

The Board of Regents, State of Iowa, met on Wednesday, April 18, 2001, at the Iowa Braille and Sight Saving School, Vinton, Iowa, and on Thursday, April 19, 2001, at the University of Iowa, Iowa City, Iowa. The following were in attendance:

	<u>April 18</u>	<u>April 19</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	Excused
Mr. Fisher	All sessions	All sessions
Dr. Kelly	All sessions	All sessions
Mrs. Kennedy	All sessions	All sessions
Mr. Lande	All sessions	All sessions
Mr. Neil	All sessions	All sessions
Mrs. Smith	All sessions	All sessions
Dr. Turner	Excused	All sessions
<u>Newly-Appointed Members of Board of Regents</u>		
Dr. Arbisser	All sessions	All sessions
Dr. Becker	All sessions	All sessions
<u>Office of the Board of Regents, State of Iowa</u>		
Executive Director Stork	All sessions	All sessions
Deputy Executive Director Barak	All sessions	All sessions
Director Elliott	All sessions	All sessions
Director Wright	All sessions	All sessions
Associate Director Hendrickson	All sessions	All sessions
Associate Director Racki	All sessions	All sessions
Minutes Secretary Briggle	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President Jones	All sessions	All sessions
Vice President True	All sessions	All sessions
Dean Kelch	Excused	All sessions
Director Parrott	Excused	All sessions
<u>Iowa State University</u>		
President Seagrave	All sessions	All sessions
Provost Richmond	All sessions	All sessions
Vice President Hill	All sessions	All sessions
Vice President Madden	All sessions	All sessions
Director McCarroll	All sessions	Excused
Director Steinke	All sessions	Excused
<u>University of Northern Iowa</u>		
President Koob	All sessions	Excused
Provost Podolefsky	All sessions	Excused
Vice President Romano	All sessions	Excused
Interim Vice President Dell	All sessions	Excused
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	Excused
Director Heuer	All sessions	Excused
Interpreter Reese	All sessions	Excused
<u>Iowa Braille and Sight Saving School</u>		
Acting Superintendent Hooley	All sessions	All sessions
Director Utsinger	All sessions	Excused
Director Woodward	All sessions	Excused

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, April 18 and 19, 2001.

President Newlin welcomed everyone to the April meeting of the Board of Regents, State of Iowa. He then introduced Mary Ellen Becker, newly-appointed member of the Board of Regents. Amir Arbisser, also newly-appointed to the Board of Regents, was expected to be in attendance shortly, as he was returning from a trip in order to participate in this meeting. (Dr. Arbisser arrived a few minutes after the meeting convened.) He said the third newly-appointed Regent, Sue Nieland, had a scheduling conflict with this meeting but she would be at May Board meeting. President Newlin noted that the three Regent appointments had been confirmed by the Senate.

APPROVAL OF MINUTES OF BOARD MEETING OF MARCH 21-22, 2001.

President Newlin asked for additions or corrections to the minutes.

ACTION: President Newlin stated the minutes of the March 21-22, 2001, meeting were approved, as written, by general consent.

President Newlin then recognized President Seagrave.

President Seagrave introduced two special guests: the outgoing president of the Iowa State University Faculty Senate, David Hopper, and the incoming Faculty Senate President, Christine Pope. They received applause.

President Newlin welcomed Dr. Pope. He said the Board members looked forward to working with her. He noted that the Board members were particularly fond of Dr. Pope's predecessor. Dr. Hopper worked very closely with the Board of Regents in the selection of the new president of Iowa State University.

CONSENT ITEMS.

Approve the Board meetings schedule;

Approve the Iowa School for the Deaf revised calendar for the 2001-2002 school year;

Refer Iowa State University's proposal to merge the Departments of Family and Consumer Sciences Education and Studies; Hotel, Restaurant and Institution Management; and Textiles and Clothing into one department to be named the Department of Apparel, Educational Studies, and Hospitality Management, to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation;

Refer the University of Iowa proposal to change the name of the Iowa Institute of Hydraulic Research to IIHR – Hydrosience and Engineering to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation; and

Adopt a Resolution authorizing issuance of a duplicate dormitory revenue bond and coupons, series 1966 (State University of Iowa).

MOTION: Regent Fisher moved to approve the consent docket, as presented. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

ACCREDITATION REPORT FOR THE COLLEGE OF LAW, UNIVERSITY OF IOWA.

Provost Whitmore stated that, periodically, colleges of law are reviewed by the American Bar Association's accreditation committee. The University of Iowa College of Law received full reaccreditation as a result of its recent review. He noted that in the 2001 U.S. News & World Report survey, the College was ranked 20th in overall quality and seventh among public colleges of law in the nation. The international and comparative law program is ranked 12th in the nation and fourth among public law schools. The College's libraries are ranked number two in the nation among public law schools. He said the University of Iowa has a great law school. It was fully accredited through a rigorous process. One issue brought up by the accreditation committee was not met -- a standard requiring field placement programs be approved and periodically reviewed by the College. He said information was provided in response to this concern, however, and was fully accepted by the accreditation committee.

Regent Kennedy noted that the College of Law has a long history with many accomplishments. She asked for specific plans for the future to maintain and enhance the stature of the College.

Dean Hines of the University of Iowa College of Law stated that the long history of the law school is based on the quality and productivity of the faculty. In the short term, one of the major needs is to replace faculty who are retiring or who have died. Several faculty members were lost to other law schools. He said the larger question which Regent Kennedy asked was very difficult to answer. The law profession is changing. No one can tell where it will be 5 to 10 years from now. The intent is to continue to provide the very best basic training and to watch carefully where the profession is going in order to anticipate some of those developments. Law school officials are keeping their "ears to the ground" and trying to anticipate developments as much as possible.

Regent Kennedy noted that the self study was prepared in 1998-99. She asked what has changed since that time. Dean Hines responded that one change was the concern about losing valuable faculty, which was not as present two years ago as it is today. During the completion of the self study, there was a question about what would happen to the demand for law school. He said the law school's applications increased by 10 percent last year and by 20 percent this year. In the short term, he said many good quality students will come to the law school.

Dean Hines noted that the accreditation process was a rather grueling review every seven years. This was the fourth accreditation review during his stewardship. This was the first time the College of Law had received a clean "bill of health" from the first accreditation report.

President Newlin congratulated University officials on the accreditation. He noted that there were three graduates of the law school seated around the Board table. Dean Hines noted also that Regent Smith's daughter was a second-year law student.

ACTION: President Newlin stated the Board received the report on the reaccreditation of the College of Law, University of Iowa, by general consent.

REPORT OF THE PRIORITY ISSUE STUDY GROUP ON DISTRIBUTED EDUCATION.

Regent Kennedy presented the Board members with a synopsis of the activities of the Distributed Education Priority Study Group's activities over the last several years. She stated that, based on input from institutional representatives and Board Office staff, the study group has assisted in the revision of a new distance education policy (adopted by the Board in February 2000), investigated the costs of distance learning, encouraged Regent university participation in the Des Moines Higher Education Center, and received a report on the feasibility of establishing a "virtual" entity. At one of her first

meetings of the group, there was discussion about a Board policy on distance education. It took a year for the study group members to determine that distance education was part of the mission of the universities. She said there was now an understanding that distributed education will become part of what faculty do, as faculty become comfortable with technology.

Regent Kennedy expressed appreciation for how far the study group's efforts had come. The group responded to a request for a legislative study. The study group members worked hard the last year focusing on the Regent goal of access for all students. In the most recent months, discussion focused on two areas: 1) the concept of virtual universities and 2) building relationships with other institutions of higher education in Iowa.

Regent Kennedy referred to information provided in the meeting materials relating to the Virtual University Committee recommendations. She said that committee did much work at a time when things were changing quickly. Although there was a need for the study to take place, the study group did not need to adopt many of the Virtual University Committee recommendations because of the use of the Iowa Communications Network and web-based education.

Regent Kennedy distributed to the Board members a plan of action as developed by the Distributed Education Priority Study Group at its meeting of February 21, 2001, as follows:

Objectives:

1. Develop a Regent university virtual presence;
2. Work with community colleges to deliver 2+2 programs/degrees through distributed education.

Rationale:

Mission of Regent universities is to provide access to all qualified Iowans.

Action Plan:

Recommend to President Newlin that two councils be established to address the following objectives:

1. Establish a "2+2 Council" that includes representatives of community colleges and Regent Presidents, Provosts, and chief academic officers and the Board Office.
 - a. Through collaboration, build on what is already available through community colleges and Regent institutions to market and deliver programs and degrees;

- b. Develop a common website, using Web CT and/or e-college courses, as appropriate. Partner with and include all community colleges that have an interest;
 - c. Ensure a seamless system for students in areas of support services and enrollment management;
 - d. Investigate and establish joint admissions for on-line and transfer students;
 - e. Identify local and community statewide needs for programs and future economic development;
 - f. Build in accountability and report to the Board of Regents periodically.
2. Establish a "Distance Education Coordinating Council" to coordinate and facilitate a virtual presence among the Regent universities, based on the general concepts contained in the report to the Distributed Education Priority Study Group, presented on February 21, 2001. The Council will be composed of representatives of the Regent universities and the Board Office.

Regent Kennedy stated that the action plan objectives would build on what is already being done. She said the Regent institutions have worked hard to include other institutions of higher education, for which she commended the universities. The University of Northern Iowa has articulation agreements with all 15 community colleges. The other two Regent universities have made much progress in developing articulation agreements. She encouraged them to continue to build those relationships. With regard to the action plan recommendation to "build on what is already available through community colleges and Regent institutions to market and deliver programs and degrees," she said one example was the Bachelor of Liberal Studies degree program.

Regent Kennedy concluded her remarks by stating that much good work had been done and the universities have come far. She thanked everyone who had participated in the activities of the Priority Study Group on Distributed Education.

MOTION:

Regent Kennedy moved to (1) receive the final report of the Priority Issue Study Group on Distributed Learning; (2) establish a "2+2 Council" that includes representatives of community colleges and Regent presidents, provosts, chief academic officers, and the Board Office; and (3) establish a "Distance Education Coordinating Council" to coordinate and facilitate a virtual

presence among the Regent universities. Regent Lande seconded the motion.

Regent Fisher stated that Regent Kennedy was the driving force that kept the issues on the table.

President Newlin asked if, implicit in the action steps, was the idea to encourage more articulation agreements with all 15 community colleges by the University of Iowa and Iowa State University. Regent Kennedy agreed that implicit in the motion was the need to continue to articulate program-by-program and college-by-college with the community colleges. She noted that some of the articulation agreements are very general.

President Newlin asked that the Board receive a report back from the universities on the progress they are making. Regent Fisher noted that item f. of the action plan addressed that issue.

President Newlin asked when should the universities report back on this activity. Regent Kennedy asked that the universities be given an opportunity to bring forward a demonstration of the web site. She asked that a presentation of the creative things that are happening in distributed learning be presented to the Board with the annual report on distributed learning.

The annual report could be received subsequently.

Regent Neil said it would be helpful to receive an inventory of what is available currently.

VOTE ON THE MOTION: The motion carried unanimously.

President Newlin thanked Regent Kennedy and the study group members, including Regents Neil and Fisher, for their diligent and long-term work.

PROPOSED TRAINING PROGRAM FOR TEACHERS OF THE DEAF/HEARING IMPAIRED.

Provost Podolefsky presented the report. He said this effort began in July when the Board requested that consideration be given to the establishment of a training program for teachers of the deaf and blind at one of the Regent universities. President Koob, who chaired this effort, presented reports on the feasibility of such a program in October 1999, January 2000, July 2000, and September 2000. In July 2000, the Board approved President Koob's oral recommendation to establish two collaborative programs, including any needed articulation agreements with out-of-state providers. In

September 2000, the Board received a written report that elaborated on the oral recommendations presented in July.

At this meeting, a proposal was presented for Board review on one of the two proposed programs, the Training Program for Teachers of the Deaf and Hearing-Impaired. Provost Podolefsky noted that recent developments at the University of Iowa will allow more collaboration in these efforts.

Provost Podolefsky said the proposal included the University of Northern Iowa pursuing an articulation agreement with the University of Nebraska-Lincoln. The agreement would allow bachelor's degree graduates from the University of Northern Iowa to articulate directly into the master's degree teacher of the deaf and hard of hearing program at the University of Nebraska-Lincoln. He noted that the Board Office suggested consideration be given to allowing special education graduates of the other Regent universities to be eligible for enrollment in this program. The University of Nebraska-Lincoln would guarantee a specific number of slots for Iowans in its program. Sources of funding for financial assistance would be sought through amendments to existing Iowa College Student Aid Commission loan programs for persons pursuing teacher education in selected disciplines. The proposal included a provision that students accepting the financial assistance would be obligated to return to Iowa to teach for a specified period. The funding efforts for the students would require amendments to the Iowa Code.

Provost Podolefsky requested the Board's support of the concept, as presented, and the Board Office's assistance in working cooperatively with the other agencies. He noted that additional work would be done with the University of Iowa as more is learned about its new activities.

Regent Fisher asked what this program does that an individual could not do on their own. Provost Podolefsky said it was his understanding that an individual could not receive certification for teaching in this field without courses that would only be available to students in this program. He noted it was his understanding that there may be some changes to allow a single age endorsement up to age 21 for deaf and hearing-impaired students but individuals will need a special endorsement which requires special courses.

Regent Fisher said he was pleased about the proposal to partner with the University of Nebraska-Lincoln, in light of the Board of Regents arrangement between the Iowa School for the Deaf and the Nebraska Department of Education.

Provost Podolefsky said he agreed. The establishment of a prior agreement with Nebraska will allow the development of this proposed agreement to move more quickly than if they had to start from scratch.

Dr. Becker stated that there is a great need in the state for teachers of the hearing impaired. She was concerned that, once students leave the state, it may be difficult to get them back. She said the Iowa Braille and Sight Saving School has had a program where they used a University of Alabama program in order to provide training within the state. Some activities have taken place to help subsidize that effort. She asked if that was something that, in the long term, might be explored. She suggested that the University of Iowa's speech pathology students may have some interest in that. The University of Northern Iowa has interest, in general, in supporting the teaching of educators. She questioned whether this might be a short-term solution while continuing to explore other options within the state.

Provost Podolefsky said Dr. Becker was absolutely right. He noted that the University of Northern Iowa has a strong speech pathology and audiology program that is well ranked at the graduate level nationally. University officials would very much like to do what was suggested; however, given the budgetary constraints and the difficulty of hiring a number of new faculty to build a program to accommodate the number of students who would have to be enrolled, it was felt that what was proposed was the best option in the short term. If, in the long run, a program could be built at the University of Iowa and if the University of Iowa could work with the University of Northern Iowa and the Iowa School for the Deaf, he would like to see that happen. At this time, however, the proposal as presented was probably the best that could be done.

Regent Ahrens asked Superintendent Johnson if he felt that the proposed program would meet the need for teachers of the deaf and hearing impaired. Superintendent Johnson said there have been discussions for a long time about the need for teachers of the deaf and hearing impaired in the state of Iowa. He said he understands the budget situation and appreciated the continuing discussion. He stated that the University of Nebraska-Lincoln is graduating one student this spring and will graduate two students next year. Under the proposal, he did not know how large the pool of graduates might become. The Iowa School for the Deaf has much more than one or two staff vacancies.

Regent Neil said he found it interesting that Nebraska closed its school for the hearing impaired, yet it has educational facilities for training teachers of the hearing impaired.

Superintendent Johnson stated that training teachers is much different than having a residential school. Nebraska has an undergraduate program and a graduate program for training teachers of the hearing impaired at the University of Nebraska-Omaha and a

graduate program at the University of Nebraska-Lincoln. The program in Omaha will graduate three to five students this spring. Between the two Nebraska schools, there are not many graduates. He said the University of Nebraska-Lincoln program is more federally funded and the University of Nebraska-Omaha program is more state funded. He noted that most of the graduates do not stay in Nebraska.

Regent Neil asked for further information about the federal funding. Superintendent Johnson responded that there are federal funding possibilities but it is a competitive process.

President Newlin asked from where the Lincoln program receives its federal money. Superintendent Johnson responded that the funds come from the Office of Special Education.

Regent Smith expressed appreciation for the effort that has been put into this collaboration and encouraged its continuation.

Provost Podolefsky said the proposal came as an inter-college collaboration between the Speech Pathology and Audiology Program and the Department of Special Education at the University of Northern Iowa. The special education department does receive federal funds and grants. He noted that the two individuals who were involved in the proposal were not available to attend this meeting.

President Newlin referred to the obligation for the student to stay in the state of Iowa for a certain number of years. He asked what the student would receive in exchange for that obligation. Provost Podolefsky responded that, through the student aid commitment program, funding would be arranged for the program in Lincoln. Hopefully, once the student returns to Iowa, he/she will not move out again.

President Newlin thanked President Koob and everyone else involved for their efforts in this area.

ACTION: President Newlin stated the Board received the report on the Proposed Training Program for Teachers of the Deaf/Hearing Impaired, by general consent.

REPORT OF THE BANKING COMMITTEE.

Regent Fisher presented the report of the April Banking Committee meeting. He stated that, during its meeting, the Banking Committee approved the sale and award of \$23,155,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2001A and 2001B, and a Preliminary Resolution for the Sale of up to \$16,000,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 1992. He said the Banking Committee received the semi-annual master lease report, a report on bond issuance costs, bond fund audit reports, and internal audit reports. The Banking Committee also recommended the Board approve the selection of the Ahlers Law Firm as the Board's bond counsel for a new contract period beginning September 1, 2001, and authorize the Executive Director to execute the contract with bond counsel on behalf of the Board. He noted that two firms were interviewed.

President Newlin asked for the length of the contract. Regent Lande said the contract was for a five-year term, subject to annual review.

Regent Fisher recognized Ken Haynie, Ahlers Law Firm, to report on the bond sale. Mr. Haynie said the sale that day would achieve efficiencies in the tuition replacement appropriations.

Mr. Haynie referred to the first bond issue of \$9,805,000, Series I.S.U. 2001A. The bonds received a bid from an account led by Solomon Smith Barney for a true interest rate of 4.66968 percent. With regard to the 2001B series bonds, in the amount of \$13,350,000, the same syndicate submitted a bid with a true interest rate of 4.669912 percent. He noted that the last four years of the B issue are consolidated into term bonds with a final maturity in 2015 of \$2,070,000. The ISU bonds were rated AA3 by Moody's Investor Services. The interest rates received are favorable compared to the current market and AA-rated bonds generally. The net present savings of the refunding is \$1,962,682 which is 8-1/2 percent of the refunded principal. The market believes that a 3 percent savings is an acceptable refunding. Mr. Haynie believes that a 5 percent savings is acceptable; anything above 6 to 7 percent is very good.

With regard to the impact on the net tuition replacement, Mr. Haynie said that was a complex calculation. He said tuition replacement involves the net debt service needs of the three universities combined. The state legislature appropriates tuition replacement equal to the net debt service on academic building revenue bonds to replace the tuition income which has been pledged as the source of repayment. Tuition replacement would be reduced by approximately \$665,000 in FY 2002. The target savings was \$675,000. In the second year, the reduced tuition replacement would be approximately \$710,000. In total, the tuition replacement need would decline by \$2.4 million between FY 2002 and FY 2015.

MOTION:

Regent Fisher moved to adopt the following:
(1) A Resolution providing for the sale and award of \$9,805,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2001A and \$13,350,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2001B, and approving and authorizing the agreement of such sale and award; and (2) A Resolution authorizing and providing for the issuance and securing the payment of \$9,805,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2001A and \$13,350,000 Academic Building Revenue Refunding Bonds, Series I.S.U. 2001B for the purpose of refunding (i) the 2002 through 2013 maturities of the \$12,500,000 Academic Building Revenue Bonds, Series I.S.U. 1990; and (ii) the 2002 through 2015 maturities of the \$17,240,000 Academic Building Revenue Bonds, Series I.S.U. 1991, presently outstanding and heretofore issued by the Board to defray costs of buildings and facilities on the campus of Iowa State University of Science and Technology. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil, Newlin, Smith.
NAY: None.
ABSENT: Turner.

MOTION CARRIED.

MOTION:

Regent Fisher moved to Adopt A Resolution authorizing the Executive Director to fix the date or dates for the sale of up to \$16,000,000 Academic Building Revenue Refunding Bonds, Series S.U.I. 2001. Regent Smith seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil, Newlin, Smith.
NAY: None.
ABSENT: Turner.

MOTION CARRIED.

MOTION: Regent Fisher moved that the Board of Regents 1) retain the Ahlers Law Firm to act as bond counsel and 2) accept the report of the Banking Committee. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

APPROVAL OF 2001-02 RESIDENCE SYSTEM RATES.

Executive Director Stork stated that the proposed residence system rates were the same as presented last month. The Board Office received no comments from students. The proposed increases were generally as follows: 6.2 percent at the University of Iowa, 5.3 percent at Iowa State University, and 6.0 percent at the University of Northern Iowa.

Regent Neil asked for the percentage increase in rates for the residence system and tuition. Associate Director Hendrickson said she did not have that information but would be pleased to get it.

MOTION: Regent Fisher moved to approve the university proposed rates for family housing, student apartments, residence halls, and dining contracts for the 2001-2002 academic year, as presented. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

ANNUAL REPORT ON COMPETITION WITH PRIVATE ENTERPRISE.

Associate Director Hendrickson presented the Board members with a review of the information that was provided in the meeting materials. She said there was one complaint received during the past calendar year at the Regent institutions. The University of Iowa received a complaint regarding a change in its process for printing blueprints. University officials responded to the complaint by having both a third party and a committee review of the matter. The reviews concluded that the University had a legitimate business purpose and reasonable approach in changing its blueprinting process, and the change did not inappropriately compete with private business.

Associate Director Hendrickson said there continues to be an ongoing issue with sales tax on text books at university book stores. Iowa Code §422.45(3) does not require university-operated bookstores to collect sales tax if net proceeds are expended for

educational purposes. Historically, the Board has supported the charging of sales tax by the University bookstores. Other colleges, universities, and community colleges within the state of Iowa that operate bookstores do not collect sales tax on educational materials. However, privately owned bookstores in Iowa must collect sales tax on textbooks. She said the Board Office recommended the Board review the charging of sales tax later in the year.

Regent Lande asked for the legal basis for students to seek sales tax reimbursement. Associate Director Hendrickson responded that it is legal for students to seek sales tax reimbursement. She said the students have gotten very creative and published the Department of Revenue and Finance reimbursement request form on their web site. Students can only receive a refund for textbooks purchased at a university-operated book store. The university book stores have historically charged sales tax because of competition with private book stores in the communities.

Executive Director Stork said it was his understanding that there is a specific statutory provision that allows for sales tax refunds for textbook purchases from public bookstores. The students received some guidance from the Department of Revenue and Finance as to how to seek the refund. The university book stores have historically charged sales tax since the private competition legislation was passed, but there have been increasing complaints in recent years. The Board Office believes it is time for the Board to review this matter to determine if it wants to change its policy.

ACTION: President Newlin stated the Board, by general consent, (1) received the annual reports from the Regent institutions on competition with private enterprise and (2) planned to review the issue regarding sales tax on textbooks at a Board meeting later this year.

REPORT ON LEGISLATIVE SESSION.

Executive Director Stork stated that work was continuing with regard to the amount of Regent appropriations. He said the Governor's revised recommendations provide an approximate 6 percent cut in most state appropriations. The legislature is working on budget targets and is making adjustments. He believed the appropriations bill would be passed by the Education Appropriations Subcommittee that day. The appropriation amounts in the bill should be known by the next morning. He said the legislature was making 6 percent cuts from the FY 2001 appropriations level. The major difference between the legislative proposal and the Governor's proposal was that the Governor recommended \$3 million in funding for the Plant Sciences Institute, which the legislature would not likely approve. He anticipated that, with this exception, the 6 percent

legislative cut would be roughly the same as the Governor's revised recommendation. He said the legislature was also recommending a significant reduction in the \$91 million salary bill as proposed by the Governor for all state government. Normally, the amount for each agency is not designated in the salary bill. With regard to capital appropriations, there has been no action as yet. He would present more details the following day.

Regent Kennedy asked if the 6 percent cut was from the FY 2001 or 2002 appropriations. Executive Director Stork responded that the Governor had proposed cutting by 6 percent his original FY 2002 appropriation recommendation. It was his understanding that the legislature was proposing to cut 6 percent from the FY 2001 appropriations.

Regent Ahrens asked for clarification regarding the \$3 million appropriation for the Plant Sciences Institute. Executive Director Stork said it was his understanding that the legislature would not consider the \$3 million in new funding.

On the morning of April 19 the following discussion took place:

Executive Director Stork distributed to the Board members information regarding Regent general education and economic development appropriation recommendations of the legislature, the Governor's recommendations prior to the Revenue Estimating Conference revision of its projections, and the Governor's revised recommendations. He noted that the legislative proposal was from the proposed bill as voted out of the Joint Education Appropriations Subcommittee, which is the first step of the process. With regard to the difference between the legislative and the Governor's proposals, he said the Governor provided general reductions in all units but allowed the Board and institutions to make specific reductions. The legislature made 6 percent reductions for each appropriation line item in the FY 2001 base. The Governor started from a base that was slightly smaller than the legislative base by crediting \$675,000 for tuition replacement for the just-completed Iowa State University refunded bonds, which accounts for roughly one-tenth of one percent of the total reduction. The Governor preserved funding for the Plant Sciences Institute at Iowa State University. The legislature proposes not funding the \$3 million for the Plant Sciences Institute. Therefore, Iowa State University's reductions are substantially larger under the legislative proposal than under the Governor's proposal. A legislative cut that was not in the Governor's recommendation was the University of Iowa line item for Agriculture Health and Safety. The legislative proposal was to eliminate funding for that program, which amounts to roughly one-half of the legislature's additional cut for the University of Iowa.

Regent Lande referred to the proposal of the legislature for the University of Iowa. He said there was a \$3.5 million larger general university appropriation than was recommended by the Governor but there was also a \$2 million diminution from the University of Iowa Hospitals and Clinics. He asked what went back in to create the \$3.5 million and what came out of the Hospitals to account for the \$2 million.

Executive Director Stork responded that the Governor factored a 6 percent reduction to the \$317.9 million total FY 2001 University of Iowa appropriation to come up with \$18.8 million. The legislature took a more precise 6 percent cut from each line item. He said it was a matter of how the numbers are allocated. There is a difference of roughly one-tenth of 1 percent between the Governor's numbers and the legislative numbers because of the Governor's consideration given to the reduction of the tuition replacement funds.

Regent Fisher asked about salary funding. Executive Director Stork responded that salary appropriations were not reflected in the figures provided. He said the Governor recommends \$91 million for funding salary increases for all of state government. The legislative recommendation is to cut that amount by \$36 million and to appropriate \$55 million for salary increases throughout state government. The Governor has committed to full funding for salaries for the Regents from state appropriations, which was included in the \$91 million. It would be highly doubtful that full funding for Regent salaries would be included in the legislative proposal of \$55 million.

Regent Fisher asked for a comparison of salary funding last year to this year. Executive Director Stork responded that the need this year was somewhere around \$40 million. The total collective bargaining settlements this year were somewhat higher and health insurance costs are higher.

Regent Fisher asked if last year the Regents experienced an \$11 million shortfall in salary funding. Executive Director Stork said there was a \$9 million shortfall and there was no funding for health insurance increases last year. Approximately \$31.5 million was needed from state appropriations and \$18.2 million was actually received.

Regent Fisher asked if the \$40 million funding for the Regents this year included health insurance increases. Executive Director Stork said he thought the \$40 million would include some funding for health insurance increases.

Regent Kennedy stated that if the Regents do not receive full funding for salaries, that would result in another cut in appropriations. The salary funds would have to come from these appropriations because the salaries are somewhat guaranteed to employees.

Executive Director Stork said the salary dollars would either have to be taken out of these appropriations or salary increases not provided for non-contract employees. By law, salary increases have to be provided for contract employees. He said the Governor has announced a continuing historical policy to provide comparable increases for non-contract employees as are provided to contract employees.

Regent Neil referred to the \$55 million proposed to be set aside for salaries by the legislature, and asked if the Regents would receive \$40 million of the \$55 million. Executive Director Stork responded that it was unknown what the amount would be. A one percent figure can be used: every 1 percent increase in state salaries equals roughly \$6.8 million. Calculation could be done on that basis to come up with an amount. He said the legislature has not indicated any allocation of the \$55 million and it was unknown whether it would. By state law, if the legislature does not make that allocation, which generally it does not, the Governor has statutory authority to allocate those funds, with the Department of Management, by agency. Generally, the Governor and Department of Management allocate the funds proportionately to each agency. He noted that the legislature could make the decision to allocate the salary funds, which has been done once or twice in the last 15 years.

Regent Neil asked about the cut in work study funding. Executive Director Stork said it was his understanding that there would be a \$2.7 million cut in state funds for the Iowa College Student Aid Commission programs which go to students throughout the state. There would be no state funding for work study programs.

Regent Fisher asked if the Regents have any governance over or responsibility for the work study program. Executive Director Stork responded that the Regents do not, although Regent students certainly benefit from the program.

Regent Neil said the funding cut could effect enrollments.

Regent Kennedy stated that the work study program funding cuts would not only affect the students who are willing to work to get themselves through college, but it would also affect the services the students provide to the universities. The work study students provide a service that is not currently paid for out of the university budget. She then asked for the amount of federal matching dollars received for the \$2.7 million in state funds. Executive Director Stork said he did not know the amount.

Regent Kennedy said it was important to keep in mind that the federal work study dollars would also be lost. It did not make sense to make cuts in an area where a lot more dollars are received to fuel activities that are going on in education.

Regent Kelly asked when the appropriations would be finalized. Executive Director Stork said it may be two to three weeks before the final appropriations are known.

Regent Kelly asked to be provided with an executive summary of the information that was distributed in the hand-out since there is some time in which to contact legislators and the Governor. He asked, when the Board members talk to their legislators, what should they say?

President Newlin responded that the Board of Regents has been saying since last summer that its #1 priority is full funding of salaries from state appropriations. The Board of Regents is now faced with a 6 percent cut and no knowledge of the salary funding. He stressed the importance of full funding of salaries. If there is a reduction beyond 6 percent, it could critically and broadly jeopardize the services provided by the institutions. With regard to infrastructure, there has been no formal action. He said there was an assumption that the Regents top three capital project priorities would be funded.

Regent Fisher asked if there had been any discussion regarding capital projects. Executive Director Stork responded that there had been no recent discussion, particularly with regard to whether to bond or cash flow the projects. The Governor recommends bonding, but the legislature has rejected that approach.

Regent Lande said it was clear that the current levels of proposed cuts, without additional cuts, would adversely affect the number of classes that can be offered and would jeopardize the four-year graduation contracts with students. In addition to the pain inflicted on the universities, legislators will find that students will take longer to get through college, and students will be in larger classes.

Regent Neil asked how many students would be affected by the cut in funding of the work study program. Executive Director Stork reported that 1,800 to 1,900 students would be affected in the Regent system.

President Coleman stated that, of the \$2.7 million in the work study program, the Regent institutions utilize \$2.4 million. At the University of Iowa, hundreds of students participate in the program. Students just entering the university have planned for those funds. The work study program is a huge program that affects the neediest students.

Regent Neil asked if the services provided by students through the work study program would have to be purchased outside of the university. President Coleman said it was not only the services that students provide but also the education received by students when they work shoulder-to-shoulder with leading experts in laboratories.

Regent Turner asked if this type of funding cut in the work study program has occurred in the past and whether there was a provision for addressing the loss of funding. Executive Director Stork responded that, to his knowledge, a reduction of this size in financial aid programs has not been experienced previously. He noted that it was not just the work study program; a whole array of financial aid programs were being impacted. The Iowa Grant program, which goes to the neediest students, is slated for some reduction as well. He noted that these were not Regent programs, but Regent students clearly benefit from funding of the programs.

Regent Kennedy stated that, although the 6 percent cut was bad, at least the Governor respects that the Regents have done strategic planning and know best how to cut their budgets. She expressed real concern that legislators think they know best how to make reductions and appear to make across-the-board cuts. All of the strategic planning is in vain if, when cuts have to be made, the Board of Regents is mandated as to how the cuts will be made.

President Newlin stated that Regent Kennedy had made a very valid point. He said institutional officials should be allowed to use their judgments of where the cuts should be made.

Regent Fisher stated that the Board of Regents has the governance authority and responsibility to oversee the institutions. The legislature makes the appropriations to the Board of Regents. The Board of Regents delegates to the institutional heads who budget according to institutional priorities. He questioned whether the legislature has the authority to micromanage the Regent institutions.

Regent Lande said it was his understanding that this was a political issue that went across institutional lines and state department lines. He had assumed in the end that a total appropriation would go to the institutions, and the institutions would retain the ability to direct those funds to their priorities.

Executive Director Stork said he believed the legislature has the authority to make whatever line item appropriations it wishes in these reductions. The Governor clearly recognized in his revised recommendations the autonomy of the Board and the governance system of the Board. Based upon that, he did arithmetic calculations as to what the reduction would be and then would let the Board and institutions make the line item decisions.

Regent Kennedy asked what could be done in the next week or two. There was a vast difference in how the 6 percent cut is implemented in the two proposals. She said it was important to acknowledge that there will be long-term effects based upon the manner in which the cuts are made, which the legislature needs to know.

President Newlin responded that there would have to be some consultation. He agreed with Executive Director Stork that the legislature probably has the authority to make cuts by line item. The Regent representatives will have to do some visiting and negotiating to see if any of that can be changed.

Regent Lande said that, in light of the recent discussion, he agreed with Regent Kennedy's observations. He had assumed that, in the end, a total amount of money would be appropriated to the Regents and institutional officials would retain the ability to direct the cuts.

Regent Fisher said the financial consequences were bad enough. The fundamental structure and governance issues were the bigger issues.

Regent Kennedy stated that institutional officials would direct the cuts based on the strategic plans approved by the Board, the Board would know those cuts were done in good faith, and that was how the Board fulfills its role.

Regent Fisher said he would like for Executive Director Stork to request that the Attorney General look into the appropriateness of this issue and the legislative statutory authority to direct cuts by line item.

Regent Kennedy questioned whether there was a precedent for this type of cut or was this a whole new process and a new way of looking at budget cuts.

Executive Director Stork read the following from the Governor's revised recommendation: "State law provides that the Board of Regents itself, rather than other policy makers, has the final determination on budget and program decisions that will need to be taken if this proposed reduction is approved by lawmakers and the Governor." He said the Governor's view was consistent with the Board's view.

President Newlin stated that all of the comments would be taken under advisement. He said there was obviously concurrence on how to proceed.

Regent Kelly asked if there was anything else that should be related when the Board members talk with their legislators.

President Newlin stated that Board members should convince their legislators that public higher education in the state of Iowa is very important for Iowa's economic health, its economic vitality, and the quality of life in the state.

ACTION: President Newlin stated the Board received the report on the 2001 legislative session and the recommendations of Board positions on proposed legislation, by general consent.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office reported there were no transactions on its personnel register this month.

APPROVAL OF VENDORS WITH A POTENTIAL CONFLICT OF INTEREST.

Director Elliott stated that there were two vendors with a potential conflict of interest this month. Normally these matters are included on the consent docket; however, the Board Office wanted to bring the Iowa State University vendor proposal to the Board's attention. She said Iowa State University officials requested to add Herbert Lewis Kruse Blunck Architecture to its approved vendor list. Calvin F. Lewis is a stockholder of Herbert Lewis Kruse Blunck Architecture and is active in the firm. Mr. Lewis is also the Chair of the Department of Architecture, College of Design, at Iowa State University. University officials indicated that Mr. Lewis would not participate in any evaluation or award decisions relative to the services provided by Herbert Lewis Kruse Blunck Architecture.

Regent Lande asked if Mr. Lewis' department chairmanship was a part-time post. Vice President Madden responded that Mr. Lewis is the full-time chair of the department. Mr. Lewis retains an ownership interest in the firm because of a partnership arrangement.

Regent Lande suggested that someone should explore what "active in the firm" means. Vice President Madden reported that the dean of the college has assured University officials that Mr. Lewis is providing the services to the University for which he is compensated. He said the Department of Architecture desires to have practitioners in the department. All University administrators, faculty and staff are required to file appropriate conflict of interest information. University officials have been assured by the college dean that this is being done. Mr. Lewis is not actively engaged in taking on new projects, but he does provide a certain level of advice to the firm.

President Seagrave noted that the architecture program had just completed its six-year accreditation visit. He said he spent quite a bit of time talking to the team and reviewing the exhibits. He assured the Board members that Mr. Lewis is doing an outstanding job in running this department; in fact, he was the best person who has been in that position for a long time. All of the accreditation team's reservations disappeared after seeing the shape in which the department is in. He stressed that the whole thrust of the department is to engage professionals.

MOTION: Regent Lande moved to approve the following additions to the respective university's list of approved vendors with a potential conflict of interest: University of Iowa – ACCESS NOW, and Iowa State University – Herbert Lewis Kruse Blunck Architecture. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON MEETING OF THE IOWA COLLEGE STUDENT AID COMMISSION.

Executive Director Stork stated that the Iowa College Student Aid Commission met on March 27. He said the Commission received a report on proposed appropriations, ratified a 28E agreement for an I-Link Service Center in partnership with the Iowa Student Loan Liquidity Corporation, and approved FY 2002 allocations for the Iowa Grant and Work-Study Programs.

Dr. Becker asked what kind of studies have been done on the impact of financial aid on families of different income levels. Executive Director Stork responded that the Commission has not done a recent study. The Board of Regents provides certain information with its annual tuition study, information from which would be shared with Dr. Becker during the new Regent orientation.

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

BOARD MEETINGS SCHEDULE. The Board Office recommended the Board approve the Board meetings schedule.

May 16-17, 2001	Iowa School for the Deaf	Council Bluffs
June 12-13, 2001	Iowa State University	Ames
July 18-19, 2001	University of Northern Iowa	Cedar Falls
September 12-13, 2001	University of Iowa	Iowa City
October 17-18, 2001	Iowa State University	Ames
November 14-15, 2001	University of Iowa	Iowa City
December 12-13, 2001	West Des Moines Marriott Hotel	W. Des Moines
January 16, 2002	Telephonic Conference Call	
February 20-21, 2002	University of Northern Iowa	Cedar Falls
March 13-14, 2002	Iowa State University	Ames
April 17-18, 2002	Iowa School for the Deaf	Council Bluffs
May 15, 2002	Iowa Braille and Sight Saving School	Vinton
May 16, 2002	University of Iowa	Iowa City

June 19-20, 2002	Iowa State University	Ames
July 17-18, 2002	University of Northern Iowa	Cedar Falls
September 18-19, 2002	University of Iowa	Iowa City
October 16-17, 2002	University of Northern Iowa	Cedar Falls
November 13-14, 2002	Iowa State University	Ames
December 18-19, 2002	(To be determined)	Des Moines

ACTION: The Board meetings schedule was approved on the consent docket.

REGENT MERIT SYSTEM PAY PLAN PUBLIC HEARING.

Director Wright stated that, by statute, the Board of Regents governs the Regent Merit System which employs approximately 8,000 individuals. The pay plan public hearing, for employees covered by collective bargaining agreements, will be held on May 10 and will be conducted by Associate Director Brunson and he. The Board Office will report on the pay plan hearing at the May Board meeting.

MOTION: Regent Neil moved to set the date for the Regent Merit System Pay Plan Public Hearing for Thursday, May 10, 2001, at the Iowa State University Memorial Union, Gold Room commencing at 7 p.m. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

STATE UNIVERSITY OF IOWA

The following business pertaining to the University of Iowa was transacted on Wednesday and Thursday, April 18 and 19, 2001.

PRESENTATION ON SCHIZOPHRENIA BY PROFESSOR NANCY ANDREASEN.

President Coleman stated that it was a special honor for her to introduce Professor Nancy Andreasen, a genuine Iowa treasure. In the early-1980s, Dr. Andreasen wrote a landmark book called "The Broken Brain", in which she explains the mysteries of mental illness and the biological basis to mental illness. President Coleman asked Professor Andreasen to say a few words at this meeting because of her recent receipt of the President's National Medal of Science. The President's National Medal of Science is one of the highest achievements possible in the United States in any scientific field. President Coleman described the selection criteria for award of the medal, noting that the recognition is normally awarded to basic scientists.

Dr. Andreasen received applause.

Dr. Andreasen stated that the President's National Medal of Science was a wonderful honor for her, for Iowa and for the specialty of psychiatry. Psychiatrists work with patients who are among the most disadvantaged and the most misunderstood. Dr. Andreasen has been in Iowa for more than 30 years. She stayed here because the quality of public education is unsurpassed in the country as is the solidity of the state's support of its public institutions. She said the support of the legislature to the University of Iowa is incredibly important and she encouraged the Board to continue to articulate the importance of that support.

Dr. Andreasen stated that there are 15 to 20 work study students in her laboratory at any given time, partly because of the financial aid packages the students receive. She expressed concern about the debt burden of college students. She said receipt of honors like the President's Medal of Science leads students to say, "I want to go to that Mecca in the Midwest and get educated."

Regent Lande stated that Dr. Andreasen had participated in a public radio program this past week that focused on schizophrenia. He said she is on the trail of treatments that

might even be curative some time in the future. She mentioned that there is a combination of genetic and environmental factors in some diseases, such as Alzheimer's. Within this decade, significant improvements could be seen in treating patients with these diseases. He said that accomplishment was particularly important for this state with its elderly population. He commended Dr. Andreasen for her participation in that effort.

Dr. Andreasen stated that one of the most exciting frontiers in medicine is the study of the brain and mind. Research is becoming incredibly sophisticated, especially with dementias and schizophrenia.

Dr. Becker expressed the appreciation of area education agencies and school districts to the Departments of Psychiatry and Child Psychology in representing the work of Dr. Andreasen and others to those who work with students with mental health and behavioral problems. Dr. Andreasen responded that state support is received for psychiatry services, which is critically important in maintaining stability in education and research programs.

Regent Kelly asked what has happened to psychoanalysis. Dr. Andreasen responded that psychoanalysis is much less favored now than in the past. She does not think that psychoanalysis will disappear.

Regent Turner referred to the downward trend of medical students going into psychiatry. She asked if there was a role for the Department of Psychiatry in turning around that trend.

Dr. Andreasen responded that a major problem is the mismatch between income and opportunity. Psychiatry is among the lowest paid medical specialties. She said the issue goes back to the student debt burden. If medical school graduates are to be encouraged to go into research, they have to be paid enough so can pay off their debts. She said few students are going into research.

Regent Turner stated that when society was faced with a shortage of family medicine doctors a few decades ago, the medical school creatively responded. She asked if something similar was being considered for psychiatry.

Dean Kelch responded that the medical school needs to partner with leaders and practitioners in that regard. He noted that Dr. Andreasen's work has done more than anyone else has to remove the stigma of mental health. We are progressing as a society to get to the root causes of the underfunding and stigma of mental health. College of Medicine officials are working to attract the brightest into its residency programs. He noted that there has been a disproportionate negative impact on mental

health care by managed care. He concluded by stating that making psychiatry more attractive to students is a multi-faceted challenge.

President Newlin thanked Dr. Andreasen for meeting with the Board of Regents. He congratulated her on her honor. With regard to “the Mecca” here in Iowa, he suggested that there are three: the three Regent universities. He hoped that the legislators also think so and continue to support those universities.

INTRODUCTION OF STUDENT GOVERNMENT LEADERS.

President Coleman introduced the new University of Iowa student government leaders: Nick Klenske, President, and Dan Rossi, Vice President.

Mr. Klenske referred to the state budget situation and stated that students are being encouraged to write to their hometown legislators. On the following Tuesday, there will be a rally at the Statehouse in Des Moines with other Regent students in support of funding for the universities.

Mr. Rossi noted that he is an out-of-state student. He wants to show legislators that out-of-state students are attracted to come here; they see how nice the state is and what a great place it is to live.

REGISTER OF PERSONNEL TRANSACTIONS.

The Board Office reported that the University of Iowa Register of Personnel Changes had not been received and would be reported next month.

MOTION: Regent Fisher moved to approve the University of Iowa’s promotion and tenure actions for the 2001-02 academic year. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVE THE DEPARTMENT OF RADIATION ONCOLOGY IN THE COLLEGE OF MEDICINE.

Provost Whitmore presented the recommendation of the University of Iowa. He stated that radiation oncology is a discreet specialty. There is a shortage of people who work in this area.

Dr. Arbisser asked about introducing this technology into Iowa communities and the number of treatment specialists that might be needed.

Provost Whitmore introduced Dr. John Buatti of the Division of Radiation Oncology in the Department of Radiology.

Dr. Buatti said the University of Iowa currently has the only training program in the state and there is a national shortage. The program will continue to train specialists and, hopefully, there will be increases in the number of individuals trained. In terms of the technologies, he said there is a great need for advanced technology in the state and to make the technology available to communities.

President Newlin referred to the organizational structure of the new Department of Radiation Oncology. He asked if there would be a tie-in with the Department of Radiology. Dean Kelch said the Department of Radiology would be re-engineered. Separating the two departments will cause no incremental costs; there has been a differentiation between the two distinct specialties. It was felt that there should be a formal recognition of radiation oncology as a distinct discipline. The new department will report to the dean.

Regent Lande asked what activity would continue in the existing Department of Radiology. Dean Kelch said the Department of Radiology will continue to use x-rays and ultrasounds to perform precise imaging studies. The field of radiology is growing rapidly and the demand for the service is skyrocketing. He noted that a radiation oncologist is similar to a surgeon; he/she offers curative care.

Regent Turner suggested that it might be helpful to provide an understanding that nowadays radiation oncology is an inter-modality treatment. Radiation oncology involves more than giving radiation.

Dr. Buatti provided a brief description of the interdisciplinary collaborative design of patient treatment plans.

President Newlin expressed appreciation to Dr. Kelch and Dr. Buatti for their participation.

MOTION:

Regent Lande moved to approve the University of Iowa's proposal to create a Department of Radiation Oncology in the College of Medicine. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

PROPOSAL TO CHANGE THE NAME OF THE IOWA INSTITUTE OF HYDRAULIC RESEARCH TO IIHR – HYDROSCIENCE AND ENGINEERING.

ACTION: This matter was referred on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Vice President True said there were a number of projects on the University's capital register this month including the second phase of Bowen Science Building renovation; the retooling of boiler #10; the College of Pharmacy room 115 remodeling, which he noted was financed entirely by gifts; and, the selection of OPN architects to provide planning and architectural services for the West Campus Residence Hall and Support Facilities.

Regent Fisher asked if OPN Architects was the architect on the Hillcrest Dining Project. Vice President True responded that it was not.

Regent Neil asked if the Boyd Law Building has a flat roof. Vice President True responded that the Boyd Law Building roof is sloped but not dramatically.

Regent Ahrens asked about the Boyd Law Building roof construction lifetime of 10 to 15 years. Vice President True responded that roofs of this type, depending on the use it receives (such as foot traffic), typically last 10 to 15 years. Ten to 15 years is a reasonable lifetime for a roof under normal use.

Regent Ahrens referred to the thermoplastic roofing material proposed to be used on the Boyd Law Building, and asked if that roofing material has been used on any other buildings at the University of Iowa. Vice President True said he did not know the answer but could get that information.

Regent Smith asked for additional information regarding the University's request to waive convening the architectural selection committee for the Bowen Science Building remodeling project. Vice President True said University officials are pleased with the work that Rohrbach Carlson has done with this building in the past. The firm just completed phase 1 of the Bowen Science Building renovation. University officials believe that using the same firm would provide efficiencies. If there are any objections to waiving the use of the architectural selection committee, University officials would utilize the committee. He assured the Board members that University officials would not recommend this waiver unless there was a valid business reason.

MOTION: Regent Smith moved to approve the University's capital register, as presented. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF LEASES AND EASEMENTS.

MOTION: Regent Lande moved to approve (1) a lease agreement with Essential Sciences, Inc., for its use of business incubator space at the Oakdale Research Park; (2) a permanent easement agreement with MidAmerican Energy and temporary easement agreement with the City of Iowa City to accommodate the widening and reconstruction of Mormon Trek Boulevard by the City; and (3) permanent and temporary easement agreements with the City of Coralville for construction of the Clear Creek Recreation Trail by the City. Regent Ahrens seconded the motion, and upon the roll being called, the following voted: AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil, Newlin, Smith.
NAY: None.
ABSENT: Turner.

MOTION CARRIED.

RESIDENCE SYSTEM FUND TRANSFER.

Vice President True presented this matter on behalf of the University of Iowa.

MOTION: Regent Ahrens moved to approve the transfer of \$4.0 million from the Residence System (Dormitory) Surplus Fund to the Residence System (Dormitory) Improvement Fund. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

ISSUANCE OF DUPLICATE DORMITORY REVENUE BOND AND COUPONS, SERIES 1966.

ACTION: This matter was approved on the consent docket.

President Newlin then asked Board members and institutional officials 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 and Thursday, April 18 and 19, 2001.

REGISTER OF PERSONNEL CHANGES.

MOTION: Regent Fisher moved to approve Iowa State University's Register of Personnel Changes for March 2001 and its promotion and tenure actions for the 2001-02 academic year. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

PROPOSAL TO MERGE THE DEPARTMENTS OF FAMILY AND CONSUMER SCIENCES EDUCATION AND STUDIES; HOTEL, RESTAURANT AND INSTITUTION MANAGEMENT; AND TEXTILES AND CLOTHING INTO THE DEPARTMENT OF APPAREL, EDUCATIONAL STUDIES, AND HOSPITALITY MANAGEMENT.

ACTION: This matter was referred on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Vice President Madden presented the capital register on behalf of Iowa State University. He said University officials were continuing to work on utility enterprises to improve reliability and efficiency which, in light of budget concerns, will be helpful.

MOTION: Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for Iowa State University. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPROVAL OF LEASES.

MOTION: Regent Lande moved to approve a lease agreement with U.S. Cellular for its use of space

on the roof of the Town Engineering Building for the installation of cellular communication equipment. Regent Ahrens seconded the motion, and upon the roll being called, the following voted: AYE: Ahrens, Fisher, Kelly, Kennedy Lande, Neil, Newlin, Smith.
NAY: None.
ABSENT: Turner.

MOTION CARRIED.

TRAFFIC AND PARKING REGULATIONS AND RATES FOR 2001-2002.

Vice President Madden presented this item on behalf of Iowa State University.

Dr. Arbisser said there appeared to be a rapid increase in expenditures as compared to revenues. Vice President Madden stated that, within the campus master parking plan, there is an effort to accumulate reserves. He said the proposed rates were relatively modest, noting that the rates were annual, not monthly. The University needs far more interior campus parking than is currently available; University officials are trying to generate revenues to address that need. University officials are working on some federal grant projects to develop an intermodal facility.

MOTION: Regent Smith moved to approve the proposed FY 2002 parking rates at Iowa State University, as set forth. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

RESIDENCE SYSTEM FUND TRANSFER.

Vice President Madden presented this item on behalf of Iowa State University.

MOTION: Regent Neil moved to approve the transfer of \$1.8 million from the Residence System (Dormitory) Surplus Fund to the (Dormitory) Improvement Fund. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin 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 and Thursday, April 18 and 19, 2001.

REGISTER OF PERSONNEL TRANSACTIONS.

The Board Office reported that the University of Northern Iowa's Register of Personnel Changes had not been received and would be reported next month.

MOTION: Regent Fisher moved to approve the University of Northern Iowa's promotion and tenure actions for the 2001-02 academic year. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

INSTITUTIONAL PERSONNEL TRANSACTIONS.

Director Wright reviewed with the Board members the University's request.

MOTION: Regent Ahrens moved to ratify the following appointments: Dean Shoars as Director of Physical Plant at an annual salary of \$91,200, effective April 1, 2001; and David Zarifis as Director of Public Safety at an annual salary of \$58,100, effective April 1, 2001. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Vice President Dell presented the University's capital register.

MOTION: Regent Fisher moved to approve the Register of Capital Improvement Business Transactions for

the University of Northern Iowa. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

MOTOR VEHICLE AND BICYCLE REGULATIONS, 2001-2002.

Vice President Dell presented this item on behalf of the University of Northern Iowa.

MOTION:

Regent Neil moved to consider the following: (a) Increasing parking rates for FY 2002 at the University of Northern Iowa as set forth; (b) Establishing a new penalty of \$20 for illegal parking in a service vehicle zone; (c) Creating a new policy of doubling fines for habitual violators; (d) Reclassifying the display of a lost or stolen permit and doubling its fine; and (e) Revising UNI's *Parking Manual for Motor Vehicles, Bicycles, Roller Blades, Roller Skates, and Skateboards*. Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

President Newlin asked for an update on the proposed multimodal facility, about which the Board members received a presentation in March (see page 700 of March 21-22, 2001, Board of Regents minutes). Vice President Dell responded that the consultants have begun their work. Part of the task is to select a location. University officials will return with information about the possible site.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, April 18 and 19, 2001.

REGISTER OF PERSONNEL CHANGES.

MOTION: Regent Fisher moved to approve the Register of Personnel Changes for March 2001, as presented. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

REVISED SCHOOL CALENDAR FOR ACADEMIC YEAR 2001-2002.

ACTION: This matter was approved on the consent docket.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS.

Superintendent Johnson stated that the Recreation Building—Utility Extension and Communication Enhancement project would allow the hook-up of utilities for the new Recreation Building.

MOTION: Regent Kennedy moved to approve the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf, as presented. Regent Neil seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Newlin asked for a progress report on the construction of the Recreation Building. Superintendent Johnson responded that, on the previous day, beams were installed in the swimming pool area. Walls are up on three of the four sides of the gym. By the time the Board of Regents is at the school for its meeting next month, much progress will have been made. He noted that the contractor was eight weeks behind schedule.

President Newlin asked if the contractor's schedule delay would interfere with the School's fall schedule for use of the facility. Superintendent Johnson responded that School officials will make it work.

APPROVAL OF LEASES.

MOTION:

Regent Lande moved to the following: tenant property rental rates for FY 2002; and lease renewals with Children's Choice County, the Iowa Association of the Deaf, and the West Pottawattamie County Extension District for their use of space on the Iowa School for the Deaf campus. Regent Ahrens seconded the motion, and upon the roll being called, the following voted: AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil, Newlin, Smith.
NAY: None.
ABSENT: Turner.

MOTION CARRIED.

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

IOWA BRAILLE AND SIGHT SAVING SCHOOL

The following business pertaining to Iowa Braille and Sight Saving School was transacted on Wednesday and Thursday, April 18 and 19, 2001.

REGISTER OF PERSONNEL CHANGES.

MOTION: Regent Fisher moved to approve the Register of Personnel Changes for February 2001. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

CERTIFIED ORIENTATION AND MOBILITY SPECIALIST (COMS) PROPOSAL.

Acting Superintendent Hooley requested to defer Board consideration of the School's request until May. He said a couple of issues had arisen which required further investigation.

ACTION: President Newlin stated this matter was deferred until the May Board of Regents meeting.

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

ADJOURNMENT.

President Newlin acknowledged the members of the Board of Regents who were retiring: Ellengray Kennedy, Roger Lande and Beverly Smith. He said the Board of Regents had a very nice dinner the previous evening at which the three retiring members were honored for their contributions. On behalf of the State of Iowa, President Newlin expressed thanks and appreciation for their service. He said they had done outstanding and effective jobs. (Regents Kennedy, Lande and Smith received applause.) President Newlin then said the remaining Board members looked forward to

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working with the three newly-appointed Regents: Amir Arbisser, Mary Ellen Becker and Sue Nieland.

The meeting of the Board of Regents, State of Iowa, adjourned at 9:40 a.m. on Thursday, April 19, 2001.

A handwritten signature in black ink that reads "Frank J. Stork". The signature is written in a cursive style with a horizontal line underneath it.

Frank J. Stork
Executive Director