \$11,000, plus Alt. G-6 of \$13,150 =

TOTAL AWARD OF: \$970,628

(6 bids received)

Mechanical:

ACI Mechanical Corporation, Ames, Iowa

Base Bid of \$396,800, plus Alt. M-1 of \$18,250 =

TOTAL AWARD OF: \$415,050

(5 bids received)

Electrical:

Freeman Electric, Inc., Independence, Iowa

Base Bid of \$141,800

(4 bids received)

This project provides for the construction of a 20,000 square foot addition to Maucker Union. Spaces within the addition shall include a ballroom, food servery, lobby and associated support spaces. The project construction budget approved July 1, 1988, is \$1,636,300.

Awarded:

Latham Hall Renovation--Asbestos Abatement \$23,192.00

Award to: Viking Insulation, Inc., Waterloo, Iowa
(4 bids received)

* * * * *

The following contract was awarded by the university and was presented for ratification by the Board.

Institutional, Research and Computational Equipment Purchases \$97,922.46

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Classroom/Office Building, Site Replacement Elements--
North Tennis Courts

Base Proposal 1: Tennis Services of Iowa, North Liberty, IA \$52,775.00
Base Proposal 2: Aspro, Inc., Waterloo, Iowa \$185,829.31

Latham Field Parking Lot

Youngblut Contracting, Inc., Washburn, IA \$387,631.61

Power Plant Replacement, Power Plant No. 1, Phase II--
Demolition

Cleveland Wrecking Company, Cincinnati, OH \$884,515.00

MOTION: Regent Harris moved to approve the capital register. Regent Williams seconded the motion, and it carried unanimously.

FACULTY COLLECTIVE BARGAINING - APPROVAL OF CONTRACT FOR CHIEF NEGOTIATOR AND APPOINTMENT OF MANAGEMENT BARGAINING TEAM. The Board Office recommended the Board (1) approve the contract with Joseph E. Flynn for his services as chief negotiator in negotiations with the faculty and for his services in related matters at a rate of \$85 per hour until either his obligations under the contract have been satisfactorily fulfilled, as determined by the University of Northern Iowa and the Iowa State Board of Regents, or September 30, 1990, whichever is earlier; and (2) appoint its management team for negotiations with the faculty members as follows:

Joseph Flynn, Chief Negotiator
Charles Wright, Regents Director of Personnel and Employment Relations,
Co-Spokesman
James G. Martin, Vice President and Provost
Robert Barak, Regents Director of Academic Affairs and Research
Roy Saigo, Dean, College of Natural Sciences
Gerald Intemann, Head, Department of Physics
Ronald Chung, Head, Department of Home Economics

MOTION: Regent Williams moved to (1) approve the contract with Joseph E. Flynn and (2) appoint its management team for negotiations with the faculty members, as presented. Regent Fitzgibbon seconded the motion, and it carried unanimously.

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

IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, September 14, 1988.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR THE MONTH OF JULY AND AUGUST 1988. The Board Office recommended the Board approve the Registers for the months of July and August 1988.

ACTION: President Pomerantz stated the Board approved the Registers for the months of July and August 1988 as a consent item.

APPROVAL OF APPOINTMENT. The Board Office recommended that the Board approve the appointment of Billi Aherns as Director of Business Operations effective September 19, 1988, and serving at the pleasure of the superintendent, at an annual salary of \$33,500.

Superintendent Johnson stated that Ms. Aherns was well qualified for the position, and he looked forward to her starting with the institution.

MOTION: Regent Williams moved to approve the appointment of Billi Aherns as Director of Business Operations effective September 19, 1988, and serving at the pleasure of the superintendent, at an annual salary of \$33,500. Regent VanEkeren seconded the motion, and it carried unanimously.

APPROVAL OF AGREEMENTS AND APPROVAL TO PURSUE FEDERAL INITIATIVES.

Superintendent Johnson reported that there were two agreements which he requested that the Board approve. The first is with Iowa Western Community College for the college to provide a Community Experience Coordinator/Instructor who is responsible for assisting the majority of the high school students at the school with community work experiences. The cost of the program to Iowa Western is about \$36,750 per year. Of this cost Iowa Western receives grant funds to cover \$7,450. Iowa School for the Deaf provides reimbursement for the remaining \$29,296. The second agreement is with Loess Hills Area Education Agency 13 and Lewis Central Community School District and provides for staff to assist students from Iowa School for the Deaf who attend classes at Lewis Central. The framework for this latter agreement was previously approved by the Board.

The Board Office recommended that the Board refer the request for the school to pursue three federal initiatives to the Iowa School for the Deaf Advisory

Committee for review and recommendation. Some of the initiatives have not yet been approved by Congress and may, if passed, be changed significantly. The areas identified in the legislation are as follows:

- 1) **TRANSITIONING** -- To provide demonstration programs for transitioning deaf students from education to the work force. The government indicates there will be three to five demonstration programs covering more than one year which will be funded in excess of \$300,000. The school would like to participate in a multi-agency project to be one of those demonstration locations.
- 2) **COMMUNICATION (TECHNOLOGY) ASSISTIVE DEVICE CENTERS** -- To provide technology-related assistance for the disabled. This project is still embodied as Senate Bill 2561, introduced by Senator Harkin. If it passes the Congress it will provide up to \$100,000 for each state to develop a center for the dissemination of information, training and research in communication-assistive devices.
- 3) **MESSAGE RELAY CENTER** -- To provide a national message relay center for the deaf community and communicatively-disordered individuals. This project is still embodied in Senate Bill 2221. If it passes the Congress it will provide the funds for the Center.

Superintendent Johnson would like to be ready to respond to Requests for Proposals as soon as they become available from the federal government. Each of these projects appears to be appropriate to the activities of the school. However, the projects should be presented to the school's advisory committee for approval before they are considered by the Board. If the projects are approved by the advisory committee, the superintendent, in cooperation with the Board Office, should seek the funds for these projects with approval of the Board of Regents, as necessary under Board policy.

ACTION: President Pomerantz stated that the Board, by general consent, referred this request to the Iowa School for the Deaf Advisory Committee for review and recommendation, and approved the agreements.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS FOR THE PERIOD JULY 1 - AUGUST 30, 1988. The Board Office recommended the Board approve the school's capital register.

The following projects were approved by the Executive Secretary on behalf of the Board:

<u>Replacement of Cafeteria Ice Machine</u>	<u>\$2,150</u>
Buller Fixture	

<u>Construction of Retaining Walls and New Concrete Sidewalks Behind Girls' Dorm</u> Markuson Construction	<u>\$2,902</u>
<u>Replacement of Water Service to Superintendent's Residence</u> Grunwald Plumbing	<u>\$2,200</u>

MOTION: Regent VanEkeren moved to approve the school's capital register. Regent Duchen seconded the motion, and it carried unanimously.

REORGANIZATION OF BUSINESS OPERATIONS. The Board Office recommended the Board (1) authorize the elimination of the professional and scientific position of Administrative Associate for Budgeting and Purchasing effective October 1, 1988, and (2) approve the establishment of the merit position of Account Specialist in the Business Office effective October 1, 1988.

A high level of turnover, Board standards for financial management and shifts in major responsibilities have compelled administrators of the Iowa School for the Deaf to evaluate and reassign certain Business Office functions.

Consequently, general responsibilities of the Business Office have diminished in scope since supervision of the physical plant and facilities was moved from the unit. Corresponding duties assigned to individuals in the unit have also diminished.

The most significant impact has been made on the position of Administrative Associate for Budgeting and Purchasing. Nearly all budgeting responsibilities have been assigned to another position. Therefore, it is considered appropriate to abolish the professional and scientific position and establish a new merit position; it appears the Account Specialist classification most accurately corresponds with duties required for that position.

The salary range for the Administrative Associate position is currently \$24,970-35,797; the salary range for the Account Specialist is \$18,865.60-25,750.40.

MOTION: Regent VanGilst moved to (1) authorize the elimination of the professional and scientific position of Administrative Associate for Budgeting and Purchasing effective October 1, 1988, and (2) approve the establishment of the merit position of Account Specialist in the Business Office effective October 1, 1988. Regent Williams

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seconded the motion, and it carried
unanimously.

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

Regent Tyler asked for the status of negotiations for a regional school for the deaf. Director Barak responded that the Nebraska Commission on Special Education had complete its work without making a recommendation on the regional school. The legislature will be addressing this issue only if specific legislation is submitted. As of this date none has been submitted. He said there has also been some discussion with South Dakota with respect to their deaf school.

Regent Fitzgibbon asked if there had been any communication with other Nebraska citizens besides the state legislature.

Superintendent Johnson responded that Iowa School for the Deaf officials had held an open house for the parents of Nebraska students. This year they had many professional activities with the staff including a week-long training program for dormitory staff. He noted that the South Dakota superintendent had recently resigned.

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, September 14, 1988.

RATIFICATION OF ACTIONS REPORTED IN THE REGISTER OF PERSONNEL CHANGES FOR MAY 29 TO JUNE 25; JUNE 26 TO JULY 23, AND JULY 24 TO AUGUST 20, 1988, AND PHASED RETIREMENT EMPLOYEES FOR 1988-1989. The Board Office recommended the Board approve the Registers for the months of June, July and August 1988.

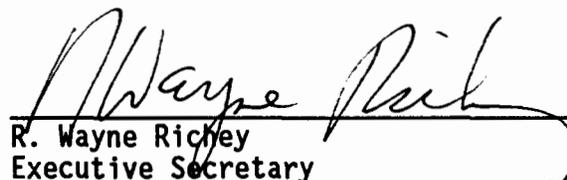
ACTION: President Pomerantz stated the Board approved the Registers for the months of June, July and August 1988 as a consent item.

REGISTER OF CAPITAL IMPROVEMENTS BUSINESS TRANSACTIONS. The Board Office reported there were no capital improvement transactions this month.

President Pomerantz then asked Board members and institutional executives if there were additional matters for discussion pertaining to the Iowa Braille and Sight Saving School.

Superintendent Thurman noted that last year the school started with 53 students enrolled compared to 57 enrolled this year.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 12:27 p.m., on Thursday, September 15, 1988.



R. Wayne Richey
Executive Secretary