

The State Board of Regents met on Wednesday, September 23, 1992, at Iowa State University, Ames, Iowa. The following were in attendance:

September 23

Members of State Board of Regents

Mr. Pomerantz, President	All sessions
Mr. Berenstein	All sessions
Mr. Dorr	Excused at 4:26 p.m.
Mr. Fitzgibbon	All sessions
Ms. Furgerson	Excused
Ms. Hatch	Excused
Ms. Johnson	All sessions
Dr. Tyrrell	All sessions
Mrs. Williams	All sessions

Office of the State Board of Regents

Executive Director Richey	All sessions
Deputy Executive Director Barak	All sessions
Director Kominski	All sessions
Facilities Analyst Lodge	All sessions
Research Analyst Volm	All sessions
Minutes Secretary Briggie	All sessions

State University of Iowa

President Rawlings	All sessions
Vice President Nathan	All sessions
Interim Vice President True	All sessions
Associate Vice President Small	All sessions
Director Yanecek	All sessions

Iowa State University

President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Vice President Thielen	All sessions
Associate to the President Adams	All sessions
Treasurer Littleton	All sessions
Executive Assistant to the President Mack	All sessions
Director Jensen	All sessions

University of Northern Iowa

President Curris	All sessions
Provost Marlin	All sessions
Vice President Conner	All sessions
Vice President Follon	All sessions
Executive Ass't. to President Stinchfield	All sessions
Assistant to President Gadelmann	All sessions
Director Chilcott	All sessions

Iowa School for the Deaf

Superintendent Johnson	All sessions
Business Manager Nelson	All sessions
Interpreter Peek	All sessions
Interpreter Reese	All sessions

Iowa Braille and Sight Saving School

Superintendent Thurman	All sessions
Director Hauser	All sessions

## GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, September 23, 1992.

**APPROVAL OF MINUTES OF BOARD MEETING, AUGUST 26, 1992.** President Pomerantz asked for corrections, if any, to the Minutes.

**ACTION:** President Pomerantz stated the Board approved the Minutes of the August 26, 1992, meeting, as presented, by general consent.

**INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION. (a) Post-Audit - Plant Physiology at Iowa State University.** The Board Office recommended the Board (1) receive the post-audit report and (2) approve continuance of the Master of Science and Ph.D. degrees in Plant Physiology at Iowa State University.

Iowa State University officials completed a post-audit report on the Master of Science and Ph.D. degrees in Plant Physiology.

While the program has generally met the original objectives outlined for the program at the time of its initial approval by the Board of Regents, actual enrollments have been less and marginal increases in expenditures greater than originally projected.

Program graduates are successful in finding employment. The program serves an important need and graduates are positive about the program. The program is not duplicative of other offerings in the state.

**MOTION:** Regent Berenstein moved to (1) receive the post-audit report and (2) approve continuance of the Master of Science and Ph.D. degrees in Plant Physiology at Iowa State University. Regent Dorr seconded the motion, and it carried unanimously.

**(b) Bachelor of Science - College of Business at Iowa State University.** The Board Office recommended the Board approve the request (1) to make the

Bachelor of Science the primary undergraduate degree offered by the College of Business, (2) to discontinue the Bachelor of Business Administration and (3) to transfer the majors offered within the Bachelor of Business Administration degree to the Bachelor of Science degree.

Iowa State University officials requested approval to make the Bachelor of Science degree the primary undergraduate degree offered by the College of Business. The college currently offers two undergraduate degrees: (1) B.B.A. with five majors and (2) the B.S. with a General Business major. University officials proposed to transfer the majors currently offered within the Bachelor of Business Administration degree--Accounting, Finance, Management, Marketing, and Transportation and Logistics--to the Bachelor of Science degree.

This action was related to G.D. 2(c), a request to discontinue the General Business major under the B.B.A. degree. The proposed change will provide students with greater flexibility to meet curriculum requirements and to arrange double majors more easily.

This proposal was reviewed by the Interinstitutional Committee and the Board Office and was recommended for approval.

MOTION:

Regent Williams moved to approve the request (1) to make the Bachelor of Science the primary undergraduate degree offered by the College of Business, (2) to discontinue the Bachelor of Business Administration and (3) to transfer the majors offered within the Bachelor of Business Administration degree to the Bachelor of Science degree. Regent Dorr seconded the motion, and it carried unanimously.

(c) Discontinuation of General Business Program at Iowa State University. The Board Office recommended the Board approve the proposal to discontinue the undergraduate major in General Business in the College of Business at Iowa State University.

Iowa State University officials requested approval to discontinue the undergraduate major in General Business under the Bachelor of Science degree in the College of Business. The college currently offers two undergraduate options: (1) Bachelor of Science (B.S.) with a major in General Business and (2) Bachelor of Business Administration (B.B.A.) with five majors--Accounting, Marketing, Finance, Management, and Transportation and Logistics. The proposal along with a related action (G.D. 2(b), which transfers the five majors from under the B.B.A. to under the B.S.) will result in students having the option of choosing only the B.S. degree with one of five areas of specialization.

University officials reported that the proposal is consistent with the college's strategic plan and will help the college to emphasize the specified majors currently offered by the five departments. Students will be able to obtain General Business programs within the Management major, one of the five majors currently authorized. This major has the flexibility to structure a program of study to meet such needs.

The proposal was reviewed by the Interinstitutional Committee on Educational Coordination and the Board Office and was recommended for approval. There will be no cost savings from this proposal as the resources currently being used will continue to be used within the College of Business.

Vice President Nathan stated that the undergraduate major in General Business in the College of Business at Iowa State University does not prepare students well for the employment market.

Regent Dorr asked on what information that conclusion was based. Vice President Nathan responded that graduates had observed that they should have had more specialized training.

Provost Kozak stated that there is close interaction between faculty and employers. Faculty had received feedback from employers and from graduates that they should try to get more substance into specific areas. This focus would be helpful when students are competing for jobs.

President Pomerantz asked for the difference in the major in general business and the major in business management. Provost Kozak responded that the management major encompasses many issues that the general business degree does not.

MOTION:

Regent Berenstein moved to approve the proposal to discontinue the undergraduate major in General Business in the College of Business at Iowa State University. Regent Williams seconded the motion, and it carried unanimously.

(d) Reorganization of Graduate Majors in Agronomy at Iowa State University.  
The Board Office recommended the Board approve the reorganization of the graduate majors and areas of specialization offered by the Department of Agronomy at Iowa State University, effective immediately.

Iowa State University officials requested approval to reorganize the graduate majors and areas of specialization offered by the Department of Agronomy in order to make the department's graduate program more efficient.

There are currently 9 graduate majors. Under the proposed reorganization there would be 4 graduate majors. Agricultural Meteorology and Plant Breeding were proposed to remain as graduate majors and 6 current majors related to soils would be designated as areas of specialization under a new major Soil Science. Two optional areas of specialization--weed science and seed science -- would be added under the fourth graduate major, Crop Production and Physiology major.

University officials indicated that the reduction in the current 6 Soils majors into one major was recommended by an external review committee two years ago.

The request was reviewed by the Interinstitutional Committee and the Board Office and both recommended approval.

**MOTION:** Regent Williams moved to approve the reorganization of the graduate majors and areas of specialization offered by the Department of Agronomy at Iowa State University, effective immediately. Regent Berenstein seconded the motion, and it carried unanimously.

(e) Name Change - Office of Sponsored Programs at Iowa State University. The Board Office recommended the Board approve the change in the name of the Office of Proposals for Research, Editing, and Production Services to Office of Sponsored Programs at Iowa State University.

Iowa State University officials requested approval to change the name of the Office of Proposals for Research, Editing, and Production Services, to the Office of Sponsored Programs. The proposed name change was requested to reflect more accurately the function of the office, which will continue to report to the Vice Provost for Research and Advanced Studies.

This item was reviewed by the Interinstitutional Committee on Educational Coordination and the Board Office and was recommended for approval.

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

(f) Discontinuation of the Master of Education in Industrial Technology at Iowa State University. The Board Office recommended the Board approve the discontinuation of the Master of Education Degree in Industrial Education and Technology in the College of Education at Iowa State University, effective immediately.

Iowa State University officials requested approval to discontinue the Master of Education degree in Industrial Education and Technology. There is only one student currently enrolled in the program.

University officials noted that the vast majority of masters degree students in the Department of Industrial Education and Technology pursue a Master of Science degree. The limited enrollment (approximately 1 candidate every four years) does not make it feasible to justify this degree.

In the future, students interested in completing the masters program would be required to complete the M.S. program of study.

This was reviewed by the Interinstitutional Committee and the Board Office and was recommended for approval. The discontinuance of this program will provide no additional funds or resources to be saved or redirected.

MOTION:

Regent Williams moved to approve the discontinuation of the Master of Education Degree in Industrial Education and Technology in the College of Education at Iowa State University, effective immediately. Regent Johnson seconded the motion, and it carried unanimously.

(g) Discontinuation of Art Education at Iowa State University. The Board Office recommended the Board approve the discontinuance of the curriculum: Art Education, leading to the B.A. and B.F.A. degree in the College of Design at Iowa State University.

Iowa State University officials requested approval to discontinue the curriculum: Art Education, leading to the B.A. and B.F.A. degree in the College of Design. University officials reported that within the Art Education profession and throughout the American educational enterprise, that the emphasis is for future teachers to gain greater command of their academic subject before undertaking an educational program to acquire the skills to teach this subject matter. In Iowa, teacher certification requirements require the acquisition of a masters degree plus several years of experience in order to earn a professional level teaching certificate.

University officials proposed to have students complete an undergraduate degree prior to working for a masters degree and completing the certification requirements.

The proposal will shift the emphasis in Art Education from the undergraduate to the graduate level. Elimination of the undergraduate Art Education program will allow the College of Design to focus resources on graduate Art Education. Expansion and improvement of graduate programs are major goals of the college's long-range plan.

The proposal was reviewed by the Interinstitutional Committee on Educational Coordination and the Board Office and was recommended for approval. Any

resources freed as a result of the discontinuation of this program will be re-directed to the graduate program in Art Education.

MOTION: Regent Dorr moved to approve the discontinuance of the curriculum: Art Education, leading to the B.A. and B.F.A. degree in the College of Design at Iowa State University. Regent Johnson seconded the motion, and it carried unanimously.

(h) Discontinuation of Plant Pathology at Iowa State University. The Board Office recommended the Board approve the discontinuance of the undergraduate major in Plant Pathology in the College of Agriculture at Iowa State University effective Fall 1993 and allow students enrolled in the program to complete the program.

Iowa State University officials requested approval to discontinue the undergraduate major in Plant Pathology in the College of Agriculture. University officials submitted this proposal concurrently with a request to establish an undergraduate major in Plant Health and Protection (see G.D. 2(m)) to provide a more appropriate program for undergraduate students. University officials reached the conclusion that students would be better served in an interdepartmental curriculum dealing with the area of plant health.

The \$20,000 estimated savings from the elimination of this program will be used to support the proposed interdepartmental program. This area would include, in addition to Plant Pathology, background in plant nutrition, soils, weed science, entomology, meteorology, plant competition, and wildlife relationships.

University officials requested that if discontinuance is approved, currently-enrolled students and those accepted for Fall be allowed to finish their B.S. degree in Plant Pathology consistent with Board of Regents policy.

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

MOTION: Regent Williams moved to approve the discontinuance of the undergraduate major in Plant Pathology in the College of Agriculture at Iowa State University effective Fall 1993 and allow students enrolled in the program to complete the program. Regent Tyrrell seconded the motion.

Regent Dorr asked how many students were currently enrolled in the program. Provost Marlin responded that 4 students were enrolled this year.



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granted graduate degrees in Genetics through the Departments of Genetics and Zoology.

University officials anticipate that the interdepartmental Genetics graduate major will be offered initially by 48 faculty in 12 participating departments. The new interdisciplinary focus may generate new ideas for research as a result of increased cooperation of faculty in the participating departments. The strength of the major will be provided by faculty representing a wide range of fields.

The proposed change was recommended by the Interinstitutional Committee on Educational Coordination and the Board Office primarily because it results in a greatly enhanced program.

MOTION: Regent Berenstein moved to approve the restructuring of the graduate major in Genetics at Iowa State University, effective immediately. Regent Dorr seconded the motion, and it carried unanimously.

(j) Discontinuation of ME in Nuclear Engineering at Iowa State University.  
The Board Office recommended the Board approve the discontinuance of the Master of Engineering Program in Nuclear Engineering in the College of Engineering at Iowa State University effective immediately and (2) approve a non-thesis option for the Master of Science degree in Nuclear Engineering.

Iowa State University officials requested approval to discontinue the Master of Engineering (M.Engr.) program in Nuclear Engineering in the College of Engineering. There are no students currently enrolled in this program, the last graduated in 1987.

When the Nuclear Engineering department merged with the Mechanical Engineering department in 1991, the graduate program in Nuclear Engineering continued to offer an M.S. with a thesis and an M.Engr., a non-thesis option. In order to make degrees offered in the new consolidated department consistent, it was proposed to eliminate the M.Engr. degree so that both Mechanical and Nuclear Engineering programs will offer the M.S. degree with thesis and non-thesis options.

The Interinstitutional Committee and the Board Office reviewed this program and recommended approval.

MOTION: Regent Berenstein moved to approve the discontinuance of the Master of Engineering Program in Nuclear Engineering in the College of Engineering at Iowa State University effective immediately and (2) approve a non-thesis option for the Master of Science

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degree in Nuclear Engineering. Regent Fitzgibbon seconded the motion, and it carried unanimously.

(k) Discontinuation of Master of Science/Ph.D. in Poultry Nutrition at Iowa State University. The Board Office recommended the Board approve the request to discontinue the graduate majors in Poultry Nutrition when all currently-enrolled students have completed the program and graduate major in Poultry Products Technology in the College of Agriculture at Iowa State University, effective immediately.

Iowa State University officials proposed to discontinue two graduate majors (M.S. and Ph.D.) in Poultry Nutrition and Poultry Products Technology in the College of Agriculture. This recommendation was the result of the Provost's Efficiency Report, which recommended merging of graduate majors in the Department of Animal Science.

The Department of Animal Science evaluated all of its majors and determined that no major difficulties would be experienced by discontinuation of the Poultry Nutrition major. Students could exercise the option to major in Animal Nutrition. Current students in Poultry Nutrition will be allowed to complete their programs by 1994.

Termination of the Poultry Products Technology major was recommended for several reasons:

A graduate professor in this area has not been employed recently and because of budget restrictions may not be employed in the near term.

Students who desire to work in this expanding area can be served by the Meat Science major offered by the Department of Animal Science.

There are no current students in this program.

Any funds saved as a result of the discontinuance of these programs will be reallocated to other areas.

This request was recommended for approval by the Interinstitutional Committee and the Board Office.

**MOTION:**

Regent Fitzgibbon moved to approve the request to discontinue the graduate majors in Poultry Nutrition when all currently-enrolled students have completed the program and graduate major in Poultry Products Technology in the College of Agriculture at Iowa State University, effective immediately.

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Regent Williams seconded the motion, and it carried unanimously.

(l) Enrollment Suspension in Architectural Studies at Iowa State University. The Board Office recommended the Board approve the proposal to suspend enrollment in the Master of Science in Architectural Studies for one year by April 1993.

Iowa State University officials requested approval to suspend enrollment in the Master of Science in Architectural Studies (MSAS) program for one year. The request followed consideration of the proposal by the Budget Priorities Task Force to consolidate the MSAS program into the Master of Architecture program as a thirty credit option.

The Department of Architecture requested the suspension pending review of the overall graduate mission of the department. Based on the results of this review, the department will make a recommendation regarding the continuation or elimination of the degree by April 1993.

The proposal was reviewed by the Interinstitutional Committee and the Board Office and both recommended approval. Any funds saved as a result of the discontinuation of this program will be reallocated to other areas.

MOTION: Regent Williams moved to approve the proposal to suspend enrollment in the Master of Science in Architectural Studies for one year by April 1993. Regent Dorr seconded the motion, and it carried unanimously.

(m) Major in Plant Health and Protection at Iowa State University. The Board Office recommended the Board approve the request to establish an interdepartmental undergraduate major in Plant Health and Protection in the College of Agriculture at Iowa State University subject to a positive action by the Iowa Coordinating Council for Post-High School Education.

Iowa State University officials requested approval to establish an undergraduate major in Plant Health and Protection in the College of Agriculture to take effect concurrently with the discontinuation of the undergraduate major in Plant Pathology (See G.D. 2(h)). University officials proposed that the new major will be a joint effort involving the Departments of Agronomy, Entomology, Forestry, Horticulture, and Plant Pathology, with the latter the lead department.

This proposal was the result of a review of Plant Pathology that began with the review of academic programs that took place in 1988 under President Eaton and has been an element in the institution's strategic planning and review efforts aimed at improving undergraduate education.

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University officials reported that current issues in agricultural practice require a resolution using a multi-disciplinary approach. University officials reported that the proposed curriculum will provide undergraduate students with the training required for employment as professionals in agriculture and related sciences as well as to prepare them for graduate studies.

The proposal is non-duplicative and represents potential for enhanced quality for program offerings in this area. The proposal represents no additional costs (\$20,000 savings from the elimination of the Plant Pathology undergraduate program will be used for this new program).

The program was reviewed by the Interinstitutional Committee on Educational Coordination and the Board Office and both recommended approval.

**MOTION:** Regent Williams moved to approve the request to establish an interdepartmental undergraduate major in Plant Health and Protection in the College of Agriculture at Iowa State University subject to a positive action by the Iowa Coordinating Council for Post-High School Education. Regent Tyrrell seconded the motion, and it carried unanimously.

(n) Undergraduate Major in Early Childhood Education at Iowa State University.  
The Board Office recommended the Board approve the proposed program in Early Childhood Education at Iowa State University, effective immediately.

Iowa State University officials proposed a new curriculum in Early Childhood Education to meet the proposed licensure requirements established by the Board of Educational Examiners. The program meets the Regents criteria for approval. There is an established need for the program.

The proposed costs for the program will be accomplished through reallocation within the institution and are reasonable. Programming in this general area already exists at the institution, assuring an adequate level of quality. The program does not unnecessarily duplicate offerings at the other Regent institutions and other institutions in Iowa. No other institution has a program aimed at pre-kindergarten through third grade that meets the proposed teaching requirements.

The proposal is consistent with the university's strategic planning efforts. The proposal was reviewed by the Interinstitutional Committee and the Board Office and was recommended for approval.

**MOTION:** Regent Williams moved to approve the proposed program in Early Childhood Education at Iowa

State University, effective immediately.  
Regent Johnson seconded the motion, and it  
carried unanimously.

**ACCREDITATION REPORTS.** (a) University of Iowa - Speech Language Pathology and Audiology. The Board Office recommended the Board receive the report on reaccreditation of the Master's degree program in Speech Language Pathology and Audiology at the University of Iowa.

The Master's degree program in Speech Language Pathology and Audiology was reaccredited by the Educational Standards Board of the American Speech-Language Association (ASHA) for a five-year period ending September 30, 1994. ASHA based its action on a campus visit and the analysis of information submitted by the university.

The accrediting association's site visit team noted the following strengths and limitations of the program:

Strengths

- \* An outstanding facility and an abundance of instrumentation.
- \* An unusually strong, productive, and large faculty with good representation in both basic and clinical sciences.
- \* A comprehensive curriculum.
- \* Strong support of the program by the university.
- \* A University Council on Speech Pathology and Audiology, which provides a system for review of the quality of the various practica and ensures that students are trained in all required areas of their specialty.
- \* A successful relationship with local educational agencies which provides opportunities for students seeking placement in school settings.
- \* An annual summer residential treatment program for children of school age with communication disorders.
- \* A strong working relationship between the Speech Pathology and Audiology Department and the Departments of Otolaryngology-Head and Neck Surgery, and Neurology of the College of Medicine.
- \* Quality external practica placements available to students.
- \* A dedicated Clinic Director.
- \* State funded, tenure-track academic positions on a 12-month basis.

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- \* A "Graduate Concerns Committee" which facilitates communication between faculty and students.

#### Limitations

- \* A number of professional staff are dependent upon "soft money". Morale would improve if some of these staff could be assured of long-term continuity of their appointments through "hard money."
- \* Insufficient funding for assistantships/fellowships and late notification of these awards.
- \* Need for additional faculty, equipment, and replacement equipment.
- \* Inequities in salaries between tenure and tenure-track faculty and professional and scientific staff.
- \* Need to monitor clinical hours of students at external practicum sites.
- \* Need to strengthen training in diagnostic aspects and to increase didactic and practicum experiences in dysphagia and augmentative communication.
- \* Need to consider a broader-based comprehensive M.A. examination.
- \* Need to obtain results of NTE examination.
- \* Insufficient emphasis on aural rehabilitative aspects of audiology.

Vice President Nathan stated that this was a very positive report. The University of Iowa has one of the premier Speech Language Pathology and Audiology Departments in the country. The program has continued to maintain its excellence. It is one of the strongest departments in the university. University officials take a considerable amount of pride in the program. They are concerned about the issues raised, many of which reflect the university's current resource limitations.

Regent Tyrrell questioned the 5-year accreditation period which ends September 1994. Vice President Nathan responded that the accreditation was done earlier and university officials only now assembled all the materials and sent them to the Board Office. He said he takes responsibility for the materials not being provided to the Board Office in a timely manner. When he came into this job there was not a system for routinely sending accreditation reports to Dr. Barak. The university now has a system and Dr. Barak receives the materials on time. This was one of the last of those accreditation reports that are not current.

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**ACTION:** President Pomerantz stated the Board received the report on reaccreditation of the Master's degree program in Speech Language Pathology and Audiology at the University of Iowa, by general consent.

(b) University of Iowa - Medical Technician Program. The Board Office recommended the Board receive the report on reaccreditation of the Medical Technology Program at the University of Iowa.

The Medical Technology Program was reaccredited by the Committee on Allied Health Education and Accreditation (CAHEA) for a seven-year period ending in 1997. The program is sponsored by the Department of Pathology and the Division of Associated Medical Science in the College of Medicine at the University of Iowa Hospitals and Clinics and the Iowa City Veterans Affairs Medical Center. Allen Memorial Hospital, Waterloo, and Mercy Medical Center, Cedar Rapids, are clinical affiliates of the program and the University of Northern Iowa and Iowa State University are academic affiliates.

The accrediting association's site visit team noted the following strengths and limitations of the program:

#### Strengths

- \* Students receive excellent didactic, student laboratory, and clinical rotation instruction.
- \* Materials prepared for students are impressive.
- \* Faculty are very active in professional organizations and are leaders in the profession.
- \* The University of Iowa Health Science Library is one of the best.
- \* Excellent cooperation of all the facilities is commended.
- \* Graduates perform well on certifying exams. Some students in the program had lower GPAs which testifies to the excellent education received.
- \* Curriculum changes and improvements are made following evaluations and oral feedback.

#### Limitations

- \* There is ambiguity in lines of authority because the program is funded by UIHC but under the College of Medicine for administrative and academic jurisdiction.

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- \* Insufficient time is provided for program director's administrative obligations, as well as for research and development of curricular needs.
- \* There is a need for more travel funds for faculty to attend continuing education meetings outside the UIHSC.
- \* Sharing of office by director and assistant program director poses a problem when counseling or advising students.
- \* There is a lack of table top instrumentation which meets current trends in chemistry, hematology, immunohematology.

Vice President Nathan stated that this was another allied health program accreditation. The strengths are notable. He said much of the instruction takes place in the University of Iowa Hospitals and Clinics by University of Iowa Hospitals and Clinics staff. This is the premier medical technician program in the state and one of the leading programs of its kind in the country. Mr. Nathan feels this visit endorses an existing program that is very strong.

Regent Williams said there was some concern about Professional and Scientific staff being utilized in teaching students. She stressed that this was a critical area for the integrity of this academic program. She hoped that faculty status would be granted to all those who have responsibility for teaching the students.

Vice President Nathan agreed and said university officials are addressing the issue.

Regent Williams said she would like to see how that is followed up. Vice President Nathan said that perhaps in a year he could provide that follow-up information.

**ACTION:** President Pomerantz stated the Board received the report on reaccreditation of the Medical Technology Program at the University of Iowa, by general consent.

**UNIT COST STUDY.** The Board Office recommended the Board receive the unit and variable cost of instruction reports for 1990-91.

The unit cost of instruction per student represents the cost of instruction of a full-time equivalent student at a given level. In its simplest terms, the average cost of instruction could be determined by dividing total costs by the total number of students. State audit reports list this as "Cost Per Student." However, not all institutional costs are classified as instructional and the cost of instruction varies significantly according to student level.

The unit cost of instruction is based on a formula, which was developed in the early 1960s and which has changed very little since. Data are available in generally comparable form for alternate years since 1966-67 so that an analysis of changes and trends in unit costs over time is possible. The formula makes certain assumptions relative to attribution of costs to the various levels of instruction.

Included in the computation are expenditures for instruction, research, some academic support, student services, institutional support and part of plant operations and maintenance. Excluded from the computation are building repairs, public service, scholarships and fellowships, auxiliary enterprises, health care units, some academic support, and indirect costs.

The chief value of these reports is to provide information regarding trends in unit costs over time. The composite unit cost of instruction for a Regent FTE student in FY 1991 was \$7,891, a 17.3 percent increase over the cost reported in FY 1989, or an average annual increase of 8.6 percent. During the same period the Higher Education Price Index increased annually by 5.7 percent.

By student level, the composite cost ranged from \$4,748 for a lower division undergraduate student to \$26,874 for a professional-level student.

The composite general fund unit cost of instruction for all student levels was highest at the University of Iowa (\$9,179), largely as a result of costly advanced graduate and professional level programs. The composite unit cost at Iowa State University was \$7,662, and at the University of Northern Iowa, \$5,571.

The overall composite undergraduate General Fund unit cost was \$5,731 at the University of Iowa, \$6,612 at Iowa State University, and \$5,199 at the University of Northern Iowa. The greater composite undergraduate cost at Iowa State University may be due, in part, to a larger proportion of undergraduates in more costly science and engineering programs.

Other reasons for increases in the composite unit cost are declining or constant total FTE enrollments, faculty salary increases, changes in the mix of academic programs, and increases in graduate, specialized, and technological programs.

Institutional officials also submitted calculations for the variable cost of instruction which reflect changes in direct instructional costs, general administration, and student services as enrollment increases or declines. Excluded from this computation are fixed charges (research, library books, physical plant operations and equipment) which are expected to remain stable within a reasonable enrollment range.

The variable cost of instruction (the unit cost minus fixed costs) for the Regent universities was \$6,303 for 1990-91. Variable costs represent 80 percent of total unit costs.

The average undergraduate unit cost is also used as a basis to determine the funding goal for the Iowa Tuition Grant Program. The policy of the Iowa College Student Aid Commission is to request that the Iowa Tuition Grant Program be funded at a level equivalent to the average undergraduate cost at Regent institutions less the average tuition paid to the Regent institutions per student.

Unit costs are estimated to have declined in FY 1991-92 and to have increased by an aggregate of about 4 percent in FY 1993 over FY 1991.

Mr. Richey stated that unit costs studies were started in the early-1960s. From time to time there have been questions about how good the formula is. He said the main value of the formula is that it gives trends over time. The formula has not changed materially since 1967. Thirty-one (31) credit hours are considered an academic year now instead of 32 hours. Results of the formula for undergraduate students are used as part of the entitlement program of the Iowa College Student Aid Commission to calculate their budget requests for the private college tuition grant program. Trends are affected by changes in enrollment and the mix in enrollment as well as periods of rapid price inflation and the Regents' double digit faculty salary program.

Regent Tyrrell asked what research is included in the unit cost calculations. Mr. Richey responded that research funded by the general fund is included. It does not include externally-financed projects.

Regent Dorr asked if any of the external indirect cost receipts are credited back to this at all. Mr. Richey responded negatively, stating that those costs are taken out on both the expenditure and receipt sides. The University of Iowa is affected the most by that. Several years ago it was noted that was skewing the figures at the University of Iowa. He said unit costs do not include the costs of facilities and that should be kept in mind as the Regents set tuition.

Regent Dorr asked if maintenance is involved in unit costs. Mr. Richey responded that general maintenance is included, not project maintenance.

President Pomerantz noted that these were the Board Office and university calculations on unit cost.

President Pomerantz asked how the Regents' unit costs correlate to the State Auditor's unit cost figures. Mr. Richey responded that the State Auditor would include student aid and building repair which would raise the unit cost considerably.

President Pomerantz said it was noteworthy that the Auditor's numbers indicate a significant increase year to year in the cost per student.

Regent Dorr referred to the chart on page 9, column 2, HEPI percent of change. He asked if that was from the 2-year period prior or a cumulative figure.

Mr. Richey responded that it was for the previous 2-year period.

Regent Dorr asked if unit cost is cumulative. Mr. Richey said that yes, they both have 1967 as the base.

**ACTION:** President Pomerantz stated the Board received the unit and variable cost of instruction reports for 1990-91, by general consent.

**PROPOSED RATES FOR TUITION AND MANDATORY FEES EFFECTIVE SUMMER OF 1993.** The Board Office recommended:

- (1) That the Board give preliminary consideration to increasing basic resident undergraduate tuition at the Regent universities by \$52 per semester, or 4.98 percent, effective summer 1993, as shown in the table below.
- (2) That the Board give preliminary consideration to increasing all basic nonresident tuition rates at the University of Iowa by percentages ranging from 7.48 percent to 7.57 percent, and increasing undergraduate nonresident tuition at the University of Northern Iowa by 7.44 percent, effective summer 1993, as shown in the table below.
- (3) That the Board give preliminary consideration to increasing basic tuition at Regent universities in all other categories by percentages ranging from 5.05 percent to 5.48 percent, effective summer 1993, as shown in the table below.
- (4) That the proceeds of the tuition increase be earmarked for improvement of undergraduate education.
- (5) That general institutional financial aid to students be increased at the same rate as the proposed increase in tuition and mandatory fees to offset the impact on students now receiving institutional financial aid.
- (6) That student fees for computers remain at their current levels
- (7) That the Board give preliminary consideration to completing the plan adopted by the Board in 1989 to phase in student health fees over four years, commencing in fiscal year 1991, in order to put student health services on a financially self sufficient basis, by approving increases

in the student health fee by \$10 per semester to a total of \$40 per semester, effective summer session 1993.

- (8) That the Board take final action on tuition rates and student health fee rates at the October Board meeting.

PROPOSED REGENT UNIVERSITIES ACADEMIC YEAR TUITION FOR 1993-94

	<u>1992-93</u> <u>Tuition</u>	<u>1993-94</u> <u>Tuition</u>	<u>%</u> <u>Incr.</u>	<u>\$</u> <u>Incr.</u>
<b>UNIVERSITY OF IOWA</b>				
Undergraduate Resident	\$2,088	\$2,192	4.98%	\$104
Undergraduate Nonresident	\$7,052	\$7,580	7.49%	\$528
Graduate Resident	\$2,478	\$2,604	5.07%	\$126
Graduate Nonresident	\$7,350	\$7,900	7.48%	\$550
MBA Resident	\$3,228	\$3,396	5.20%	\$168
MBA Nonresident	\$8,100	\$8,708	7.50%	\$608
Law Resident	\$3,444	\$3,624	5.23%	\$180
Law Nonresident	\$9,476	\$10,190	7.53%	\$714
Medicine Resident	\$7,344	\$7,740	5.39%	\$396
Medicine Nonresident	\$18,150	\$19,524	7.57%	\$1,374
Dentistry Resident	\$4,746	\$4,998	5.31%	\$252
Dentistry Nonresident	\$13,596	\$14,624	7.56%	\$1,028
Pharmacy Resident	\$2,694	\$2,832	5.11%	\$138
Pharmacy Nonresident	\$8,726	\$9,382	7.51%	\$656
<b>IOWA STATE UNIVERSITY</b>				
Undergraduate Resident	\$2,088	\$2,192	4.98%	\$104
Undergraduate Nonresident	\$6,856	\$7,226	5.40%	\$370
Graduate Resident	\$2,478	\$2,604	5.07%	\$126
Graduate Nonresident	\$7,148	\$7,534	5.39%	\$386
Vet. Medicine Resident	\$4,748	\$5,000	5.31%	\$252
Vet. Medicine Nonresident	\$12,704	\$13,400	5.48%	\$696
<b>UNIVERSITY OF NORTHERN IOWA</b>				
Undergraduate Resident	\$2,088	\$2,192	4.98%	\$104
Undergraduate Nonresident	\$5,430	\$5,834	7.44%	\$404
Graduate Resident	\$2,346	\$2,464	5.05%	\$118
Graduate Nonresident	\$5,986	\$6,308	5.38%	\$322

**RESIDENT UNDERGRADUATE TUITION:**

The recommended increase in basic resident undergraduate tuition is \$52 per semester, or 4.98 percent. A tuition increase of at least the level recommended is essential to the maintenance and improvement of undergraduate education at the Regent universities.

The University of Iowa's 1992-93 resident undergraduate tuition and mandatory fees are 34 percent below the average for public Big 10 universities, and were the lowest in the Big 10 for the 9th straight year.

Iowa State University's 1992-93 resident undergraduate tuition and mandatory fees dropped further below the average of its group of comparable land grant institutions for the fourth year in a row, and now stands at 13.2 percent below the group average.

The University of Northern Iowa's 1992-93 resident undergraduate tuition and mandatory fees were virtually at the average of its comparison group of 11 comparable institutions.

The increase is modest compared to the average increase of \$782, or 8.7 percent a year at the private institutions in Iowa that occurred in 1992-93.

#### INFLATION AND INCOME:

The projected increases in the Consumer Price Index in 1992, 1993, and 1994 are 3.2 percent, 3.6 percent, and 3.9 percent respectively, according to Blue Chip Economic Indicators.

The increase in the Higher Education Price Index in fiscal year 1992 was 3.2 percent. Historically the increase in the Higher Education Price Index has been about one percentage point higher than the increase in the Consumer Price Index.

The unusually low fiscal year 1992 increase in the Higher Education Price Index is believed to be due to financial problems in many states that resulted in widespread cutbacks in funding for higher education. It is anticipated that the annual increase in the Higher Education Price Index will return somewhat to its historic pattern with increases of approximately 5 percent each in fiscal years 1993 and 1994.

The Board Office projects that per capita personal income in Iowa in 1992, 1993, and 1994 will increase 4.5 percent, 5.5 percent, and 6.3 percent respectively, based on income and population data published by the University of Iowa Institute for Economic Research.

#### NONRESIDENT TUITION:

The \$202 per semester (7.44 percent) increase in nonresident undergraduate tuition at the University of Northern Iowa will bring nonresident undergraduate tuition up to the anticipated level of the university's 1993-94 undergraduate unit cost of instruction, which addresses a concern of the university.

Increases in nonresident tuition categories at the University of Iowa average approximately 7.5 percent and will bring in much-needed additional revenue for undergraduate education and will help fund upkeep of facilities.

The increases in nonresident tuition categories at Iowa State University have been held to an average of approximately 5.4 percent because of concern that larger increases would lead to a drop in nonresident enrollment at Iowa State University and a decrease in net revenues.

The increases in nonresident tuition at the University of Iowa were proposed by the university and were not expected adversely to affect nonresident enrollments.

PROCEEDS OF THE TUITION INCREASES:

Gross proceeds of \$10.187 million from the increase in tuition rates are expected, which would be allocated as follows:

	<u>Total</u>	<u>Undergraduate Education</u>	<u>Student Aid Set Aside</u>
SUI	\$5,167,000	\$4,344,000	\$823,000
ISU	\$3,735,000	\$3,324,000	\$411,000
UNI	<u>\$1,285,000</u>	<u>\$1,058,000</u>	<u>\$227,000</u>
TOTAL	\$10,187,000	\$8,726,000	\$1,461,000

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

The net proceeds from the tuition increase would be reserved and earmarked for the improvement of undergraduate education.

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

TUITION POLICY:

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

While the budget reforms adopted by the Governor and General Assembly in June 1992 are very important for the long-term stability of Regent institutions, funds available for the next three years will be quite limited.

In order to assure that the quality of education is maintained and improved, tuition increases at or near the recommended percentages are necessary.

STUDENT SHARE OF EDUCATIONAL COSTS:

1992-93 resident undergraduate tuition is estimated to equal 34.6 percent of the estimated 1992-93 undergraduate unit cost of instruction (as defined by the institutions) at the University of Iowa, 30.1 percent at Iowa State University, and 37.6 percent at the University of Northern Iowa.

1992-93 nonresident undergraduate tuition is estimated to equal 117 percent of the 1992-93 undergraduate unit costs of instruction (as defined by the institutions) at the University of Iowa, 98.7 percent at Iowa State University, and 97.9 percent the University of Northern Iowa.

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

The percentage of general university budgets paid from total tuition income has been 29 percent - 30 percent in recent years.

MANDATORY FEES:

Regent universities levy two mandatory fees that are charged to all students -- for computers and student health services. No increase in computer fees was proposed. The current Regent student computer fees are: (1) University of Iowa, \$100 per semester for engineering students, \$40 per semester for all other students; (2) Iowa State University, \$100 per semester for College of Engineering and computer science students, \$40 per semester for all other students; and (3) University of Northern Iowa, \$40 per semester for all students.

The universities cited many benefits accruing from the computer fee income, including:

- \* At the University of Iowa: replacement of 228 obsolete workstations and printers, expansion of online library and information services for students, and creation of the new "Information Arcade" in the University Library.
- \* At Iowa State University: replacement, upgrading, and additions to computer facilities throughout the campus, growth in electronic library facilities including CD-ROM and multimedia technologies, and growth in the integration of technology into the classroom.
- \* At the University of Northern Iowa: replacement of obsolete, limited capability equipment, expanded computerized library access, and expanded computer access for off-campus students.

The Board Office recommended that the Board implement the final year of the four year phase-in of mandatory student health fees, which commenced in fiscal year 1991, by increasing the student health fees at the Regent universities in 1993-94 by \$10 per semester to a total of \$40 per semester. This planned phase-in was adopted by the Board in 1989.

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

The current \$30 per semester mandatory student health fee is estimated to yield approximately \$ 6.092 million in fiscal year 1993 for all three universities. Benefits accruing from the fee in the current fiscal year 1993 included:

- \* elimination of the voluntary student health fee and a decrease from \$573,676 to \$313,853 in the amount of General Fund subsidy at Iowa State University;
- \* reduction in the general fund subsidy from \$935,774 in fiscal year 1991 to \$471,524 in fiscal year 1993 at the University of Iowa;
- \* elimination of the activity fee subsidy and stabilization of the general fund subsidy at \$44,812 at the University of Northern Iowa.

The recommended \$40 per semester student health fee is estimated to yield \$6.684 million in fiscal year 1994. The benefits of the increased fee include:

- \* elimination of the general fund subsidy at Iowa State University;
- \* reduction in the General Fund subsidy requirement to approximately \$275,000 at the University of Iowa;
- \* funds for much needed, one-time-only expenditures for capital and equipment improvements to improve patient privacy and handicapped accessibility at the University of Northern Iowa.

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

#### TOTAL COST OF EDUCATION

Senate File 146, passed in the 1991 legislative session, requires that a final docket memorandum state the estimated total cost of attending each of the Regent universities.

The estimated 1993-94 total student cost of attending Regent universities for resident undergraduates, including the recommended tuition and mandatory fees and other expenses, is projected to rise by 4.8 percent at the University of Iowa to \$8,607, by 5.4 percent at Iowa State University to \$11,479, and by 5.0 percent at the University of Northern Iowa to \$8,045.

The cost projections are based on estimated 1993-94 room and board charges supplied by the university residence systems, and are subject to change before final 1993-94 charges are proposed in spring 1993.

The 1993-94 estimates of costs of books and supplies, transportation, and other living expenses used in the total costs projections are derived from the official 1992-93 costs for these items used by the student financial aid offices in calculating financial aid awards.

Mr. Richey stated that the recommended increase for resident undergraduate tuition is based on projected growth in the HEPI, personal income and the general price indexes. Some adjustments in the recommendations were made for the non-resident undergraduate student. The recommendation reflected the Board's decision in 1989 to put student health on a self-supporting basis.

Regent Dorr expressed concern about the significant proposed increase in tuition. The Board Office assumption on the Higher Education Price Index from 1993-94 versus 1992 assumed a 40 percent increase in the rate of inflation. He felt that they would facilitate inflation pressures by "plugging in" inflation factors. The institutions have done a lot of reallocation. The Regents need to take a better look at how these expenses are handled and how they are reflected back in tuition increases. The 1994 projected inflation rate, he said, was rather presumptuous. They need to be a little more pragmatic. He noted that savings will be realized by the refinancing of bond issuances.

Mr. Richey responded that the history of the HEPI indicates that a 5 percent factor is fairly conservative. The 3.2 percent increase in 1992 was an unusually low figure. An index for the Regent institutions would probably be zero since the institutions took a \$27 million cut in appropriations. The only "real" money was what they got in tuition income. Unit costs are down for 1992. They know what budget growth is this year.

Regent Dorr said he would like to see some method to analyze a lesser rate of tuition increase.

President Pomerantz said discussion is taking place nationally regarding research and undergraduate education and expending money toward salaries. How much spending is for the true educational process? The issues are many. The bottom line is accessibility versus quality of education. The debate

will continue to go on forever. They must try to strike a reasonable compromise. This is one of their most difficult issues. They deliberate and evaluate carefully each year. He did not think they would ever find a time when everyone agrees. Some of Iowa's Regent institutions have the lowest tuition in their peer groups. It is an issue of affordability versus access. The process they use allows for Regents to have different views.

Regent Dorr said he felt that the proposed tuition rate was too high, but he was not sure how much too high.

Regent Williams stated that one of the emphases the Board placed on the institutions was continuing the improvement in quality of the offerings. The Regents have asked some dramatic things of the institutions. They should recognize that in trying to improve quality they will need more resources, even though the institutions have been asked to hone down their offerings. It is very critical to maintain the process started 5 years ago of improving faculty and other salaries so the institutions can compete and offer the best education for Iowa students. She shared Regent Dorr's concern of not knowing whether they have the right number. She did not want to go backwards and ask the institutions to either lower quality or cut their programs back even further so that perhaps their missions will need redefined. It is a fine line the Regents have to walk. They have asked the institutions over the last 5 years to get the other sources of funds at a sufficient level so the State and Federal governments would see that every portion of the funding is giving its part. It is important to keep that in mind as they set the tuition number. They can set it too low as well as set it too high. She would hate to see the institutions slip backwards.

Regent Fitzgibbon said the Regents have, in the past, received options from the Board Office at the time tuition was being considered (i.e., what a 3 percent tuition increase would do, what a 4 percent increase would do, what a 5 percent increase would do). Providing that information for this tuition consideration would help.

Regent Dorr said that information would give an idea of where they are going and what would happen.

President Pomerantz asked Mr. Richey to provide that option information as well as comparative tuitions from the peer groups.

Regent Berenstein stated that for the next meeting it is important that the Regents keep in mind that along with a tuition increase the student health fee is going up \$20/year and the computer fee is unchanged. They should address the tuition and the fees together.

Regent Williams said she was on the committee that looked at the health services offered at each institution. The committee and the Board agreed there would be incremental increases for a period of 4 years. This is the

last year of that four-year increase period. It has provided great relief to the institutions. Separate fees have been established for maintaining health facilities for students. That money has freed up tuition dollars to be used for other purposes.

Mr. Richey said he did not include the health fee discussion under this docket item because that is addressed elsewhere. Those costs are included as part of the cost of going to college.

Regent Fitzgibbon stated that as the Regents deal with access and quality, they must talk about the total cost to students.

President Pomerantz said the Regents should be presented with the total cost and the tuition only.

Mr. Richey noted that information was on page 6 of the docket memorandum for this item.

Regent Dorr stated that another issue was controlling expenses in operating these institutions. There is a lot of data but they never discuss expense growth in terms of real numbers. It would make this a whole lot easier to defend if they had a good grip on expenses.

President Pomerantz asked the Board Office to summarize the expense numbers. He noted that 80 percent of a university's expenses are salaries. If they want to meaningfully cut budgets, it would mean cutting salaries or people.

Regent Dorr said he was not sure that was true. There is a difference in amount of dollars dedicated to salaries between restricted and non-restricted budgets. In one instance when comparing total expenditures the amount dedicated to salaries does not come anywhere close to 80 percent.

Mr. Richey stated that when housing and dining costs are added to the total cost it lowers the salary expenditure. When they talk about the general fund, which is the educational portion of the budget, the salary expenditure is approximately 80 percent of the total budget.

President Pomerantz noted that all of the tuition increase will be directed toward undergraduate education. He then recognized students who wished to speak to the issue of tuition.

Kim Hagemann, President of the Graduate Student Senate, Iowa State University, stated that she represented over 4,500 graduate and veterinary medicine students. She stated that on September 14 the Iowa State Graduate Student Senate passed a resolution requesting that tuition increases for graduate and professional students at Iowa State University not exceed the Higher Education Price Index for 1992 which is 3.2 percent. The proposed increases are approximately 2 percentage points above the Higher Education

Price Index. With regard to the Board Office recommendation that the proceeds of the tuition increase be earmarked for improvement of undergraduate education, she asked why graduate tuition is going to be used for the improvement of undergraduate education.

Regent Williams asked if it was true that the same percentage of the graduate student tuition increase would go to improvement of undergraduate education. Mr. Richey responded affirmatively, stating that was the recommendation.

President Pomerantz clarified that was the recommendation this year. It is a policy matter for the Board.

Regent Williams asked if there would be a proportional set aside for graduate student aid. Mr. Richey said there would be.

Brittan Swanagan, Iowa State University non-resident student, gave her opinion of the proposed tuition increase as an out-of-state student and as an African American female. She said that financial aid packages are decreasing while tuition is increasing. She noted that there has been a drop in enrollment for out-of-state students. Minority students are recruited by attractive financial aid packages for the first and second years then the money is decreased. This practice chases minority students away from the school. She asked that the university stop recruiting out-of-state minority students if they are going to make it financially impossible for them to complete their education.

Eric Hamilton, President, Iowa State University Government of the Student Body, stated that if tuition continues to increase students will not be here tomorrow. As student fees and tuition increase the Regents are relaying a message that they do not have concerns for tomorrow's leaders and today's youth. Students will have to pay a greater percent of their personal disposable income per capita. He said Iowa's tuitions are 38 percent above the national average when compared as a component of the personal disposable income. He asked that the Regents not increase tuition by 5 percent and for equal treatment of out-of-state students.

Dustin Wilcox, University of Iowa Student Body President, stated that this was the fourth time he had addressed the Board on the subject of tuition. He said he was "0 for 3". He mentioned his brother Tom who was 18 years old and attending Kirkwood Community College for 2 years because he could not afford to attend a Regent university. Mr. Wilcox and the University of Iowa student assembly feel it is very unfair to discriminate against out-of-state students. The \$528 per year proposed tuition increase plus the increase in health fee is almost a \$600 per year increase for out-of-state students. He noted that university officials had done a tremendous job with the resources they had received from the State; however, the quality of undergraduate education and services has declined. There is no way it can be maintained

at the level the State is funding the university. He asked if it was logical for students to pay more to get less. He asked that the Regents consider the out-of-state students who he felt were being discriminated against and the students who are choosing community colleges. He begged the Regents in reconsidering the proposed tuition increase to keep in mind their policy not to raise tuition above the Higher Education Price Index.

Jay Judas, Chair of the Ad Hoc Committee on Tuition, University of Northern Iowa Student Government, stated that a zero percent tuition increase was not realistic. He offered the figure of 3.2 percent to bridge the gap.

Ben Stone, United Students of Iowa, stated that the concerns about quality are important to students. The question is how the quality is obtained and at what cost. He said enrollments have increased at University of Northern Iowa and Iowa State University. He wondered if there was a perception that if enrollments are increasing how can affordability be a problem. He discussed where the increases in enrollments are coming from according to demographics. Financial aid has been a frustrating problem for students. Nationwide financial aid has not kept up with inflation. The fastest-growing source of financial aid is institutional. He asked the Regents to think seriously about putting pressure on other governmental areas to provide adequate funding for higher education in Iowa. The source of aid must be shifted from institutional aid to other sources. Higher education is in a serious problem across the country. He asked that when the Regents deliberate about tuition they consider that raising tuition does not address the problem of state and federal funding for student financial aid. Affordability is still a problem for students.

**ACTION:**

President Pomerantz stated, by general consent, (1) that the Board gave preliminary consideration to increasing basic resident undergraduate tuition at the Regent universities by \$52 per semester, or 4.98 percent, effective summer 1993; (2) that the Board gave preliminary consideration to increasing all basic nonresident tuition rates at the University of Iowa by percentages ranging from 7.48 percent to 7.57 percent, and increasing undergraduate nonresident tuition at the University of Northern Iowa by 7.44 percent, effective summer 1993; (3) that the Board gave preliminary consideration to increasing basic tuition at Regent universities in all other categories by percentages ranging from 5.05 percent to 5.48 percent, effective summer 1993; (4) that the proceeds of the tuition increase

be earmarked for improvement of undergraduate education; (5) that general institutional financial aid to students be increased at the same rate as the proposed increase in tuition and mandatory fees to offset the impact on students now receiving institutional financial aid; (6) that student fees for computers remain at their current levels; (7) that the Board gave preliminary consideration to completing the plan adopted by the Board in 1989 to phase in student health fees over four years, commencing in fiscal year 1991, in order to put student health services on a financially self sufficient basis, by approving increases in the student health fee by \$10 per semester to a total of \$40 per semester, effective summer session 1993; and, (8) that the Board would take final action on tuition rates and student health fee rates at the October Board meeting.

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

For the past seven years the Board of Regents has had as its top capital priority fire and environmental safety projects at the Regent institutions.

For fiscal years 1994 and 1995 the Board's top priorities are \$2.34 million and \$2.0 million, respectively, for capital improvements related to fire and environmental safety. Changing fire safety standards and aging buildings require continuing capital commitments for fire safety.

Each Regent institution cooperates with the State Fire Marshal in establishing fire safety priorities and each institution has a systematic method for determining the priority of fire safety improvements to be undertaken.

Projects involving expenditure of capital funds are priorities based upon risk formulas to determine the highest priority projects. Maintenance and operating deficiencies are typically done immediately or as soon after they are detected as possible.

Resident system facilities occupied by students as well as classroom facilities are given the highest priority.

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

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

In 1990 the 73rd General Assembly (second session) authorized the issuance of Academic Building Revenue Bonds in the amount of \$6 million for the completion of fire and life safety projects at the three universities, as follows:

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

University of Iowa officials reported that it has completed 13 of 26 projects as a result of the 1990 bond authorization. The university also reported that six projects are in the construction phase with seven additional projects being planned or designed.

Iowa State University officials reported that it has completed 27 of 59 projects as a result of the 1990 bond authorization. The university also reported that 21 projects are in the construction phase with 11 additional projects being planned or designed.

University of Northern Iowa officials reported that it has completed five of 15 projects as a result of the 1990 bond authorization. The university also reported that one project is in the construction phase with nine additional projects being planned or designed.

Information on other environmental concerns at the Regent institutions including asbestos, underground storage tanks, polychlorinated biphenyls, and accessibility for the physically handicapped are included within this report.

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

**REPORT OF THE BANKING COMMITTEE.** The Board Office recommended the Board (1) receive reports on current Banking Committee items; (2) adopt A Resolution providing for the sale and award of up to \$6,550,000 Dormitory Revenue Refunding Bonds, Series S.U.I. 1992, and approving and authorizing the agreement of such sale and award; (3) adopt A Resolution authorizing and providing for the issuance of up to \$6,550,000 Dormitory Revenue Refunding Bonds, Series S.U.I. 1992, for the purpose of refunding the \$7,500,000 Dormitory Revenue Bonds, Series S.U.I. 1983, presently outstanding in the principal amount of \$5,800,000

heretofore issued by the Board to defray costs of acquiring, improving and equipping student residence halls and dormitories, including incidental facilities of the State University of Iowa; (4) adopt A Resolution authorizing the execution of an Escrow Agreement to provide for the payment of Dormitory Revenue Bonds, Series S.U.I. 1983; (5) adopt A Resolution providing for the sale and award of up to \$6,900,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 1992A, and approving and authorizing the agreement of such sale and award; (6) adopt A Resolution authorizing and providing for the issuance and securing the payment of up to \$6,900,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 1992A, for the purpose of refunding the \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983, presently outstanding in the principal amount of \$6,150,000, heretofore issued by the Board to defray costs of buildings and facilities on the campus of the State University of Iowa; and (7) adopt A Resolution authorizing the execution of an Escrow Agreement to provide for the payment of Academic Building Revenue Bonds, Series S.U.I. 1983.

Mr. Haynie said a couple of changes needed to be made to the resolutions for the final amount on the Dormitory Revenue Bonds. The final figure was \$6,325,000. He noted that the bids were surprisingly good under the circumstances.

Mr. Anderson referred to discussion held at the Banking Committee meeting that morning regarding the bids that were to be received at 11:30 a.m. There was a certain amount of doubt in his mind as to what the bid amounts would be. He said the news was good. The rates were slightly better than rates received on Regent bonds sold in July. Mr. Anderson said he was truly amazed. Three bids were received for each of the issues. The bids for the Dormitory Revenue Bonds were as follows:

Merrill Lynch bid a true interest rate of 5.0624 percent. Chiles Heider bid a true interest rate of 4.971 percent. Piper Jaffray bid a true interest rate of 4.7426 percent.

Mr. Anderson stated that the present value savings was just over \$589,000 net of all costs. He recommended the Board accept the bid of Piper Jaffray.

**MOTION:**

Regent Fitzgibbon moved to adopt A Resolution providing for the sale and award of up to \$6,325,000 Dormitory Revenue Refunding Bonds, Series S.U.I. 1992, and approving and authorizing the agreement of such sale and award. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

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

NAY: None.

ABSENT: Furgerson, Hatch.

**MOTION:** Regent Fitzgibbon moved to adopt A Resolution authorizing and providing for the issuance of up to \$6,325,000 Dormitory Revenue Refunding Bonds, Series S.U.I. 1992, for the purpose of refunding the \$7,500,000 Dormitory Revenue Bonds, Series S.U.I. 1983, presently outstanding in the principal amount of \$5,800,000 heretofore issued by the Board to defray costs of acquiring, improving and equipping student residence halls and dormitories, including incidental facilities of the State University of Iowa. Regent Dorr seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

**MOTION:** Regent Fitzgibbon moved to adopt A Resolution authorizing the execution of an Escrow Agreement to provide for the payment of Dormitory Revenue Bonds, Series S.U.I. 1983. Regent Williams seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

Mr. Anderson stated that 3 bids were received for the Academic Building Revenue Bonds, by the same 3 parties, as follows:

Merrill Lynch bid a true interest rate of 4.9889 percent. Chiles Heider bid a true interest rate of 4.8366 percent. Piper Jaffray bid a true interest rate of 4.6519 percent.

Mr. Anderson stated the present value savings was \$497,000. He recommended the Board accept the bid of Piper Jaffray.

**MOTION:** Regent Fitzgibbon moved to adopt A Resolution providing for the sale and award of up to \$6,900,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 1992A, and approving and authorizing the agreement of such sale and award. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

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

MOTION:

Regent Fitzgibbon moved to adopt A Resolution authorizing and providing for the issuance and securing the payment of up to \$6,900,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 1992A, for the purpose of refunding the \$10,000,000 Academic Building Revenue Bonds, Series S.U.I. 1983, presently outstanding in the principal amount of \$6,150,000, heretofore issued by the Board to defray costs of buildings and facilities on the campus of the State University of Iowa. Regent Dorr seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

MOTION:

Regent Fitzgibbon moved to adopt A Resolution authorizing the execution of an Escrow Agreement to provide for the payment of Academic Building Revenue Bonds, Series S.U.I. 1983. Regent Williams seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

Regent Fitzgibbon asked Mr. Anderson to discuss the additional refunding opportunities being considered.

Mr. Anderson stated that during the last 2 months an analysis has been performed of Board of Regents bonds which present possible additional opportunities for interest savings. A guideline was that the original net interest costs were 7 percent or higher. As interest rates have continued to drop, the Board's financial advisors have reviewed issues that fall into the category. He said 6 issuances suggested very good or excellent potential for savings. He recommended that those be considered seriously as refunding opportunities. In addition to the two sold today, 4 other issuances present savings potential. Athletic facilities revenue bonds for Carver Hawkeye Arena and Academic Building Revenue Bonds for University of Northern Iowa were recommended to be prepared

for sale in November. He said two issues of Hospital Revenue Bonds at the University of Iowa, from 1980 and 1983, were also recommended for refunding.

Mr. Anderson said there is a great deal of turmoil in the market place. Interest rates reached their lowest point in mid-August. The shortest term government securities yields have still been dropping while long-term yields have been rising. There are low rates on short-term investments which have a negative impact on the refundings. The call dates for the refunding bonds are fairly near term and will not be long-term investments. The point he tried to leave with the Banking Committee that morning was that during times like these with great uncertainties there is no way to predict exactly what will happen with interest rates. There is no way to time the market.

Mr. Anderson suggested the Regents proceed to schedule additional refundings in November and January. Although the market is in a turmoil, the bonds of the Iowa Board of Regents continue to draw exceptionally good interest rates.

Regent Fitzgibbon stressed the importance of the Regents staying in control. If the market gets to where it is not attractive to refund the bonds, they have not lost anything by not proceeding with refundings.

Regent Fitzgibbon noted that the two refundings done today will save the institutions approximately \$1 million.

President Pomerantz asked that the Board approve the proposed refunding schedule that Mr. Anderson had just discussed.

MOTION: Regent Fitzgibbon moved to adopt the bond refunding schedule as presented by Mr. Anderson. Regent Dorr seconded the motion, and it carried unanimously.

Regent Fitzgibbon reported on the Banking Committee's action concerning refinancing the Positron Emission Tomography (PET) scanner at the University of Iowa which would result in a \$67,000 savings.

MOTION: Regent Fitzgibbon moved to ratify the Banking Committee's action concerning refinancing the PET Scanner at the University of Iowa. Regent Tyrrell seconded the motion, and it carried unanimously.

Regent Fitzgibbon stated that the Banking Committee reviewed audit reports of the 5 institutions. The reports indicated that the audits were very good. Only minor adjustments need to be made. The Banking Committee congratulated the audit functions of the institutions. The Banking Committee discussed the need for institutional heads to address breakdowns in mechanics which

resulted in audit comments. The Banking Committee also received the annual investment and cash management reports and the broker's questionnaire.

Regent Berenstein asked about the Board Office audit report. Mr. Richey responded that there were no exceptions.

Regent Dorr stated that Regent Fitzgibbon's point about the clean audits was well taken. It was nice to know and he hoped they were kept that way.

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

**EXECUTIVE SESSION.** President Pomerantz requested the Board enter into closed session pursuant to Code of Iowa section 21.5(1)(c) to discuss a matter with counsel which is either in litigation or where litigation is imminent, and the Board had requests from employees whose performance was being considered, that the Board meet in closed session pursuant to the Code of Iowa section 21.5(1)(i).

**MOTION:** Regent Tyrrell moved to enter into closed session. Regent Berenstein seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 1:50 p.m. on Wednesday, September 23, 1992, and recessed therefrom at 3:07 p.m. The Board reconvened in open session at 3:20 p.m.

**SALE OF WOI-TV.** The Board Office recommended that the Board:

- (1) Receive the report of Iowa State University Equities Corporation and
- (2) Approve the seven-part resolution which provides for:
  - (a) The sale and lease of the assets used in the operation of WOI-TV to Capital Communications Company;
  - (b) The establishment of a Trust into which the proceeds of the sale will be placed, for the benefit of Iowa State University;
  - (c) The lease of WOI-TV studio facilities on the Iowa State University campus to Capital Communications Company;
  - (d) The lease of the WOI-TV tower and transmitter facility and equipment at Alleman, Iowa, to Capital Communications Company;

- (e) The amendment of the original lease of the Alleman tower site to provide for subleasing of the site to Capital Communications Company, and to provide for continued service for WOI-FM;
- (f) The authorization for the President of Iowa State University Equities Corporation, sole shareholder of Iowa State University Broadcasting Corporation, to record with appropriate governmental agencies the sale and lease of assets described in (a) and the creation of the Trust described in (b);
- (g) The authorization for the President of Iowa State University and the President and/or the Executive Director of the Board of Regents to execute all documents necessary to effect the sale.

At its regular meeting in May of 1992, the Board conditionally accepted the offer of Citadel Communications Corporation, whose successor in interest is Capital Communications Company, a Delaware corporation, to purchase all of the assets used in the operation of WOI-TV for a total purchase price of \$12.7 million to be paid in cash at the Closing of the transaction, plus the retention of all accounts receivable at the time of Closing, which was estimated by Iowa State University to be approximately \$1.3 million, making the total purchase price \$14 million.

At its regular meeting in June of 1992, the Board ratified its action at the May meeting concerning WOI-TV, approved a proposed Asset Purchase Agreement for the sale, authorized President Marvin Pomerantz, acting on behalf of the Board, to make any necessary changes in the Asset Purchase Agreement and to cause other documents necessary for the sale to be developed. The Board also approved a proposed Trust in which the proceeds of the sale would be placed, approved a proposed Escrow Agreement to be used in connection with the sale, and approved an indemnification agreement between Capital Communications Company and the Board, Iowa State University, and Iowa State University Broadcasting Corporation governing Capital's participation in certain litigation that might arise from the sale.

On September 2, Iowa State University Broadcasting Corporation unanimously approved a resolution forwarding the proposed sale to its sole shareholder, Iowa State University Equities Corporation, for consideration. The Board of Directors of Iowa State University Equities Corporation, an Iowa nonprofit corporation existing for the benefit of Iowa State University, unanimously approved the proposed transactions in an action of the Board dated September 10, 1992.

The Asset Purchase Agreement which has been negotiated between the parties was distributed to the members of the Board by the Board Office in early September. There have been only minor changes in the Asset Purchase Agreement since that time, and the copy of the Agreement distributed to Board members was the same Agreement which Board members were asked to approve.

The requested actions will finalize all documents necessary to effect the sale, and will enable the parties to file with the Federal Communications Commission the applications which must be approved before the sale can be completed. Legal counsel has informed the Board that it is unlikely that these approvals will be received prior to the second quarter of 1993, and it may possibly take longer. Mr. Joel Levy of Cohn and Marks was present at the meeting to respond to Board questions.

On a separate, but related issue, the trial in the case of Iowans for WOI-TV, Inc. v. Iowa Board of Regents was conducted August 25-28, and Board members discussed that litigation with counsel in a closed session.

The following resolution was provided to the Regents on pages 4 and 5 of the memorandum concerning this docket item:

RESOLUTION OF THE STATE BOARD OF REGENTS  
APPROVING THE SALE AND LEASING OF  
CERTAIN ASSETS, THE ESTABLISHMENT OF A TRUST, AND AMENDMENT  
OF AN EXISTING LEASE

WHEREAS, the directors of Iowa State University Equities Corporation (the "Corporation") have approved the sale and lease of certain assets of Iowa State University Broadcasting Corporation to Capital Communications Company and the establishment of a Trust by the Iowa State University Broadcasting Corporation, pursuant to resolutions adopted by the Board of Directors of Iowa State University Broadcasting Corporation on the 2nd day of September, 1992, and have authorized the Corporation's President (President Jischke) to record the Corporations' approval of such actions in its capacity as sole shareholder of Iowa State University Broadcasting Corporation subject to the approval of Iowa State University and the State Board of Regents ("Board"); and

WHEREAS, the Directors of the Corporation, as required by its articles of incorporation, have submitted the actions hereinabove described to the board for approval; and

WHEREAS, the Board approves of the sale and lease of assets to Capital Communications Company pursuant to the terms and conditions of the Asset Purchase Agreement attached to these minutes as Exhibit A; and

WHEREAS, the Board approves of the creation of a Trust pursuant to the terms and conditions of the Trust Agreement attached to these minutes as Exhibit B; and

WHEREAS, as part of the above-described transactions, the Board approves of the amendment to the January 2, 1971, Lease and Agreement with Palmer Broadcasting Limited Partnership and the Iowa Public Television Board

GENERAL  
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concerning the WOI television and the radio tower and transmitter facilities pursuant to the terms and conditions of Exhibit C hereto.

NOW, THEREFORE, BE IT RESOLVED, FIRST, that the sale and lease of certain assets of Iowa State University Broadcasting Corporation and Iowa State University pursuant to the terms and conditions of Exhibit A hereto are approved.

FURTHER RESOLVED, SECOND, that the establishment of a Trust pursuant to the terms and conditions of Exhibit B hereto is approved.

FURTHER RESOLVED, THIRD, that the lease of the television studio facilities on the Iowa State University campus pursuant to the terms and conditions contained in Exhibit A hereto is approved.

FURTHER RESOLVED, FOURTH, that the lease of the television tower and transmitter facilities located in rural Polk County, Iowa, pursuant to the terms and conditions contained in Exhibit A hereto is approved.

FURTHER RESOLVED, FIFTH, that the Amendment to the Lease and Agreement concerning the WOI television and radio tower and transmitter facilities pursuant to the terms and conditions contained in Exhibit C hereto is approved.

FURTHER RESOLVED, SIXTH, that the President of the Corporation be authorized and directed to record the Corporation's approval of the actions described in the first and second resolutions above in its capacity as sole shareholder of Iowa State University Broadcasting Corporation.

FURTHER RESOLVED, SEVENTH, that the President of Iowa State University, for and on behalf of Iowa State University and Iowa State University Equities Corporation, and the President and/or the Executive Director of the Board, for and on behalf of the Board, are authorized to execute all necessary documents and take any other required actions to complete the transactions approved above.

President Pomerantz stated there was a revision to item 2(e) of the recommended action which added the words "including the revised and corrected page 4". He then stated that the Regents had reached the point in their deliberations of the sale of WOI-TV which required a motion.

MOTION:

Regent Berenstein moved to (1) receive the report of Iowa State University Equities Corporation and (2) approve the seven-part resolution which provides for: (a) The sale and lease of the assets used in the operation of WOI-TV to Capital

Communications Company; (b) The establishment of a Trust into which the proceeds of the sale will be placed, for the benefit of Iowa State University; (c) The lease of WOI-TV studio facilities on the Iowa State University campus to Capital Communications Company; (d) The lease of the WOI-TV tower and transmitter facility and equipment at Alleman, Iowa, to Capital Communications Company; (e) The amendment of the original lease of the Alleman tower site including the revised and corrected page 4 to provide for subleasing of the site to Capital Communications Company, and to provide for continued service for WOI-FM; (f) The authorization for the President of Iowa State University Equities Corporation, sole shareholder of Iowa State University Broadcasting Corporation, to record with appropriate governmental agencies the sale and lease of assets described in (a) and the creation of the Trust described in (b); (g) The authorization for the President of Iowa State University and the President and/or the Executive Director of the Board of Regents to execute all documents necessary to effect the sale. Regent Dorr seconded the motion.

President Pomerantz asked for Board discussion on the motion. Hearing none, he asked for a vote on the motion by roll call.

**VOTE ON THE MOTION:**

Upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.

NAY: Fitzgibbon.

ABSENT: Furgerson, Hatch.

President Pomerantz declared that the motion had carried. He then acknowledged receipt of a document from Distinguished Professor Harl concerning potential tax ramifications of a WOI-TV sale. He said Professor Harl's report is the same as the claims in the lawsuit that have been the subject of reports from legal counsel and accountants. The Board has received a report from accountants that taxes will be substantially less than estimated by Professor Harl. The Board has concluded that the proposed

transaction for the sale of WOI-TV is for substantial value to the institution.

President Pomerantz then asked if anyone on the Board had additional comments to make. There were none.

Later in the meeting President Pomerantz recognized Wade Hauser, counsel to the Board and the ISU Equities Corporation on the sale of WOI-TV.

Mr. Hauser said it was his understanding that it was the intent of the Board to approve in total the resolutions in the general docket item number 9 concerning WOI-TV. However, given the unique status of the various transactions which are contemplated within the resolutions on page 4 and 5, he suggested the Regents should vote individually and specifically for each of the seven resolutions which were included on pages 4 and 5 of the docket memorandum.

President Pomerantz noted that the Board needed to act on a series of motions as suggested by legal counsel. He then recognized Regent Berenstein.

MOTION:

Regent Berenstein moved to adopt the following resolution: NOW, THEREFORE, BE IT RESOLVED, FIRST, that the sale and lease of certain assets of Iowa State University Broadcasting Corporation and Iowa State University pursuant to the terms and conditions of Exhibit A hereto are approved. Regent Williams seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.

NAY: Fitzgibbon.

ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, SECOND, that the establishment of a Trust pursuant to the terms and conditions of Exhibit B hereto is approved. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.

NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, THIRD, that the lease of the television studio facilities on the Iowa State University campus pursuant to the terms and conditions contained in Exhibit A hereto is approved. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.

NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, FOURTH, that the lease of the television tower and transmitter facilities located in rural Polk County, Iowa, pursuant to the terms and conditions contained in Exhibit A hereto is approved. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.

NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, FIFTH, that the Amendment to the Lease and Agreement concerning the WOI television and radio tower and transmitter facilities pursuant to the terms and conditions contained in Exhibit C hereto including the revised and corrected page 4 is approved. Regent Dorr seconded the motion, and upon the roll being called, the following voted:

AYE: Berenstein, Dorr, Johnson, Pomerantz,

Tyrrell, Williams.  
NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, SIXTH, that the President of the Corporation be authorized and directed to record the Corporation's approval of the actions described in the first and second resolutions above in its capacity as sole shareholder of Iowa State University Broadcasting Corporation. Regent Dorr seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

MOTION:

Regent Berenstein moved to adopt the following resolution: FURTHER RESOLVED, SEVENTH, that the President of Iowa State University, for and on behalf of Iowa State University and Iowa State University Equities Corporation, and the President and/or the Executive Director of the Board, for and on behalf of the Board, are authorized to execute all necessary documents and take any other required actions to complete the transactions approved above. Regent Dorr seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: Fitzgibbon.  
ABSENT: Furgerson, Hatch.

The motion carried.

President Pomerantz asked Mr. Hauser if there were any other procedural items that he thought needed attending to. Mr. Hauser responded in the negative.

**BIENNIAL BUDGET REQUEST FOR FISCAL YEARS 1994 AND 1995.** The Board Office recommended that the Board approve (1) a request for appropriations of \$520,707,000 for operating expenditures for fiscal year 1994; (2) a request for appropriations of \$544,217,000 for fiscal year 1995; (3) a request for supplementary fiscal year 1993 appropriations of \$3,406,500; (4) special purpose appropriations requests for fiscal year 1994 of \$6,495,704; and (5) special purpose appropriations requests for fiscal year 1995 of \$6,024,631.

Each Regent institution submitted requests for

- \* Fiscal year 1994 and 1995 budget increases
- \* Supplementary funds for fiscal year 1993
- \* Special purpose budget increases for fiscal years 1994 and 1995

For fiscal year 1994 the Regent institutions requested a total State appropriation of \$539,003,000 (an increase of \$46,776,000, 9.5 percent). The Board Office recommended appropriations of \$520,967,000 (an increase of \$28,480,000, 5.8 percent) for fiscal year 1994.

For fiscal year 1995 the total State appropriations request from the institutions was \$586,228,000 (an increase of \$47,225,000, 8.8 percent). The Board Office recommended appropriations of \$544,217,000 (an increase of \$23,250,000, 4.5 percent) for fiscal year 1995.

The following table summarizes each institution's total request (in thousands of dollars) for fiscal year 1994 and the Board Office recommendation on it.

	Institutional Request	Board Office Recommendation
University of Iowa	\$20,332	\$11,801
Iowa State University	19,043	11,208
University of Northern Iowa	6,819	5,079
Iowa School for the Deaf	305	247
Iowa Braille and Sight Saving School	277	145
	\$46,776	\$28,480

Below is each institution's request for fiscal year 1995 and the Board Office recommendation on it.

	<u>Institutional Request</u>	<u>Board Office Recommendation</u>
University of Iowa	\$21,705	\$ 8,420
Iowa State University	18,817	10,873
University of Northern Iowa	5,934	3,774
Iowa School for the Deaf	664	123
Iowa Braille and Sight Saving School	<u>105</u>	<u>60</u>
	\$47,225	\$23,250

The five institutions requested supplemental funds for fiscal year 1993 to cover:

- State Auditor expenses (\$453,090);
- restoration of equipment funding (\$3,087,526);
- deferred maintenance and building repair (\$1,647,400).

The total amount of supplemental funds requested was \$5,188,016.

The Board Office recommended full funding for State Auditor costs and equipment restoration.

The total amount of supplemental funds recommended was \$3,406,500.

The institutions requested \$8,794,939 in Special Purpose appropriations for fiscal year 1994. The institutions requested \$8,317,030 in Special Purpose appropriations for fiscal year 1995. The Board Office recommended Special Purpose appropriations of \$6,495,704 in fiscal year 1994 and \$6,024,631 in fiscal year 1995.

The Board Office recommendations for fiscal years 1994 and 1995 State appropriations increases include:

- \* full funding of salary annualization for fiscal year 1994;
- \* full funding of inflationary costs on all non-salary items for both fiscal years;
- \* full funding of building renewal needs over a four-year period;
- \* full funding of costs involved in utilities, custodial services, and maintenance for new buildings;
- \* increases in funding for undergraduate education of \$3,049,000 for fiscal year 1994 and of \$3,080,000 for fiscal year 1995;

- \* increases of funding in graduate education of \$1,500,000 in both fiscal year 1994 and 1995; and
- \* increases in funding of child care of \$170,000 in fiscal year 1994.

Specific institution initiatives recommended for funding include:

- \* the Center for Health Services Research and Policy Analysis at the University of Iowa (\$500,000 for fiscal years 1994 and 1995);
- \* research equipment replacement at the University of Iowa (\$500,000 for fiscal years 1994 and 1995);
- \* graduate student stipends at the University of Iowa (\$500,000 each year);
- \* medical education at the University of Iowa (\$500,000 each year);
- \* biomedical health science technology transfer at the University of Iowa (\$270,000 for fiscal year 1994 and \$296,000 for fiscal year 1995);
- \* a primary health care initiative at the University of Iowa (\$332,810 for fiscal year 1994);
- \* agricultural research at the Iowa State University Experiment Station (\$3,175,000 for fiscal year 1994 and \$3,000,000 for fiscal year 1995);
- \* an outreach initiative at Iowa State University (\$500,000 for fiscal year 1994 and \$500,000 for fiscal year 1995);
- \* technology transfer at Iowa State University (\$1,450,000 for fiscal year 1994 and \$2,000,000 for fiscal year 1995);
- \* increased funding for the Center for the Enhancement of Teaching at the University of Northern Iowa (\$500,000 each year);
- \* funding for Leadership Educational Reform Technology at the University of Northern Iowa (\$350,000 in fiscal year 1994 and \$350,000 additional in fiscal year 1995);
- \* enrollment growth at the University of Northern Iowa (\$2,500,000 for fiscal year 1994 and \$1,700,000 for fiscal year 1995);
- \* a summer school at Iowa School for the Deaf (\$87,000 for fiscal year 1994); and
- \* a summer program at the Iowa Braille and Sight Saving School (\$60,000 for fiscal year 1994).

Jane Jacobsen, President of the Staff Council at the University of Iowa, stated that she spoke on behalf of 6,000 Professional and Scientific employees of the University of Iowa. This group comprises over 40 percent of the full-time employees. They are highly-educated, stable employees who have an average length of service of 9.1 years. She said the recoupling of salary increases with those of faculty will improve morale. Over the past 2 years salaries have not kept up with inflation much less with the market place. In the 1993 budget there were on the average 5.5 percent raises for faculty and Professional and Scientific staff funded by the legislature. This is in contrast to the 10.5 percent that was funded for the University of Northern Iowa faculty, the 11.5 percent that was funded for merit employees who did not receive a step increase, and the 16.5 percent raises for merit employees who did receive a step increase.

Ms. Jacobsen discussed Professional and Scientific staff who need adjustment because of compression, comparison of some salaries of Professional and Scientific employees with merit employees, the lay offs of last year and the uncertainty of any raises this year, staff members' morale and salary discrepancies that have been perpetuated by the actions of the legislature.

Donovan Honnold spoke on behalf of the Professional and Scientific employees of the University of Northern Iowa. He said University of Northern Iowa employees have weathered a period of severe budget constraints and have emerged from this period in remarkably good condition. They can now focus their attention on providing central services to the students, faculty and constituency of University of Northern Iowa. At the outset of this current fiscal year, university administration awarded Professional and Scientific salary increases over and above the funding allocated by the State. Their salaries will increase by more than 8 percent. Following a year of layoffs and of no salary increases, this action was widely applauded on campus. They hope fiscal year 1993-94 brings equally good news. However, salary reports conducted for the past 2 years point out the fact that salaries for Professional and Scientific staff at University of Northern Iowa lag those of equivalent and competitive markets. University of Northern Iowa Professional and Scientific staff have a long-standing goal of achieving salary parity with, at a minimum, their benchmark universities and with the other Regent universities. The recent salary increases narrowed the gap but they still have a ways to go. The 330 Professional and Scientific staff at University of Northern Iowa believe that their compensation package should continue to reflect the value of their contribution.

Dan Woodin, Chair of the Professional and Scientific Council at Iowa State University, stated that the Professional and Scientific staff rely on the university administration and the Board of Regents to carry their message on budgetary concerns to the legislature. They are optimistic about the comments made at the July meeting of the Board of Regents regarding the commitment of the Board to reduce the disparity in salaries which arose

through the salary distribution policies this past year. He then discussed the university's schedule for adopting a new classification and compensation system for Professional and Scientific employees. The staff council supports the Board of Regents and Iowa State University in their efforts to make Iowa State University one of the premier land grant institutions in this nation. For this to occur, they need to recruit and retain a diverse and highly regarded Professional and Scientific staff. The implementation of the new systems will support those efforts.

David Martin, Iowa State University Faculty Senate President, stated that the faculty looks forward to the emphasis on achieving balance in the budgeting process. Internal imbalances are being addressed by faculty and university administration. He discussed the various areas where balance needs to be achieved. He said 100 faculty have been lost in the last year while productivity has increased although there is always room for fine-tuning faculty activities. He addressed the press and the legislature for wrongly convincing the public that faculty recently received a salary increase of 7.5 percent. Faculty have been losing purchasing power over the last several years which is not a situation that will help Iowa State University become the best land grant institution in the nation.

Ed Lawler, University of Iowa Faculty Senate President, asked that the Board help the university remain competitive. He thanked the Regents for their efforts on behalf of faculty salaries last year. Their salary increment was second among their peer groups. However, the morale boost was not substantial when combined with a 2 percent cut in the non-salary budget. He asked that the Board place special emphasis on supporting, particularly, libraries, that they start a process of compensation for graduate assistants to bring it into line with other Big 10 salaries, provide competitive and fully-funded salary packages and address infrastructure needs.

Warren Boe, University of Iowa Faculty Senate Secretary, discussed compensation of graduate students, and equipment for buildings that are designed to encourage interaction and enhance teaching. He said some excellent teaching of undergraduates is provided by graduate students. That they are paid at the lowest level in the Big 10 should be remedied. General expense budgets lack the ability to provide classroom materials. The lack of funds results in less current information.

Kathy Highland, Regents Interinstitutional Supervisory/Confidential Advisory Council representative, presented the following proposals: 1) compensate Regent merit supervisory employees for pay inequity that developed in fiscal year 1992, 2) equalize grades and steps within the pay matrix, 3) award 3 percent above negotiated salary increase for each fiscal year, 4) award extrameritorious pay for staff on step 8, 5) grant transfer rights, 6) increase sick leave/vacation conversion, and 7) rename confidential positions titles; move confidential employees to 100 pay matrix.

Ms. Highland referred to a letter from President Jischke dated July 21, 1992, in which he stated that the Board of Regents had pledged that its highest priority for the fiscal year 1994 budget would be to eliminate the salary disparities.

President Pomerantz informed Ms. Highland that the Regents feel that her position is valid, and that they will do what they can to redress the problem.

Dana Burnett, University of Iowa graduate student, discussed graduate student stipends that are paid to teaching assistants and research assistants. She said it was very important that this issue be addressed in a year when they are stressing undergraduate education. Stipends have not increased in 5 years.

Mr. Richey referred to the table on page 5 of the docket memorandum that listed Board Office recommendations for budget requests for fiscal year 1994. He said the recommendation assumes the current starting base for fiscal year 1993. Back pay and bonuses for employees in the base will undoubtedly be deducted from the base. He will report further on that in October. Requests for supplemental appropriation for fiscal year 1993 include funds for State Auditor charges, equipment funding which was deleted at the last minute and deferred maintenance as well as price inflation and salary annualization costs. A high priority is for undergraduate education. The Board Office recommended funding graduate student stipends at one-half what university officials requested.

President Curris stated that the budget recommendations were consistent with University of Northern Iowa's strategic planning initiatives. He encouraged the Board to support the Board Office recommendation.

President Rawlings stated that University of Iowa officials also felt that the Board Office had done a good job of "sifting through" the material. The recommendation is not exactly what they would want but they are satisfied with the recommendation.

Vice President Nathan stated that University of Iowa officials have just received data that minority student enrollment this fall increased over 20 percent in new African Americans and 30 percent in Latinos. As a result, 8.2 percent of the university's new freshmen are members of minority groups and 7.9 percent overall. He noted that one of the Board's principal priorities is to increase diversity. University officials have "hit the ceiling" in their ability to recruit minority students who are poor. He asked that the Regents consider seriously the university's request of \$100,000 for the IMAGES program.

Mr. Richey noted that if that funding is requested for the University of Iowa it will also have to be requested for Iowa State University and University of Northern Iowa.

President Pomerantz suggested the Board Office could review the matter and return next month with a recommendation.

Mr. Richey stated that if the Regents wished to request IMAGES funding it would need to be included today. The University of Iowa and Iowa State University each requested \$100,000 and University of Northern Iowa requested \$60,000.

MOTION: Regent Fitzgibbon moved to add \$260,000 in IMAGES funding to the budget request.  
Regent Williams seconded the motion.

Regent Williams stated that the Regents have made an issue of the area of minority recruitment for many years -- this was not the time to "drop the ball" on it. The institutions are beginning to be successful.

Mr. Richey noted that the request would just be for fiscal year 1994 and would carry forward into fiscal year 1995 as part of the base.

VOTE ON THE MOTION: The motion carried unanimously.

President Jischke thanked the Regents for the extra help for IMAGES funding. He said it is positive news for Iowa State University. At Iowa State University, the preliminary enrollment figures indicate that every category of minority students is up. They are also retaining more of the students. With regard to the budget request, he said university officials are grateful that the Board Office endorsed their priorities for the budget.

President Pomerantz asked if President Jischke concurred with Presidents Rawlings and Curris that this was a reasonable budget under the circumstances. President Jischke responded affirmatively.

Superintendent Thurman stated that if the Board Office's budget request for Iowa Braille and Sight Saving School is funded, school officials will not only be happy, they will be dancing in the street! He then stated that the school's summer school is growing into a vital feature of their academic programming. During the past year school officials had to relinquish the summer program due to lack of funding which had a very adverse effect on the student population.

Superintendent Johnson stated that he also appreciated the support recommended by the Board Office.

Regent Dorr said he felt compelled to voice some concern regarding the budgets. His first observation, in light of what they went through last legislative session, is who is going to pay for all of these programs. The taxpayers of Iowa are subject to some assistance periodically. He did not think there was any question that everyone wants the highest quality of education we can get in Iowa. He said the institutions requested 9-1/2 to 10 percent increases in their budgets, which the Board Office pared down to 5 percent, this in an inflationary environment that runs 1-1/2 to 2 percent. He finds it difficult to understand why they are adding numerous new centers, new policy initiatives and new programs. He was not sure that they have yet realized that their wants and needs are different things. In the public sector they have to make decisions to reconcile their budgets within the resources of the taxpayers. The new initiatives look less like educational endeavors. A lot of these look like fairly significant initiatives and he was not sure they had a sound academic base. There were a number of items he was quite concerned about and would like to see removed from the budgets.

President Pomerantz discussed the Regents' budget process. He said the Governor and the legislature will each have an opportunity to reduce the budgets. He suggested that the budgets would have a hard time surviving in this form. One of the roles of the Regents is as advocates for the institutions. They are aggressive under the circumstances to be going after this amount of increase.

Regent Dorr referred to traditional approaches to budgeting processes and said that what worked in the past will not necessarily work in the future. They should make sure the institutions have all it will take to make them of high quality but cautioned that they not miscalculate that process.

Regent Williams said the process has changed since she has been on the Board. As a result of the strategic planning process there is a rhyme and a reason to the budget askings. If Regent Dorr has objections to a certain program, then they should discuss it. Everything the institutional people bring to the Board for ratification has undergone their own scrutiny. She understood Regent Dorr's concern as a taxpayer; however, the Regents have an important role as advocates for what these institutions can be.

Regent Dorr said he objected to the Center for Health Services Research and Policy Analysis and a primary health care initiative. He is developing a very fundamental concern for technology transfer and the role of the public university in that. He was not sure that technology transfer is an effective use of public sector money. They are shifting immense sums of money that he was not sure was an appropriate shift. Areas become very gray. The Board and institutions have directed large sums of money and effort in the last several years to technology transfer in the guise of economic development. These issues have to be monitored to determine if they are truly doing what they set out to do. He was concerned about

funding these initiatives if they are having trouble maintaining quality of undergraduate education and the level of graduate student stipends.

President Pomerantz said he would argue that technology transfer can be self supporting. For the little being invested it can provide a great return for this state. Also, through strategic planning, if they add new programs they will also remove old programs.

Regent Dorr said he understood that if the process works properly it will narrow the focus of the institutions. President Pomerantz said that is the concept he believes in.

Regent Berenstein referred to the table on page 5 of the docket memorandum which was a composite of the 1994 askings, and asked if the Regents had been provided with the same for information for fiscal year 1995. Mr. Richey responded that they had not.

Regent Berenstein asked that the Regents be provided with that information. President Pomerantz said the Board Office would get that information to him.

Mr. Richey addressed the programs which Regent Dorr had identified as having concerns about. He stated that each one of the programs addresses a very high priority state need. He assured Regent Dorr that no funds have been taken from educational programs to fund the other initiatives. The State has been willing to fund technology transfer at the institutions. With regard to a primary health care initiative, he said that program was directly aimed at a very high state priority; that of getting physicians to rural areas of the state. The Center for Health Services Research and Planning Analysis addresses needs of the whole state. He stated that the Regent institutions provide more than education and research. They also provide services.

Regent Dorr said he was not sure that the public sector can always solve society's problems.

President Pomerantz said there is a consortium with the private sector and the public sector regarding technology transfer.

**MOTION:**

Regent Fitzgibbon moved to (1) request appropriations of \$520,967,000 for operating expenditures for fiscal year 1994; (2) request appropriations of \$544,217,000 for fiscal year 1995; (3) request supplementary fiscal year 1993 appropriations of \$3,406,500; (4) request special purpose appropriations for fiscal year 1994 of \$6,495,704; and (5) request special purpose appropriations for fiscal

year 1995 of \$6,024,631. Regent Tyrrell seconded the motion, and it carried with Regent Dorr abstaining.

Regent Dorr was excused from the meeting at 4:26 p.m.

**APPROVAL OF CAPITAL REQUESTS FOR FISCAL YEARS 1994 AND 1995 AND CAPITAL PRIORITY FIVE-YEAR PLAN.** The Board Office recommended the Board:

- (1) Approve the requested capital projects and funding, including the priority listing, prepared by the Board Office totaling \$48,243,000 in fiscal year 1994 and \$80,765,000 in fiscal year 1995.
- (2) Approve the following Five-Year Building Program for fiscal year 1994 through fiscal year 1998.

University of Iowa	\$176,621,000
Iowa State University	170,200,000
University of Northern Iowa	<u>106,600,000</u>
Total Universities	\$453,421,000
University of Iowa Hospitals and Clinics	\$ 84,645,000
Iowa School for the Deaf	\$ 6,855,000
Iowa Braille and Sight Saving School	<u>162,000</u>
Total Special Schools	\$ 7,017,000
GRAND TOTAL	\$545,083,000 -----

- (3) Approve the priority listing of capital projects for fiscal years 1994 through 1998.
- (4) Approve the proposed supplemental request in the amount of \$300,000 in fiscal year 1993 for capital funds for repairing the boiler and re-roofing the Main Building at the Iowa School for the Deaf.

The Board Office recommendation was for a capital program of \$48.2 million for fiscal year 1994 and \$80.765 million in fiscal year 1995. The Board Office recommendation was unchanged from that presented to the Board at the August meeting except for the Iowa School for the Deaf.

The institutions and the Board Office developed the capital program focusing on the Regent-wide strategic planning goals and objectives.

Highest priority was given to fire and environmental safety and to deferred maintenance. High priority was given to major projects for remodeling of existing facilities. This includes:

- \* Biology Building Renovation (University of Iowa);
- \* Phillips Hall Remodeling (University of Iowa);
- \* Schaeffer Hall Remodeling (University of Iowa).

Projects included within the capital program support the utilization and transfer of technology. These projects include:

- \* Pharmacy Building Addition (University of Iowa);
- \* Intensive Livestock Research Facilities (Iowa State University);
- \* Livestock Units for Swine and Cattle Research (Iowa State University);
- \* Bio-Medical Research Facility (University of Iowa);
- \* Innovative Instruction and Research Building for Engineering (Iowa State University);
- \* Recreation/Wellness Center (University of Northern Iowa).

In developing the preliminary recommendations the Board Office received the institutions' general fund requests for \$198.54 million for capital improvements in fiscal years 1994 and 1995 as follows:

Institutional Requests\*  
(000s Omitted)

<u>Institution</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>TOTAL</u>
SUI	\$39,396.0	\$ 61,340.0	\$100,736.0
ISU	16,900.0	32,300.0	49,200.0
UNI	30,800.0	16,500.0	47,300.0
ISD	965.0	280.0	1,245.0
IBSSS	61.9	0.0	61.9
	<u>\$88,122.9</u>	<u>\$110,420.0</u>	<u>\$198,542.9</u>

- \* The institutional requests reflect the reinstating of the Pharmacy Building Addition at the University of Iowa and the Library Addition at the University of Northern Iowa.

The Board Office recommendation by institution is as follows:

Board Office Recommendation  
(000s Omitted)

<u>Institution</u>	<u>FY 1994</u>	<u>FY 1995</u>	<u>TOTAL</u>
University of Iowa	\$23,501	\$26,285	\$ 49,786
Iowa State University	11,000	38,200	\$ 49,200
University of Northern Iowa	12,900	16,100	\$ 29,000
Iowa School for the Deaf	780	180	\$ 960
Iowa Braille and Sight Saving School	62	0	\$ 62
TOTAL	\$48,243	\$80,765	\$129,008

Highlights of the Board Office recommendations for both fiscal year 1994 and fiscal year 1995 for the universities include:

(000's Omitted)

	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>
Fire and Environmental Safety	\$ 2,000	\$ 2,000	\$ 200
Deferred Maintenance/Utilities	\$15,500	\$14,300	\$ 8,000
Pharmacy Bldg. Addition (Constr.)	\$10,626		
Library Addition (Construction)			\$ 7,000
Recreation/Wellness Center (New)			\$12,200
Livestock Research Facilities (New)		\$17,000	
Biology Building Renovation	\$13,296		
Phillips Hall Remodeling	\$ 2,106		
Engineering Instruction and Research Building		\$ 9,000	
Livestock Units, Swine & Cattle Research		\$ 6,900	
Schaeffer Hall Remodeling	\$ 6,258		

For many years the Board has been required by statute to submit a Ten-Year Building Program to the General Assembly at the convening of each regular annual session. During the 1991 legislative session Senate File 529 was passed requiring a Five-Year Program.

The Five-Year Capital Plan for the universities must be approved by the General Assembly as a part of any authorization of additional Academic Building Revenue Bonds. If bonding is not requested, the General Assembly need only receive it.

Currently, only the universities are required by law to submit annually to the General Assembly a Five-Year Building Program. The special schools have been included to outline the overall Board of Regents capital needs.

Legislation was passed during the 1989 session requiring all state agencies to submit Five-Year Capital Project Priority Plans to the Legislative Capital Projects Committee no later than July 1 of each year. Legislation was passed during the 1991 session extending the deadline to November 1.

A preliminary Five-Year Capital Project Priority Plan was presented to the Board at the August Board meeting.

Institutional officials identified capital projects totaling \$503 million for the five-year period (including the additions to the Pharmacy Building at the University of Iowa and Library at the University of Northern Iowa). The Board Office reviewed these requests and made a recommendation for a Five-Year Building Program of \$460.3 million.

The recommended general fund amounts by university are as follows:

University of Iowa	\$ 176,621,000
Iowa State University	170,200,000
University of Northern Iowa	106,600,000
Iowa School for the Deaf	6,855,000
Iowa Braille and Sight Saving School	<u>162,000</u>
TOTAL	\$ 460,438,000

The Board Office recommended deferred maintenance funding for the Iowa School for the Deaf in the amount of \$640,000 for fiscal year 1994 and \$180,000 in fiscal year 1995 for the roof replacement project for the Main Building. The Board Office recommendation for 1994 included a supplemental request of \$300,000 in addition to the preliminary recommendation of \$385,000 approved by the Board in August.

Mr. Richey stated that the recommendations were the same as last month except for Iowa School for the Deaf which has a serious problem with its boiler and an emergency roof project. He recommended at this time \$200,000 as supplemental deficiency appropriation for the current year for the school. That figure consisted of \$155,000 for the roof to be used in conjunction with \$140,000 within the institution's operating budget to replace the roof of the main building at the institution. Severe damage is occurring. The boiler has had an additional problem occur within the last day. School officials need to move immediately to take care of that and replace the boiler. Adjustments are being made now so the boiler can be replaced.

With regard to the rest of the recommendations, Mr. Richey said he had discussed those with the institutional officials and did not know of any serious differences in terms of the recommendations.

Regent Fitzgibbon asked about the asbestos removal at Iowa School for the Deaf. Mr. Richey responded that there is money in the deferred maintenance proposal.

President Pomerantz referred to the emergency items that Mr. Richey detailed and asked if there are funds that can be allocated to it. Mr. Richey responded that there is \$140,000 that can be allocated to it but they need at least \$200,000 in order to get the roof and the boiler completed. The Board will be provided with additional information in October. He recommended at this time that the Board request \$200,000 as a deficiency appropriation so that the project can start moving.

Regent Fitzgibbon asked if the amount being requested was \$200,000 or \$300,000. Mr. Richey responded that the correct amount was \$300,000. He said he had forgotten that they had developed revised figures just prior to this meeting. He noted that the \$300,000 includes the use of \$140,000 internally.

**MOTION:** Regent Fitzgibbon moved to approve the revised supplemental request for the Iowa School for the Deaf in the amount of \$300,000 for repair of the Main Building roof. Regent Williams seconded the motion, and it carried unanimously.

Mr. Richey noted that a motion was not needed concerning the boiler because that would be handled out of the \$140,000 budget category in the current year.

Regent Fitzgibbon asked for the estimated cost to replace the boiler. Mr. Richey responded that the cost would be approximately \$45,000.

Superintendent Johnson stated that the Iowa School for the Deaf budgeted amount for repair and maintenance is \$140,000. All of that money will be devoted to the roof. School officials have a second problem that this \$140,000 has to address both the roof and the boiler. The supplemental, hopefully, will be there to help them finish the projects. The boiler will cost \$45,000.

**MOTION:** Regent Berenstein moved to (1) approve the requested capital projects and funding, including the priority listing, prepared by the Board Office totaling \$48,243,000 in fiscal year 1994 and \$80,765,000 in fiscal year 1995; (2) approve the Five-Year Building Program for fiscal year 1994 through fiscal year 1998, as presented; (3) approve the priority listing of capital projects for fiscal years 1994 through 1998; and (4) approve the proposed supplemental request in

the amount of \$300,000 in fiscal year 1993 for capital funds for repairing the boiler and re-roofing the Main Building at the Iowa School for the Deaf. Regent Dorr seconded the motion.

Regent Dorr noted that on the 5-year plan there were several remodeling projects and new projects. He was concerned about whether they have any more bad boilers and roofs that need attention rather than addressing remodeling projects.

President Pomerantz suggested they should talk about priorities. Maintenance and deferred maintenance should be higher priorities than new capital. They have to fix what they have.

Regent Dorr said that before they prioritize they should give due diligence to deferred maintenance.

President Jischke stated that in the last 1-1/2 years university officials have wrestled with budgets. Iowa State University took its building repair budget down to \$9,000. He said the tuition and fees request would provide income for items directly related to undergraduate education. They are still a long way from having an adequate level of building repair funds. If they do not have the resources it is inevitable that maintenance will be deferred. One of the uses of the tuition and fees increase for Iowa State University this year will be to rebalance the budget.

President Pomerantz referred to page 35 of the docket memorandum and noted that the second item was deferred maintenance in the amount of \$119 million over 5 years.

Regent Dorr questioned the tuition and fee income's relationship to building repair and undergraduate education. He said he thought undergraduate education meant salaries, staff, etc.

President Jischke stated that he believes maintaining an adequate physical plant directly relates to undergraduate education. One-half relates to undergraduate and the other one-half to graduate education to repair academic facilities.

Regent Dorr said he thought in the unit cost analysis they were keeping depreciation out of that factor. Mr. Richey responded that they were.

President Pomerantz referred to the money it takes to get the buildings repaired and said that one source is tuition income.

Regent Dorr said they may have to choose to eliminate remodeling a building to make sure deferred maintenance is given adequate priority.

Mr. Richey noted that major remodeling is a critical part of deferred maintenance. Major maintenance funds are included in the operating budget and in the capital budget.

President Jischke said that if all the deferred maintenance backlog was solved today, they would still have to do some repair all year. It is an ongoing problem. As a "rule of thumb" they ought to spend, at a minimum, 1 percent of a building's value in annual upkeep. He said Iowa State University officials would be very pleased with 1 percent because for Iowa State University that would be about \$15 million/year total, and for their general university fund about \$3.5 million. At the beginning of last fiscal year, Iowa State University had about \$9,000 in that account. The gap is enormous. He said preserving the university's very large physical plant is fundamental.

Regent Tyrrell asked about the amount of deferred maintenance before the \$20 million bonding authority from the legislature last year. Wasn't the figure \$120 million at that time? President Pomerantz stated that the figure now was \$119 million -- 5 years for \$119 million of deferred maintenance.

Regent Tyrrell referred to President Jischke's statement that there was also some current maintenance. He asked if they were going to be as far behind in 5 years as they were now.

President Pomerantz said there appeared to be a definition problem. The operating budget contains a line for maintenance. That is one category. The deferred maintenance five-year figure is \$119 million. He said it is more capital than it is maintenance.

Regent Tyrrell asked if enough funds would be requested in the operating budget to satisfy the need. President Pomerantz said the Regents should make sure it is their priority to do that.

Regent Williams said they need a priority for both capital expenditures and operating funds.

President Pomerantz stated that he believed the Regents got as much from the legislature last year as they could get; however, it was not enough. This year the Regents have established different and new priorities which they need to find a way to fund. They will have to deal with the legislature, with the Governor, with all sources of funds including tuition to address their priorities and needs.

Regent Williams stated that the point President Jischke brought up about the importance of the tuition factor cannot be overlooked. Everyone needs to understand that maintenance is a part of the educational cost for students. Tuition has to be considered as one of the sources of funding because they have to maximize every source of funding they can.

VOTE ON THE MOTION:                      The motion carried unanimously.

**REQUEST FOR TUITION REPLACEMENT APPROPRIATIONS.** The Board Office recommended the Board approve the tuition replacement request of \$24,295,739 for fiscal year 1994 and \$28,971,705 for fiscal year 1995.

Tuition replacement appropriations represent an ongoing commitment of the Governor and General Assembly to meet the debt service costs of Academic Building Revenue Bonds. Tuition and fee revenues make debt service payments on the Academic Building Revenue Bonds. The tuition replacement appropriation replaces that university revenue.

The Board's financial advisor, Springsted, Inc., projected updated tuition replacement needs. The projections presented below include debt service amounts and revised estimates of investment earnings as prepared by the universities.

Tuition replacement needs decrease each year after 1996. Projected tuition replacement needs for the next five years follow:

1993	\$21,997,869
1994	\$24,295,739
1995	\$28,971,705
1996	\$32,399,937
1997	\$24,857,242

The tuition replacement appropriation for fiscal year 1993 is \$22,468,460, some \$530,000 in excess of the current budget. If that surplus continues, and a carry forward to fiscal year 1994 is permitted, the 1994 request can be reduced by any 1993 excess.

The tuition replacement request for fiscal year 1994 represents a 10.4 percent increase over the current fiscal year 1993. The increase in fiscal year 1994 arises mainly from about a \$2 million increase in principal due on Iowa State University Academic Revenue Bonds.

The large increase in fiscal year 1995 is due mainly to \$3.535 million principal due on project notes. Similarly, the 1996 amount includes \$7.1 million of principal due on project notes.

Principal outstanding for all Regent bonds and notes as of July 1, 1992 totaled \$513,899,640. It includes Academic Revenue Bonds, Dormitory System Bonds, self-supporting facility bonds, University of Iowa Hospitals and Clinics bonds and project notes.

Anticipated refunding issues through July 1, 1993, total \$50,500,000.

Mr. Richey stated that these projections were developed by Luther Anderson in conjunction with institutional officials. He noted that they anticipated a balance of about \$500,000 in the current year that could be applied toward the amount for next year or perhaps even be utilized to finance some of the supplemental appropriations for the Iowa School for the Deaf.

**MOTION:** Regent Fitzgibbon moved to approve the tuition replacement request of \$24,295,739 for fiscal year 1994 and \$28,971,705 for fiscal year 1995. Regent Tyrrell seconded the motion, and it carried unanimously.

**BOARD OFFICE BUDGET REQUEST FOR FISCAL YEARS 1994 AND 1995.** The Board Office recommended the Board approve the revised budget for fiscal year 1993 and the request of \$1,242,015 for fiscal year 1994 and \$1,231,806 in fiscal year 1995 for the operation of the Board Office.

The budget for fiscal year 1993 was revised slightly to reflect the actual salaries paid for the Administrative Assistant and the Facilities Analyst.

The request for fiscal years 1994 and 1995 include adjustments of five percent for price inflation to maintain the budget on a constant dollar basis.

Restoration of the Facilities Officer and a half-time secretary to the Board Office budget for both fiscal years was requested, which would relieve the institutional budgets of this cost in the future.

The sum of \$30,000 was requested for automation of the Board Office in fiscal year 1994 and a further \$7,000 in fiscal year 1995 to complete the project.

Anticipated receipts from reimbursements by the institutions and other organizations have been reduced to \$10,000 per year from the level of \$25,000 in the current year, which cannot be maintained on a recurring basis.

Mr. Richey stated that the proposed budget includes 5 percent price inflation.

**MOTION:** Regent Williams moved to approve the revised budget for fiscal year 1993 and the request of \$1,242,015 for fiscal year 1994 and \$1,231,806 in fiscal year 1995 for the operation of the Board Office. Regent Berenstein seconded the motion.

Regent Dorr referred to the \$30,000 line item for the development of administrative systems in the Board Office. He said there was also a fair amount of discussion about similar systems evolving at the three universities. He was concerned that there should be some general plan for financial and



report that such a program can be implemented without additional costs because the structure, the courses, and the faculty are already in place.

The third item that the Council wished to discuss with the Board was the issue of an Indian Education Ambassador. The Committee on Educational Coordination and the Educational Relations Committee had reviewed an earlier proposal for an Indian Ambassador and concluded that Indian students represent only one of several special populations that warrant increased attention. By establishing special goals for a single minority population, the committee concluded that the universities run the risk of being perceived as biased and prejudicial in the treatment of other special populations. The committees concluded that the establishment of an Indian educational specialist was not a good idea.

The Regent Committee on Education Relations has discussed the enhancement of the education of American Indian students within the context of the several special populations within the State of Iowa that warrant increased attention. For each of the special populations, R.C.E.R. endorses the objectives of increasing enrollment, monitoring achievement, increasing retention, identifying and resolving special problems, and reporting and disseminating academic progress information.

The committee feels that it is important to recognize the necessity for resources to be directed toward accomplishment of the above activities, including both personnel and fiscal commitments.

Maria Pearson stated that she is known as Running Moccasins and is a member of the Yankton band of the Sioux nation. She said Iowa State University is a land-grant college. Under the granting of land in 1862 it was agreed that American Indians would be educated freely. This was part of the treaty for granting land. She asked for free tuition for in-state Indians in the state of Iowa including those not counted in the 1926 census.

Ms. Pearson said an Indian ambassador is something every other state in the nation has. She asked for the Regents' endorsement of this position in the state of Iowa.

Ms. Pearson asked for the establishment of an Indian Studies and Native Peoples program at the University of Iowa. The university currently offers all of the programs that are needed except history. She noted that in the IMAGES program there are 34 Indian students registered at Iowa State University, 17 from federally-recognized tribes.

Regent Williams asked for the recommendation of the Board Office. President Pomerantz said the recommendation was to receive the oral report. He suggested the matter be referred to the Board Office and that they ask the Board Office to come back with recommendations by the December meeting. He then asked Ms. Pearson if that was a satisfactory time frame.

Ms. Pearson responded that it was fine; however, if they could be given an answer on the request for an ambassador earlier it would be appreciated. She noted that the Regents were being asked to endorse the concept of an Indian ambassador. There would then be a request for funds through the legislature. The American Indians have to work with the public and private sectors for funding. The concept is to bring in someone they can send to represent the state of Iowa on the National Indian Education Association. At the present time no one represents this state.

President Pomerantz suggested the Board Office report back in one month on the request for endorsement of an Indian ambassador and with a full report on the rest of the issues in December.

**ACTION:** President Pomerantz stated the Board received an oral report from the Governor's Council of American Indian Leaders of Iowa, by general consent.

**UNIFORM CONSTRUCTION CONTRACT DOCUMENTS.** The Board Office recommended the Board approve the revised uniform construction contract documents for use by the Regent institutions.

At the July meeting the Board received a report on the uniform construction contract documents, which were revised to meet prevailing legal requirements. The revised contract documents were reviewed by the Iowa Attorney General's Office, the Master Builders of Iowa, institutional representatives, and the Board Office staff.

Changes were also incorporated into these construction documents to represent changes to the Code of Iowa from recent legislative sessions. The Attorney General's Office has confirmed that the revised standard construction contract documents now meet the prevailing legal requirements, including those affecting Targeted Small Businesses, as well as the technical/functional standards in the industry.

The Board's uniform construction contract documents are essentially parallel to the AIA general conditions of the contract, with the exception that the AIA documents are oriented toward the project architect where the Board's documents are oriented toward the owner.

Mr. Richey noted that adoption of the documents presented did not mean the Board Office would stop reviewing them.

**MOTION:** Regent Berenstein moved to approve the revised uniform construction contract documents for use by the Regent institutions. Regent Williams seconded the motion, and it carried unanimously.

**APPROVAL OF CONTRACT FOR LABOR RELATIONS SERVICES AND APPOINTMENT OF THE MANAGEMENT BARGAINING TEAM FOR THE UNIVERSITY OF NORTHERN IOWA.** The Board Office recommended the Board approve (1) the agreement between the Iowa State Board of Regents and Joseph E. Flynn, as presented, and (2) appointment of the Management Bargaining Team for negotiations with the United Faculty of the University of Northern Iowa.

The contract with Mr. Flynn provides both for his services as chief negotiator for the Board in bargaining with University of Northern Iowa faculty and for such other labor relations services as may be required by the Board. The contract provides for a fee for Mr. Flynn's services at the rate of \$100 per hour for all time expended in reference to his duties for the Board of Regents. The amount per hour under the two-year contract that expires at the end of this month is \$95. The contract runs from October 1, 1992, through September 30, 1994.

The University of Northern Iowa and the Board Office recommended the appointment of the following Management Bargaining Team for negotiation with the Faculty Union at the University of Northern Iowa:

- |   |   |
|---|---|
| - Joseph Flynn<br>Chief Negotiator  | - Robert Barak, Co-Spokesperson<br>Deputy Director and Director of<br>Academic Affairs and Research<br>Board Office |
| - Charles Means<br>Associate Vice President<br>for Academic Affairs           | - Aaron Podolefsky<br>Dean, College of Social<br>and Behavioral Sciences  |
| - Robert Leestamper<br>Assistant Vice President<br>for International Programs | - (To be Named)<br>Department Head  |

Mr. Richey stated that he had worked with President Curris on all the issues and the agreement.

**MOTION:**

Regent Tyrrell moved to approve (1) the agreement between the Iowa State Board of Regents and Joseph E. Flynn, as presented, and (2) appointment of the Management Bargaining Team for negotiations with the United Faculty of the University of Northern Iowa. Regent Johnson seconded the motion.

Regent Berenstein asked how different this contract was than the last contract. Mr. Richey responded that the per-hour cost was increased from \$95 to \$100. The contract also expands to recognize Mr. Flynn's services in labor

relations as well as collective bargaining. It is discretionary whether the Board uses Mr. Flynn's services.

President Pomerantz asked whether the contract included any minimums. Mr. Richey responded in the negative.

President Pomerantz asked about the termination clause. Mr. Richey responded that the contract is for 2 years or until all obligations are fulfilled.

**VOTE ON THE MOTION:** The motion carried unanimously.

**APPEAL OF FAMILY HOUSING POLICY AT IOWA STATE UNIVERSITY.** The Board Office recommended the Board hear the presentation and take the issues under advisement.

A student requested that the Board of Regents hear his presentation regarding a policy at Iowa State University regarding eligibility for residing in married student apartments.

University policy requires that occupants in the married student apartments be legally married and be enrolled students. The student is not legally married.

**ACTION:** President Pomerantz stated that the person requesting to speak on this item had withdrawn his request.

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

Transfer: Bradley Hudson, Assistant Director of Business and Finance, to the Legislative Fiscal Bureau effective September 10, 1992;

Termination: Carson Smith, Director of Business and Finance, effective September 29, 1992; and

Reclassification: Sheila Lodge from Secretary III to Facilities Analyst effective August 28, 1992, at an annual salary of \$31,018.

**MOTION:** Regent Dorr moved to ratify personnel transactions, as presented. Regent Williams seconded the motion, and it carried unanimously.

**MERIT SYSTEM RULE CHANGE.** The Board Office recommended that the Board approve final adoption of the Merit System rule revision regarding pay for exceptional performance which was initially approved by the Board in July 1992.

The proposed revision would replace the current provision for an extra-meritorious step increase with a non-recurring lump sum award for exceptional performance not to exceed 5 percent of annual salary.

Because such payments are mandatory subjects of bargaining, exceptional performance awards are not available to employees covered under collective bargaining agreements.

No questions were asked by the Legislative Rules Committee, and no comments were received at a public hearing on the proposed revision which was held on August 25, 1992.

Regent Tyrrell asked if there was any limit on how many extra-meritorious step increases can be granted. Do they operate within a budget? Mr. Richey responded affirmatively, stating that they also operate under the personnel department of the university.

**MOTION:** Regent Fitzgibbon moved to approve final adoption of the Merit System rule revision regarding pay for exceptional performance which was initially approved by the Board in July 1992. Regent Williams seconded the motion, and it carried unanimously.

**VENDOR HAVING CONFLICT OF INTEREST.** The Board Office recommended the Board approve the request of Iowa State University to add the name of The Sports Page to the outstanding list of approved vendors with a conflict of interest.

Iowa State University officials requested that the additional name of The Sports Page be added to the list of approved vendors with a conflict of interest. University officials wish to purchase equipment, products or services from The Sports Page.

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

**MOTION:** Regent Fitzgibbon moved to approve the request of Iowa State University to add the name of The Sports Page to the outstanding list of approved vendors with a conflict of interest. Regent Williams seconded the motion, and upon the roll being called, the following voted:  
AYE: Berenstein, Dorr, Fitzgibbon, Johnson, Pomerantz, Tyrrell, Williams.  
NAY: None.  
ABSENT: Furgerson, Hatch.

**CONSENT ITEMS.**

**MOTION:**

Regent Berenstein moved, seconded by Regent Johnson, to approve the consent docket, as follows:

Approve the change in the name of the Office of Proposals for Research, Editing, and Production Services to Office of Sponsored Programs at Iowa State University;

Receive the report of the Iowa College Student Aid Commission;

Receive the Next Meetings Schedule;

Approve the renaming of the Dairy Industry Building and the Center for Crops Utilization at Iowa State University to the Food Sciences Building, effective immediately;

Approve the change in the name of the Physical Plant Building to the General Services Building, effective immediately;

Approve Iowa State University's request to increase the fine for improper use of a handicapped identification device from \$25 to \$50; and

Approve Iowa State University's proposed amendment to section 681-4.31(2) of the Iowa Administrative Code related to parking and traffic regulations.

The motion carried unanimously.

**IOWA COLLEGE STUDENT AID COMMISSION.** The Board Office recommended the Board receive the report.

The primary issue on the Commission's agenda at its September meeting was consideration of the budget requests for its various programs for fiscal years 1994 and 1995. A major change in eligibility standards contained in the Reauthorization Act related to the formula for determining student need for financial aid. Home and farm equity was eliminated as an asset to be included in the resources available to the student in determining eligibility for aid. It is estimated that the "Total Family Contribution" level will decrease

approximately 30 percent and will increase significantly the number of students eligible for student aid.

The increase in number of students eligible for financial aid under existing formulas has a significant impact on the Iowa Tuition Grant Program, the Vocational Technical Grant Program and federal student assistance programs. For example, the Tuition Grant Program now serves approximately 13,880 students with an average grant of \$2,200. It is anticipated that an additional 1,216 students will become eligible for tuition grants because of the change in treatment of home and farm equity as an asset. If additional appropriations are not made available for these students, some existing students receiving grants will be displaced from the program. Because of this, the Commission requested a total of \$33,966,000 for fiscal year 1994 as compared to the current funding of \$30,523,930. Expenditures for the program in fiscal year 1992 were \$31,146,867.

The same condition relative to reduction of the family contribution holds for students eligible for Vocational Technical Tuition Grants. It is estimated that an additional 845 students will become eligible for aid under the financial aid formula. This State program will serve 3,949 students in the current year with an average grant of \$424.

The request for funding for the College Work-Study Program (state), the Iowa Grant Program, and the Osteopathic Subventions and grant and loan programs were increased by the anticipated rate of growth of 5 percent in the cost of going to college.

The Commission authorized the creation of a student advisory panel consisting of six student consultants. Two students would be selected from each sector of post-secondary education - the Regent institutions, the independent colleges, and the area community colleges. This panel will be linked with a campus information network that will be facilitated through campus coordinators. This action was taken by the Commission in response to several student initiatives in the General Assembly to assure that students have more recognition in the conduct of the Commission's affairs. A student also serves on the Commission.

**ACTION:** This report was received by consent.

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

October 21-22	University of Northern Iowa	Cedar Falls
November 18-19	University of Iowa/Iowa Braille and Sight Saving School	Iowa City/ Vinton
December 16-17	Iowa State University	Ames
January 20, 1993	Telephonic	
February 17-18	University of Iowa	Iowa City

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March 17-18	Marriott Hotel	Des Moines
April 21-22	University of Northern Iowa	Cedar Falls
May 19-20	Iowa State University	Ames
June 16-17	University of Northern Iowa	Cedar Falls
July 21-22	University of Iowa	Iowa City
September 22-23	Iowa State University	Ames
October 20-21	University of Northern Iowa	Cedar Falls
November 17-18	Iowa School for the Deaf	Council Bluffs
December 15-16	University of Iowa	Iowa City

**ACTION:** The Next Meetings Schedule was received by consent.

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

## STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Wednesday, September 23, 1992.

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

Register of Personnel Changes for June 1992.

**MOTION:** Regent Dorr moved to ratify personnel transactions, as presented. Regent Williams seconded the motion, and it carried unanimously.

**PROFESSIONAL AND SCIENTIFIC CLASSIFICATION SYSTEM.** The Board Office recommended that the Board approve the following changes in the university's professional and scientific classification system:

1. Establish the classification of Pharmacy Practice Specialist in pay grade 10 (\$32,270 - \$56,430);
2. Change pay grade of Manager, Financial Analysts from pay grade 11 (\$34,915 - \$61,055) to pay grade 12 (\$37,775 - \$66,060);
3. Change title and pay grade of Coordinator of Employee Relations in pay grade 12 (\$37,775 - \$66,060) to Director of University Employment Relations in pay grade 13 (\$40,870 - \$71,475);
4. Change pay grade of Cytotechnologist from pay grade 5 (\$21,770 - \$38,245) to pay grade 7 (\$25,480 - \$44,555);
- 5a. Change the title of the position University Controller and Secretary to Director of Financial Management and Budget and University Secretary. This position has been and will continue to be an institutional official position.
- 5b. Establish the position of Controller in pay grade 16 (\$51,760 - \$90,535).

Pharmacy Practice Specialist: This classification was proposed to provide first-line management for a specialized pharmacy service or program within the Department of Pharmacy in the University of Iowa Hospitals and Clinics. The classification will initially be used for a position to manage pharmacy

purchasing and inventory control. The position will be responsible to an assistant director in the Department of Pharmacy.

Manager, Financial Analysts: This classification was last reviewed in July 1986. Basic function of this position is to supervise and coordinate the Hospital Financial Management Office which has the function for third party reimbursement. During the six years since the review, the scope of responsibility of the position has grown in direct relationship to the complexity of medical reimbursement. The scope and complexity of this position is now similar to other positions in grade 12.

Coordinator of Employee Relations to Director of University Employment Relations: The overall area of employee relations has become more complex and as a result the Associate Vice President for Finance and University Services has delegated more responsibility to the incumbent of this position especially in the areas of policy formulation, collective bargaining, staff grievance processes, and preparation for arbitration cases. The title of Director better identifies the expanded role of this position. The scope of responsibility is now commensurate with other grade 13 classifications.

Cytotechnologist: The areas of pathological testing for which Cytotechnologists are responsible have grown in number and complexity, in the level of interpretive responsibility and regulatory considerations requiring increased minimum qualifications for the position. The proposed increase from pay grade 5 to 7 reflects the increased responsibilities and changes in entry qualifications.

University Controller and Secretary to Director of Financial Management and Budget: This position of University Controller and Secretary has been broadened to provide senior staff support to the Vice President for Finance and University Services as well as directing the activities of the offices of controller, budget, cost analysis, and financial systems. The proposed title better reflects the expanded responsibilities of the position. This position has been and will continue to be an institutional official.

Controller: Based upon the importance of financial oversight, university officials proposed to create this position to focus entirely on the controllership function. The new position will be responsible for administering the controller's office which includes accounting services, payroll, cashier, grant and contract accounting, and equipment inventory.

Pay grade assignments are based upon application of the Job Classification Evaluation System.

MOTION: Regent Berenstein moved to approve the proposed changes in the university's professional and scientific classification system, as presented. Regent Williams

seconded the motion, and it carried  
unanimously.

**FRINGE BENEFITS AT THE UNIVERSITY OF IOWA.** The Board Office recommended the Board approve the proposed change in the health insurance program of the University of Iowa which would permit eligible faculty and staff members who have responsibility for a domestic partner whom they cannot marry to cover that partner (at the expense of the faculty or staff member) in the university's health insurance group through the high deductible option, effective for a three-year trial period beginning January 1, 1993, and ending December 31, 1995. Eligibility for coverage would be subject to provisions outlined and completion of the Affidavit of Domestic Partnership.

University of Iowa officials recommended that faculty and staff members covered by the university's health insurance program be permitted to purchase coverage for a domestic partner.

Coverage would be for the high deductible option and at the employee's expense.

The partners must meet eligibility requirements and file an "Affidavit of Domestic Partnership".

The domestic partner coverage option would be available January 1, 1993, for a trial period of three years.

The university's insurance carrier, Blue Cross/Blue Shield of Iowa, will not require the university to pay any premium increase for adding this provision in its eligibility for insurance coverage.

Associate Vice President Small stated that some Board members who were absent from this meeting requested that this item be deferred to next month.

**MOTION:** Regent Dorr moved to table this item. Regent Berenstein seconded the motion, and it carried unanimously.

**AMENDMENT TO THE BYLAWS, RULES AND REGULATIONS OF THE UNIVERSITY OF IOWA HOSPITALS AND CLINICS AND ITS CLINICAL STAFF.** The Board Office recommended the Board approve the amendments to the Bylaws, Rules and Regulations of the University of Iowa Hospitals and its Clinical Staff, effective immediately.

University of Iowa Hospitals and Clinics officials requested Board of Regents approval for amendments to its bylaws to reflect the duties and responsibilities of the newly-created position of Chief of Staff. The changes in the bylaws include amendments regarding the Chief of Staff's appointment, selection, term of appointment, qualifications, and responsibilities.

Associate Director Staley stated that the proposed amendment would incorporate the role and selection process for the Chief of Staff at University of Iowa Hospitals and Clinics which was discussed with the Regents in June.

Regent Tyrrell referred to the language that the term of appointment shall be for a term expiring April 30, 1994, unless extended by the Hospital Advisory Committee. Why would they do that? Associate Director Staley said it was felt by the committee that they would like the opportunity, on this first appointment, to extend the appointment if they deem that to be advisable.

Regent Tyrrell stated that the amendment read as though there was no limit on how long the Chief of Staff may serve. Associate Director Staley responded that was a provision that only applies to Dr. Rodnitzky as the first Chief of Staff. Thereafter, the appointment will always be by election.

Regent Tyrrell noted that the amendment did not say for how long the advisory committee can extend the appointment. It appears to be in perpetuity. Associate Director Staley responded that the advisory committee could extend the appointment as long as they deem it to be appropriate.

Regent Tyrrell questioned whether the total clinical staff had been apprised of this and whether they were agreeable to the amendment. Associate Director Staley responded that the University Hospital Advisory Committee voted unanimously for the amendment and the Advisory Committee represents the entire clinical staff of University Hospitals and Clinics. Vice President Nathan noted that the Dean of the College of Medicine had also been a participant in the development of the Bylaws and had approved them.

President Pomerantz stated that Dr. Tyrrell had raised a good point. If someone is appointed without a termination point and the staff decides they want to change that, how do they go about doing it? Associate Director Staley responded that the appointment would terminate in 2 years unless the UIHC Advisory Committee voted to extend it. The appointment would only be extended for 2 years at a time.

The Regents discussed the wording of the proposed amendment.

President Pomerantz said the confusion was due to the wording of the initial 2-year appointment having no limit on the number of subsequent terms.

Associate Director Staley said the difference between the initial appointment and subsequent appointments is that the initial appointment would not be subject to vote by the full clinical staff if the University Hospital Advisory Committee elects to vote on the extension as a body.

President Pomerantz emphasized that the Advisory Committee approves the extension, not the full clinical staff.

Regent Tyrrell asked if there was any recourse for the clinical staff that a certain number of the clinical staff could petition the Hospital Advisory Committee. He noted that this matter was probably benign but as a precedent it is insidious.

Associate Director Staley reiterated that it only applies to the appointment of Dr. Rodnitzky as the first Chief of Staff. The members of the Hospital Advisory Committee are representatives of the entire clinical staff. If they would hear there was a feeling amongst the clinical staff that the appointment should not be renewed as provided in the amendment they would not support it. Or, as it is outlined, it is an option and a full election would be held.

Regent Tyrrell asked about the membership of the University Hospital Advisory Committee. Associate Director Staley responded that the Advisory Committee is comprised of the heads of each of the clinical services (16). There are two other divisions, neurosurgery and cardiothoracic surgery, whose directors serve on the Advisory Committee as well as 5 members elected by the entire clinical staff serve plus the Dean of the College of Medicine. He said there is strong representation across the entire clinical staff.

President Pomerantz suggested the amendment could be reworded to state that the reappointment was for an additional 2-year term. He said the Regents were not antagonistic. A point had been raised that needed resolution.

Mr. Richey suggested rewording the language so it would read "the appointment should be for a 2-year renewable term except that the initial appointment shall be for a term expiring April 30, 1994, unless extended by the Hospital Advisory Committee for an additional term".

Associate Director Staley asked if Mr. Richey was proposing that as alternate language. Several Regents responded affirmatively.

Associate Director Staley asked that if the amendment was at question perhaps the Regents should defer the vote.

**ACTION:** President Pomerantz stated that the Board deferred this item to allow time for the Board Office to work with Mr. Staley on questions raised by the Regents.

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

**PERMISSION TO PROCEED WITH PROJECT PLANNING**

Medical Laboratories--HVAC and Building Upgrade

The Medical Laboratories Building on the west campus of the University of Iowa was constructed in 1927. The facility houses teaching and research laboratories, offices, animal quarters and classrooms. The building does not contain central air conditioning which is an essential requirement for both laboratories and animal quarters. As a result, many window air conditioners have been installed and major remodeling projects have required the installation of small dedicated chilled water equipment.

The best possible solution to this problem is to relieve the demand for additional mechanical equipment by introducing chilled water from the West Campus Chilled Water Plant to the building. This would eliminate the need for additional new dedicated chilled water equipment for individual remodeling projects and would permit replacement of old or aging chiller equipment at a much reduced cost. With the introduction of central chilled water, it will be possible to initiate the efficient air conditioning of major portions of the building. A project in process, Medical Laboratories--Animal Care Remodeling, would be connected to the proposed system.

In addition, windows are deteriorating in this 65-year-old structure. Remodeling projects in the past have attempted to replace these windows in a phase-by-phase program, but this is an undesirable approach because it generally yields windows of different configuration and color, and purchased less economically. Furthermore, with the introduction of central chilled water to the facility, it is important to control air infiltration and temperature transmission through the windows. The project will define the most logical window replacement program subject to the budget. Another related project underway in the Medical Laboratories is the construction of fire stairs in the east wings.

This project will also include minor modifications of other utilities either in direct support of the central chilled water supply installation or in minor upgrades of the electrical system. This work will include the installation of a six inch steam main and condensate return from a steam vault south of the Medical Research Center in an existing tunnel to the central courtyard of the Medical Laboratories Building. The electrical work will involve the removal of old and outdated electrical systems plus the installation of switchboards to improve the distribution of electrical power throughout the building.

The university may accomplish this work in two phases or two distinct projects since it is necessary to complete the chilled water connection this winter. University of Iowa Architectural/Engineering Services will manage the project and will provide architectural and mechanical design. The university will utilize the services of Design Engineers, Inc., for electrical design and Shive-Hattery Engineers and Architects for chilled water design. The two consulting firms have assisted the university in defining the needs and are familiar with the facility.

The project cost is estimated to range between \$1.8 million and \$2 million. Funding for the project would be from the Human Biology Research Facility project supplemental construction funds, Income from Treasurer's Temporary Investments, or Building Repairs.

**PROJECT DESCRIPTIONS AND BUDGETS**

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

University Hospitals and Clinics--Pappajohn Pavilion \$799,470  
Exit Corridors, Public Elevators Circulation and  
Office Development

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 658,000
Contingency	65,800
Architectural/Engineering Support	42,770
Planning and Supervision	<u>32,900</u>
<b>TOTAL</b>	<b>\$ 799,470</b>

This project will finish approximately 10,000 gross square feet of previously shelled-in space on levels seven and eight of the Pappajohn Pavilion. The project is necessary to provide code-required exit corridors and public elevators circulation on these two levels of the pavilion. The project will also include the development of rest rooms, offices and support and storage facilities.

University Hospitals and Clinics--Completion of Main Entrance \$771,525  
Lobby Shell

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 635,000
Contingency	63,500
Architectural/Engineering Support	41,275
Planning and Supervision	<u>31,750</u>
<b>TOTAL</b>	<b>\$ 771,525</b>

This project will finish approximately 4,100 gross square feet of previously shelled-in space on the first floor, west side of the Carver Pavilion to

develop a patient and visitor entrance, lobby, and waiting area. This project will also install two escalators linking the first floor lobby area to the soon-to-be-constructed second level walkway to Hospital Parking Ramp #2. The project is an essential component in the phased development of the University Hospitals new main entrance, entrance drive and patient admitting and registration service lobby facilities.

Storm and Sanitary Utility Improvements--West Campus \$680,000  
Source of Funds: To Be Determined

Preliminary Budget

Design, Administration and Inspection	\$ 81,600
Construction	544,000
Contingency	<u>54,400</u>
 TOTAL	 \$ 680,000

This project is part of a comprehensive plan for west campus utility improvements and expansion. This project creates new storm and sanitary sewer systems to serve the proposed University Hospitals south expansion and to receive systems interrupted by the proposed construction.

The new storm and sanitary system will proceed south on Hawkins Drive and terminate temporarily near the southeast corner of the proposed Hospital construction, with a temporary connection to an existing manhole near the Field House. Construction will continue eastward along Melrose Avenue to the Iowa River and will be completed in 1993.

University officials presented revised budgets on the following projects.

Medical Laboratories--Animal Care Remodeling Dec. 1991 Budget \$1,407,120  
Revised Budget \$1,695,900

Project Budget

	Budget Approved <u>Dec. 1991</u>	Revised Budget <u>Sept. 1992</u>
Design, Inspection and Administration	\$ 174,500	\$ 188,300
Construction	1,121,100	1,448,600
Contingencies	<u>111,520</u>	<u>59,000</u>
 TOTAL	 \$ 1,407,120	 \$ 1,695,900

Source of Funds:

Human Biology Research Facility-- Supplemental Construction Funds	\$ 907,120	\$ 1,905,900
College of Medicine Gifts or Reserves	0	100,000
NIH Grant	<u>500,000</u>	<u>500,000</u>
TOTAL	\$ 1,407,120	\$ 1,695,900

University officials requested Board ratification of a revised budget in the amount of \$1,695,900. The revised budget was approved by the Executive Director on August 11, 1992, to allow award of the construction contract to the low bidder. Six competitive bids were received for this project on June 30, 1992, all of which exceeded the construction budget for the project. The revised project budget reflects the acceptance of deduct alternates, a reduction in project scope, use of contingency funds, and a supplement to the budget partially utilizing balances in the Human Biology Research Project which are being applied to Medical Laboratories improvements.

University Hospitals and Clinics--HVAC Expansion--Colloton Pavilion  
Lower Level

Source of Funds: University Hospitals Building Usage Funds

June 1992 Budget	<u>\$245,900</u>
Revised Budget	<u>\$279,600</u>

Project Budget

	Budget Approved <u>June 1992</u>	Revised Budget <u>Sept. 1992</u>
Construction	\$ 201,000	\$ 248,100
Contingency	20,100	12,000
Architectural/Engineering	14,800	13,000
Planning and Supervision	<u>10,000</u>	<u>6,500</u>
TOTAL	\$ 245,900	\$ 279,600

This project will expand the heating, ventilation and air conditioning system for the lower level of the Colloton Pavilion. This system provides the air conditioning needs for completion of remaining shelled-in space in the lower level and will replace an existing MRI Center "in-room" air conditioning unit.

University officials requested approval of a revised budget to allow award of the contract to the low bidder. A total of four bids were received for this project on June 23, 1992. The consulting architects indicate the primary reason for the resulting cost overrun was the underestimation of the cost of

the project's sheet metal ductwork. The architects do not feel that any reasonable scope of work can be deleted to achieve significant cost reductions.

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University officials reported 13 new projects with budgets of less than \$250,000 which were included in the university's quarterly report of anticipated capital projects. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university.

\* \* \* \* \*

#### ARCHITECT/ENGINEER AGREEMENTS

University Hospitals and Clinics--Development of Obstetrics and Gynecology Clinic Support Services \$55,850  
Hansen Lind Meyer, Inc., Iowa City, IA

University officials requested approval of an agreement with Hansen Lind Meyer to provide design services for this project which will expand and renovate the fourth floor, Boyd Tower Obstetrics and Gynecology Clinic. The agreement provides for a fee of \$55,850, including reimbursables.

University Hospitals and Clinics--Pappajohn Pavilion Electrical Head End Equipment Installation \$45,810  
Hansen Lind Meyer, Inc., Iowa City, Iowa

University officials requested approval of an agreement with Hansen Lind Meyer to provide design services for this project which involves the installation of electrical head end equipment to serve levels five through eight of the Pappajohn Pavilion. The agreement provides for a fee of \$45,810, including reimbursables.

University Hospitals and Clinics--Main Entrance Site Development and Road Reconfiguration \$20,900  
Hansen Lind Meyer, Inc., Iowa City, Iowa  
(Construction Management Services)

University officials requested approval of an agreement with Hansen Lind Meyer to provide construction management services for this project which will reconfigure and replace roadways, install storm drains and sidewalks, and provide landscaping at the University Hospitals main entrance. The agreement involves construction observation and contract administration of the project and provides for a fee of \$20,900, including reimbursables.

West Campus Parking Ramp Expansion

Herbert Lewis Kruse Blunck, Des Moines, Iowa

At the July meeting university officials received Board authorization to proceed with planning and negotiate an agreement for architectural services for this project. The university Architectural Selection Committee interviewed three firms and recommended the selection of Herbert Lewis Kruse Blunck to provide design services for this project. University officials will proceed with the negotiation of an agreement with Herbert Lewis Kruse Blunck for Executive Director approval.

Storm and Sanitary Utility Improvements--West Campus

Shive-Hattery Engineers and Architects, Iowa City, Iowa

University officials requested approval to negotiate an agreement with Shive-Hattery Engineering and Architects to provide design and construction inspection services for this project. The firm assisted the university in developing the utilities plan for the west campus and is familiar with the site and the coordination procedures required by the multiple utility projects.

Amendments:

Hospital Emergency Drive Realignment

\$32,600

Shive-Hattery Engineers and Architects, Iowa City, Iowa

University officials requested approval of Amendment No. 1 to the agreement with Shive-Hattery Engineers and Architects in the amount of \$32,600. The amendment is for additional work required by University Hospitals, including design and construction of Phase 2 of South Emergency Drive.

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

University Hospitals and Clinics--High Field MRI System Installation

\$10,536

Hansen Lind Meyer, Inc., Iowa City, Iowa

University officials requested approval of an Amendment No. 4 to the agreement with Hansen Lind Meyer for additional services which were additive in scope and not part of the original agreement. The expanded services were for design of office and support rooms, fire alarm system and finishes.

Amendment No. 4 will not result in an increase in the total project budget.

University Hospitals and Clinics--Pappaiohn Pavilion Atrium and  
Exit Corridor Completion

\$2,574

Hansen Lind Meyer, Inc., Iowa City, Iowa

University Hospitals and Clinics--Diagnostic Radiology Office \$1.950  
Consolidation  
Hansen Lind Meyer, Inc., Iowa City, Iowa

CONSTRUCTION CONTRACTS

West Campus Chilled Water Plant Expansion \$1,608,700  
Award to: Mid-America Construction Company of Iowa, Iowa City, IA  
(4 bids received)

Medical Laboratories--Animal Care Remodeling \$1,553,000  
Award to: Mid-America Construction Company of Iowa, Iowa City, IA  
(6 bids received)

University Hospitals and Clinics--Overhead Pedestrian Link-- \$579,600  
Pappajohn Pavilion to Hospital Parking Ramp No. 2  
Award to: Mid-America Construction Company of Iowa, Iowa City, IA  
(1 bid received)

University Hospitals and Clinics--Main Entrance Site Development \$575,120  
and Road Reconfiguration  
Award to: McComas-Lacina Construction Company, Iowa City, IA  
(3 bids received)

North Capitol Street Pathway--Construct Pathway \$220,386  
Award to: McComas-Lacina Construction Company, Iowa City, IA  
(2 bids received)

University Hospitals and Clinics--Development of an Eye Institute \$42,750  
Site Preparation  
Award to: Selzer-Werderitsch Construction Company, Iowa City, IA

University Hospitals and Clinics--Development of an Eye \$19,349,762  
Institute--Shell  
Award to: McComas-Lacina Construction Company, Iowa City, Iowa

University officials reported an award of contract for the above project. The contract was awarded by the Executive Director on September 21, 1992.

Ten bids were received for this project on August 27, 1992, with the following irregularity. The bids were comprised of the base bid plus 11 alternates. Alternate #7 was intended to be the aggregate of Alternates #2 through #6 and Alternate #10. The low bidder misinterpreted the intent of Alternate #7 to be the amount to be saved by the owner if all of Alternates #2 through #6 and #10 were awarded.

The Executive Director awarded the contract to the low bidder for the base bid plus Alternates #1 through #6 and Alternates #8 through #10, which resulted in

an award totaling \$19,349,762. This award was within the engineering estimate of \$25,851,293 and allows the project to proceed within the approved project budget of \$34,531,293.

The contract was awarded to the low bidder, McComas-Lacina Construction Company, Inc., as follows:

Base Bid of \$10,600,000, plus Alternate #1 of \$1,953,249, plus Alternate #2 of \$1,363,000, plus Alternate #3 of \$1,152,693, plus Alternate #4 of \$1,266,000, plus Alternate #5 of \$877,000, plus Alternate #6 of \$161,950, plus Alternate #8 of \$422,000, plus Alternate #9 of \$616,000, plus Alternate #10 of \$937,870 =

TOTAL AWARD OF: \$19,349,762 (10 bids received)

ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Art Building--Fire Safety Deficiencies Corrections--Install Fire Alarm System  
Advanced Electrical Services, Inc., Iowa City, IA

University Hospitals and Clinics--Pappajohn Pavilion Basement Expansion  
McComas-Lacina Construction Company, Iowa City, IA

University Hospitals and Clinics--A Clinical Cancer Center and Topping Out of the John Pappajohn Pavilion--Phase C  
Mid-America Construction Company of Iowa, Iowa City, IA

University Hospitals and Clinics--Neurosurgery Clinic Relocation  
Selzer-Werderitsch Construction Company, Iowa City, IA

University Hospitals and Clinics--Surgery Faculty Office Consolidation--Phase II  
McComas-Lacina Construction Company, Iowa City, IA

Rienow Hall--Replace Piping--Asbestos Abatement  
Curry Environmental Services, Inc., Milan, IL

Rienow Hall--Replace Piping  
AAA Mechanical Contractors, Iowa City, IA

Main Power Plant--Coal Silo No. 3--Repair/Construction--Phase II  
Hoffman, Inc., Muscatine, IA

Library--Replace Roof  
Rafoth Furnace and Sheet Metal Works, Cedar Rapids, IA

Medical Laboratories--Neuropathology Laboratory Remodeling  
O.F. Paulson Construction Company, Cedar Rapids, IA

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<u>Medical Laboratories--Remodeling for Pediatrics</u>	<u>\$853,772.91</u>
<u>Burlington Street Tunnel Reconstruction</u>	<u>\$791,273.88</u>
<u>Hillcrest--Replace Hot and Cold Water Lines</u>	<u>\$703,694.17</u>
<u>Currier Hall--Primary Electrical Service</u>	<u>\$585,472.83</u>
<u>Bowen Science Building--Remodel 3-700 Core</u>	<u>\$484,719.38</u>
<u>University Hospitals and Clinics--Oral Surgery Clinic Remodeling and East Wing General Hospital Stairwell Development</u>	<u>\$479,988.96</u>
<u>University Hospitals and Clinics--Relocation of General Supporting Service Departments</u>	<u>\$464,380.20</u>
<u>Currier Hall--Replace Secondary Wiring</u>	<u>\$421,145.82</u>
<u>University Hospitals and Clinics--Radiation Oncology Modernization Project</u>	<u>\$420,066.95</u>
<u>Currier Hall--Replace Domestic Water Piping</u>	<u>\$402,605.20</u>
<u>University Hospitals and Clinics--Bone Marrow Transplant Laminar Flow Installation</u>	<u>\$365,740</u>
<u>Oakdale Hall--Replace Windows</u>	<u>\$359,881.15</u>
<u>University Hospitals and Clinics--Installation of Mechanical and Electrical Systems--Colloton Pavilion</u>	<u>\$342,709</u>
<u>University Library--Replace Chiller and Cooling Tower</u>	<u>\$330,354.73</u>
<u>University Hospitals and Clinics--Institutional Conference and Support Facilities</u>	<u>\$327,014.20</u>
<u>University Hospitals and Clinics--4 Tower Maternity Modernization--Phase II</u>	<u>\$319,922.28</u>
<u>University Hospitals and Clinics--Installation of Third Adult Cardiac Cath Lab</u>	<u>\$300,925.76</u>
<u>Water Distribution Improvements--Phase I</u>	<u>\$292,087.76</u>
<u>Chemistry-Botany Building--Remodel Rooms 316-332</u>	<u>\$290,929.21</u>

<u>Hospital Parking Ramp No. 3--Remodel for Bookstore</u>	<u>\$272,780.35</u>
<u>Van Allen Hall--Remodel Room 426</u>	<u>\$260,332.71</u>

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

LEASES AND EASEMENTS. The Board Office recommended the Board approve leases, as follows:

With Solltech, Inc., for its use of 694 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$231.33 per month;

With Accel Catalysis for its use of 1,251 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$916.83 per month;

With Bio-Research Products, Inc., for its use of 800 square feet of space in the Technology Innovation Center on the Oakdale Campus for a six-month period commencing October 1, 1992, through March 31, 1993, at a rate of \$800 per month;

With Chill Wizzard Corporation, for its use of 264 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus for a six-month period commencing October 1, 1992, through March 31, 1993, at a rate of \$132 per month;

With Oakdale Software, for its use of 319 square feet of business incubator space in the Technology Innovation Center on the Oakdale Campus for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$225.96 per month;

With the City of Coralville, Iowa, for an easement consisting of a strip of land 20 feet wide by 1,300 feet long and as shown on the map included with the easement document for the construction, operation and maintenance of a sanitary sewer line and associated facilities.

Mr. Richey pointed out that he has found that each of the universities has leases with people who have a relationship with the university. In the past these individuals have not been included as vendors with a conflict of interest for Board approval. Those will be presented to the Board next month on a cumulative basis.

**MOTION:**

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

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 23, 1992.

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

Register of Personnel Changes for July 1992 which included 16 early retirements; and

Provided for the Board's information was the appointment of KENT S. HALL as Director of Federal Relations effective September 1, 1992, at an annual salary of \$80,000.

**MOTION:** Regent Dorr moved to approve the university's personnel transactions, as presented. Regent Williams seconded the motion, and it carried unanimously.

**APPROVAL OF CENTER.** The Board Office recommended the Board receive the report on the Carrie Chapman Catt Center for the Study of Women and Politics.

Iowa State University officials proposed the establishment of the Carrie Chapman Catt Center for the Study of Women and Politics to be administered within the Political Science Department. Since the proposed center will not require more than \$25,000 in annual state appropriations, the item was presented only for the information of the Board of Regents.

**MOTION:** Regent Williams moved to receive the report on the Carrie Chapman Catt Center for the Study of Women and Politics. Regent Tyrrell seconded the motion, and it carried unanimously.

**APPROVAL OF BUILDING NAME CHANGE.** The Board Office recommended that the Board approve renaming the Dairy Industry Building and the Center for Crops Utilization to the Food Sciences Building, effective immediately.

Iowa State University officials proposed to rename the Dairy Industry Building and the adjacent Center for Crops Utilization Research to the "Food Sciences Building" which better describes the functions provided in the facilities. The original name "Dairy Industries" is engraved in the building's facade and will be retained for historical reasons.

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

**APPROVAL OF BUILDING NAME CHANGE.** The Board Office recommended that the Board approve the change in the name of the Physical Plant Building to the General Services Building, effective immediately.

Iowa State University officials proposed to change the name of the "Physical Plant Building" to the "General Services Building." The proposed name better describes the services which are provided in the building.

Costs to change the name are minimal.

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

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

**PROJECT DESCRIPTIONS AND BUDGETS**

University officials presented revised budgets on the following projects.

1990 Institutional Roads--Osborn Drive Reconstruction

April 1992 Budget \$1,014,000  
Revised Budget \$1,100,000

Project Budget

	Budget Approved <u>April 1992</u>	Revised Budget <u>Sept. 1992</u>
Construction Contracts	\$ 814,973	\$ 894,973
Design Services	113,247	148,705
Construction Administration	8,083	8,408
University Services	5,000	8,000
Miscellaneous	1,000	1,000
Project Reserve	<u>71,697</u>	<u>38,914</u>
TOTAL	\$ 1,014,000	\$ 1,100,000

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Source of Funds:

1990 Institutional Roads Funds	\$ 77,000	\$ 77,000
1991 Parking Funds	50,000	50,000
1991 Institutional Roads Funds	18,738	18,738
1992 Institutional Roads Funds	490,000	490,000
1993 Institutional Roads Funds	70,000	70,000
1994 Institutional Roads Funds	308,262	308,262
Utility Repairs	<u>0</u>	<u>86,000</u>
TOTAL	\$ 1,014,000	\$ 1,100,000

University officials requested approval of a revised budget which was increased \$86,000 from the last approved budget in April 1992. Due to inadequate storm water drainage in the Gilman Hall area discovered during site investigations associated with the next phase of Gilman Hall renovation, university officials wish to reconstruct the storm sewer at this time to take advantage of excavations in the area and to eliminate the need to tear up the new Osborn Road after construction. Costs associated with the storm sewer work will be funded by utility repairs which was added as a fund source.

Utilities--City of Ames Tie Line

July 1991 Budget \$3,200,000  
Revised Budget \$3,260,211

Project Budget

	Budget Approved <u>July 1991</u>	Revised Budget <u>Sept. 1992</u>
Construction Contracts	\$ 300,000	\$ 368,400
Purchase Order Contracts	410,522	716,151
City of Ames	2,300,000	1,645,000
Design Services	60,000	107,330
Construction Administration	2,500	4,595
University Services	20,000	25,000
Miscellaneous	1,000	1,000
Landscaping	10,000	18,000
Utility Extensions	34,000	34,000
Project Reserve	<u>61,978</u>	<u>340,735</u>
TOTAL	\$ 3,200,000	\$ 3,260,211

Source of Funds:

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Academic Building Revenue Bonds	\$ 2,600,000	\$ 2,600,000
Utility	600,000	600,000
Parking Systems	<u>0</u>	<u>60,211</u>
TOTAL	\$ 3,200,000	\$ 3,260,211

University officials requested approval of a revised budget which was increased \$60,211 from the last approved budget in July 1991. They wish to supplement this budget with parking system monies which will fund a portion of the modifications to parking lot #41.

VMRI Building No. 2--Remodeling

Source of Funds: 72nd General Assembly  
Capital Appropriation

Original Budget \$257,000  
Revised Budget \$257,945

Project Budget

	Original Budget <u>Oct. 1989</u>	Revised Budget <u>Sept. 1992</u>
Contracts	\$ 200,000	\$ 181,856
Design Services	26,800	26,648
Construction Administration	9,400	12,986
University Services	3,200	32,938
Site Development/Land Acquisition	0	1,646
Miscellaneous	1,000	623
Utility Extensions	0	800
Telecommunications	600	453
Project Reserve	<u>16,000</u>	<u>0</u>
TOTAL	\$ 257,000 -----	\$ 257,945 -----

University officials requested approval of a revised budget which was increased \$945 from the original budget approved in October 1989. The increase was due primarily to additional project management time spent on the project. The fund source listed will cover the additional cost.

Linden Hall Fire Safety Improvements

Source of Funds: Dormitory System Surplus

July 1991 Budget \$1,263,185  
Revised Budget \$1,421,564

Project Budget

	<u>Budget Approved July 1991</u>	<u>Revised Budget Sept. 1992</u>
Contracts	\$ 964,500	\$ 923,995
Design Services	119,252	135,641
Construction Administration	10,833	12,581
Miscellaneous	2,000	2,000
Landscaping	2,000	3,000
Utility Extensions	0	4,000
Fixed Equipment	108,300	147,663
Project Reserve	<u>56,300</u>	<u>192,684</u>
 TOTAL	 \$ 1,263,185	 \$ 1,421,564

University officials requested approval of a revised budget which was increased \$158,379 from the last approved budget in July 1991, reflecting the increases in construction costs resulting from hidden conditions uncovered during the construction process.

\*\*\*\*\*

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

\*\*\*\*\*

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

1990 Institutional Roads--Osborn Drive Reconstruction      Amendment #2 \$26,643  
Kirkham, Michael and Associates, Urbandale, Iowa      Amendment #3 \$5,815

University officials requested approval of Amendments No. 2 and 3 to the consultant agreement with Kirkham, Michael and Associates. Amendment No. 2 is the result of a change in the scope of work during the design phase to accommodate steam tunnels, additional sidewalk replacement, steam tunnel top reconstruction and longitudinal subdrains. The cost of this amendment is \$26,643.

Amendment No. 3 is the result of a change in the scope of the work to include additional inspection fees and construction staking for the Gilman Hall storm sewer relocation. The cost of this amendment is \$5,815.

Amendment No. 2 will not result in an increase in the total project budget.  
Amendment No. 3 will result in an increase in the total project budget.

Linden Hall Fire Safety Improvements Amendment #4 \$5,215  
George Butler Associates, Inc., Lenexa, KS

University officials requested approval of Amendment No. 4 to the consultant agreement with George Butler Associates. Amendment No. 4 is required to pay for additional services required by George Butler Associates in accordance with the architectural agreement to provide design, administrative and clerical time beyond the scope of the architect's initial agreement for unforeseen conditions requiring contractor changes to the project.

Amendment No. 4 will result in an increase in the total project budget.

Dairy Industry--Addition and Renovation--Phase III \$9,200  
RDG Bussard Dikis, Inc., Des Moines, Iowa

Sweeney Hall--Addition and Renovation \$2,920  
Brown Healey Stone and Sauer, Cedar Rapids, Iowa

Gilman Hall Renovation--Phase III \$6,000  
Wehner Pattschull and Pfiffner, Iowa City, Iowa

#### CONSTRUCTION CONTRACTS

Sweeney Hall--Addition and Renovation--Phase I \$4,466,666  
Award to: McHan Construction, Inc., Ames, Iowa

Utilities--City of Ames Tie Line--Substation Power Wiring \$249,993  
Award to: Meisner Electric, Inc., Newton, Iowa

Knapp and Maple Halls--Elevator Modernization \$351,176  
Award to: Montgomery Elevator Company, Moline, IL

#### ACCEPTANCE OF COMPLETED CONSTRUCTION PROJECTS

Molecular Biology Building--Bid Package No. 73  
The Waldinger Corporation, Des Moines, Iowa

Molecular Biology Building--Bid Package No. 71  
Sweeney-Manning-Seivert Mechanical Contractors, Granger, Iowa

Molecular Biology Building--Bid Package No. 41  
McHan Construction, Inc., Sioux City, Iowa

#### FINAL REPORTS

<u>Utilities--Heating Plant--Turbine Generator #1 Overhaul</u>	<u>\$86,835.57</u>
<u>VMRI Building No. 2--Remodeling</u>	<u>\$257,944.53</u>
<u>Gilman Hall Renovation--Phase II</u>	<u>\$5,264,542.40</u>

**MOTION:** Regent Williams moved to approve the capital register for Iowa State University, as presented. Regent Johnson seconded the motion, and it carried unanimously.

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

With Dayton Road Development Corporation for the university's use of 2,401 square feet of office space located in the Chamberlynn Professional Building, 137 Lynn Avenue, Ames, Iowa, for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$2,586.65 per month;

With University Towers Partnership for the university's use of 625 square feet of office space located in University Towers, 111 Lynn Avenue, Ames, Iowa, for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$650 per month;

With the Center for Continuous Quality Improvement for its use of 1,028 square feet of business incubator space, Suites 615 and 616, in the Iowa State Innovation System, for a 13-month period commencing October 1, 1992, through October 31, 1993, at a rate of \$400 per month for the initial month and \$875 per month for the remaining 12-month period;

With Espeland Marketing and Research, Inc., for its use of 1,286 square feet of business incubator space, Suites 611 and 612, in the Iowa State Innovation System, for a one-year period commencing July 15, 1992, through July 14, 1993, at a rate of \$1,000 per month for the initial four-month period, \$1,550 per month for the second four-month period, and \$2,100 per month for the final four-month period;

With Prototype Engineering, Inc., for its use of 110 square feet of business incubator space, Suite 608, in the Iowa State Innovation System, for a one-year period commencing October 1, 1992, through September 30, 1993, at a rate of \$165 per month;

With Metabolic Technologies, Inc., for its use of 165 square feet of business incubator space, Suite 605, in the Iowa State Innovation System, for a six-month period commencing October 1, 1992, through March 31, 1993, at a rate of \$225 per month;

With University Systems Technology for its use of 514 square feet of business incubator space, Suites 616 and 616A, in the Iowa State Innovation System, on a month-to-month basis commencing July 1, 1992, at a rate of \$475 per month;

With the City of Ames for an easement consisting of two tracts of land each six feet by six feet square and shown on the map included with the easement document for the installation of a street light at the intersection of Lincoln Way and Sheldon Avenue in Ames, Iowa.

**MOTION:**

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

**INCREASE IN THE FINE FROM \$25 TO \$50 FOR IMPROPER USE OF A HANDICAPPED IDENTIFICATION DEVICE.** The Board Office recommended the Board approve Iowa State University's request to increase the fine for improper use of a handicapped identification device from \$25 to \$50.

Iowa State University officials requested approval of an increase in the fine for improper use of a handicapped identification device from \$25 to \$50. Currently the wording in the university's Traffic and Parking Regulations is as follows:

**Penalties and Appeals**

**4.50 (262) Penalties 681-4.31**

- k. Improper parking in a space or stall designated for handicapped or disabled students, faculty, or staff (Rule 4.35 (2)e).

Fine: \$25.00 each offense

The following changes were requested (changes underlined):

**Penalties and Appeals**

**4.50 (262) Penalties 681-4.31**

- k. Improper parking or improper use of a handicapped identification device in a space or stall designated for handicapped or disabled students, faculty, or staff (Rule 4.35 (2)e).

Fine: \$50.00 each offense

The change allows compliance with House File 2408, which was approved during the 1992 legislative session. House File 2408 raised the fine for handicapped parking violations from \$25 to \$50. A requested change in the Iowa Administrative Code related to the same issue is the subject of the following docket item.

**ACTION:** This item was approved by consent.

**CHANGE IN THE ADMINISTRATIVE RULES COVERING LIMITS ON "MONETARY SANCTIONS" FOR PARKING VIOLATIONS.** The Board Office recommended the Board approve Iowa State University's proposed amendment to section 681-4.31(2) of the Iowa Administrative Code related to parking and traffic regulations.

Iowa State University officials requested permission to amend section 681-4.31(2) of the Iowa Administrative Code. The current wording, with the part proposed for change underlined, is as follows:

Sanction. Reasonable monetary sanctions may be imposed for violations of these rules. The amount of the sanctions, not to exceed \$50 for each offense, shall be approved by the state board of regents. A schedule of all sanctions shall be published and available for public inspection during normal business hours in the office of the manager and in the office of the state board of regents. Sanctions may be assessed against the owner or operator of the vehicle involved in each violation or against any person in whose name the vehicle is registered or parking privileges have been granted and charged to their university account. Sanctions may be added to student tuition bills or may be deducted from student deposits or from the salaries or wages of employees or from other funds in the possession of the university.

The following changes (underlined) were proposed:

Sanction. Reasonable monetary sanctions may be imposed for violations of these rules. The amount of the sanctions shall be approved by the state board of regents. A schedule of all sanctions shall be published and available for public inspection during normal business hours in the office of the manager and in the office of the state board of regents. Sanctions may be assessed against the owner or operator of the vehicle involved in each violation or against any person in whose name the vehicle is registered or parking privileges have been granted and charged to their university account. Sanctions may be added to student tuition bills or may be deducted from student deposits or from the salaries or wages of employees or from other funds in the possession of the university.

The change was prompted by House File 2408 which raised the fine for handicapped parking violations from \$25 to \$50. The university's request for an increase in its fine for handicapped parking violations is docket item ISU

IOWA STATE UNIVERSITY  
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B-4. Though the change in fines required by House File 2408 could be accommodated under ISU's current administrative rules, it raised the issue of possible future legislated raises that would exceed the current \$50 limit. The proposed change in the administrative rules resolves the potential problem by removing specific limits on fines.

**ACTION:** This item was approved by consent.

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

**UNIVERSITY OF NORTHERN IOWA**

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, September 23, 1992.

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

Register of Personnel Changes for August 1992.

**MOTION:** Regent Dorr moved to ratify the university's personnel transactions, as presented. Regent Williams seconded the motion, and it carried unanimously.

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

**PROJECT DESCRIPTIONS AND BUDGETS**

University officials presented a revised budget on the following project.

Residence Facility February 1992 Budget \$9,145,000  
Revised Budget \$9,310,000

Project Budget

	<u>Budget Approved Feb. 1992</u>	<u>Revised Budget Sept. 1992</u>
Contracts/Purchase Orders	\$ 6,512,550	\$ 7,778,470
Consultant/Design Services	550,000	510,000
Furnishings and Equipment	887,000	0 *
Art Work	45,725	46,550
Miscellaneous	100,000	75,000
Bond Issuance Costs	60,000	60,000
Pre-Funded Bond Reserve Fund	689,725	689,725
Contingencies	<u>300,000</u>	<u>150,255</u>
<b>TOTAL</b>	<b>\$ 9,145,000</b>	<b>\$ 9,310,000</b>

Source of Funds:		
Dormitory Revenue Bonds	\$ 9,145,000	\$ 9,145,000
Parking Operations	<u>                    </u>	<u>165,000</u>
TOTAL	\$ 9,145,000	\$ 9,310,000

\* Furnishings and equipment will be funded separately from Residence System funds

University officials requested Board ratification of a revised budget in the amount of \$9,310,000. The revised budget was approved by the Executive Director on August 4, 1992, to allow award of the construction contract to the low bidder. Five competitive bids were received for this project on July 7, 1992, all of which exceeded the construction budget for the project.

The revised budget reflects a reduction in the project scope and the addition of parking operations as a fund source.

\* \* \* \* \*

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

\* \* \* \* \*

ARCHITECT/ENGINEER AGREEMENTS

Amendments:

<u>Center for Energy and Environmental Education</u> Wells Woodburn O'Neil, Des Moines, Iowa	<u>\$572.80</u>
<u>Power Plant Roof Repairs--Phase I</u> Shive-Hattery Engineers, Cedar Rapids, Iowa	<u>\$3,400</u>
<u>Price Laboratory School--Roof Repairs</u> Shive-Hattery Engineers, Cedar Rapids, Iowa	<u>\$4,860</u>
<u>Residence Facility</u> Herbert Lewis Kruse Blunck, Des Moines, Iowa	<u>\$2,500</u>
<u>Steam Distribution Improvements--Fine Arts Complex</u> Sega, Inc., Des Moines, Iowa	<u>\$715</u>



## IOWA SCHOOL FOR THE DEAF

The following business pertaining to Iowa School for the Deaf was transacted on Wednesday, September 23, 1992.

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

Register of Personnel Changes For July and August 1992.

**MOTION:**

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

**REQUEST FOR APPROVAL OF PRELIMINARY PLANS FOR NATURE TRAIL PROJECT.** The Board Office recommended that the Board approve preliminary planning for a proposed nature trail and environmental park.

Iowa School for the Deaf officials proposed to undertake a cooperative project on school property for the development of a nature trail and environmental park. The 16 acres of land proposed for the project are currently being farmed. (It is possible that additional school land may be used for this purpose.)

The proposed trail will be accessible to disabled persons and enhance the school's educational program.

It was recommended that the Iowa School for the Deaf be authorized to undertake preliminary planning for the project and bring a detailed proposal for the project back to the Board.

Superintendent Johnson stated that many organizations are involved in the preliminary planning.

**MOTION:**

Regent Williams moved to approve preliminary planning for a proposed nature trail and environmental park. Regent Tyrrell seconded the motion, and it carried unanimously.

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

**PROJECT DESCRIPTIONS AND BUDGETS**

Iowa School for the Deaf officials requested approval of the following project description and budget.

Roof Replacement--Giangreco Hall

Preliminary Budget

Contracts	\$ 345,000
Design Services	15,000
Construction Administration	8,000
Project Reserve	<u>17,000</u>
TOTAL	\$ 385,000

This roofing project is critical in nature due to the heavy rains experienced in southwest Iowa this summer. It is a clay tile roof. The school has attempted to make temporary repairs to lengthen the life of this roofing system with little success. This building is currently experiencing a significant amount of damage to interior finishes and will require the replacement of the entire roofing system to correct this condition. The project will be completed in phases due to the considerable amount of funds that will be expended.

School officials requested approval to initiate the design and planning process. The school anticipates addressing the project according to the availability of funds. Only \$140,000 can be made available from the school's fiscal year 1993 building repair and maintenance funds. Additional funding was recommended as a supplemental appropriation of \$155,000 to complete the project as quickly as possible.

The project will be designed so that it can be bid with add alternates that will be awarded according to the amount of funds available. One approach being considered is to do all things necessary to stop further damage and to complete the project next spring. Mr. William Whitman, Vice President for Facilities at Iowa State University, and his staff are assisting the Iowa School for the Deaf with this project.

**MOTION:** Regent Berenstein moved to approve the school's capital register, as presented. Regent Johnson seconded the motion, and it carried unanimously.

**REQUEST FOR APPROVAL OF AREA EDUCATION AGENCY CONTRACTS.** The Board Office recommended the Board approve the proposed contract with the Loess Hills Area Education Agency 13.

Iowa School for the Deaf officials proposed renewal of a contract to provide regular classroom experiences at Lewis Central Community Schools for students

enrolled at Iowa School for the Deaf. The agreement requires the Iowa School for the Deaf to provide, on a contract basis, a program of Interpretive Services.

Similar agreements have been approved by the Board of Regents in the past and have been reviewed by the Attorney General's Office.

This year's agreement includes a slight increase in charges.

**MOTION:** Regent Williams moved to approve the proposed contract with the Loess Hills Area Education Agency 13. Regent Johnson seconded the motion, and it carried unanimously.

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

## IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday, September 23, 1992.

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

Register of Personnel Changes for the period June 21 through August 29, 1992.

**MOTION:** Regent Dorr moved to approve personnel transactions, as presented. Regent Williams seconded the motion, and it carried unanimously.

**APPROVAL OF LEASE.** The Board Office recommended the Board approve a lease, as follows:

With Area Substance Abuse Council for its use of 965 square feet of space in the Old Hospital Building on the Iowa Braille and Sight Saving School campus, for a one-year period commencing July 1, 1992, through June 30, 1993, at a rate of \$475 per quarter.

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

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

**EXECUTIVE SESSION.** The Board reconvened in closed session at 5:07 p.m. on Wednesday, September 23, 1992, and arose therefrom at 5:54 p.m. on that same date.

IOWA BRAILLE AND SIGHT SAVING SCHOOL  
September 23, 1992

ADJOURNMENT. The meeting of the State Board of Regents adjourned at  
5:54 p.m., on Wednesday, September 23, 1992.

  
R. Wayne Richey  
Executive Director