

The Board of Regents, State of Iowa, met on Wednesday and Thursday, June 14 and 15, 2000, at Iowa Lakeside Laboratory, Okoboji, Iowa. The following were in attendance:

	<u>June 14</u>	<u>June 15</u>
<u>Members of Board of Regents, State of Iowa</u>		
Mr. Newlin, President	All sessions	All sessions
Ms. Ahrens	All sessions	All sessions
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	By phone at 2:00 p.m	Excused
Mrs. Smith	Excused	Excused
Dr. Turner	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 Briggie	All sessions	All sessions
<u>State University of Iowa</u>		
President Coleman	All sessions	All sessions
Provost Whitmore	All sessions	All sessions
Vice President True	All sessions	All sessions
Associate Vice President Foldesi	Arrived at 2:30 p.m.	All sessions
Dean Kelch	Excused	All sessions
Director Howell	Excused	All sessions
<u>Iowa State University</u>		
President Jischke	All sessions	Excused at 9:20 a.m.
Interim President Designate Seagrave	All sessions	Excused at 9:20 a.m.
Provost Richmond	All sessions	Excused at 9:20 a.m.
Vice President Hill	All sessions	Excused at 9:20 a.m.
Vice President Madden	All sessions	Excused at 9:20 a.m.
Executive Assistant to President Dobbs	All sessions	Excused at 9:20 a.m.
Assistant to the President Mukerjea	All sessions	Excused at 9:20 a.m.
Director McCarroll	All sessions	Excused at 9:20 a.m.
<u>University of Northern Iowa</u>		
President Koob	All sessions	Excused at 8:45 a.m.
Provost Podolefsky	All sessions	Excused at 8:45 a.m.
Vice President Conner	All sessions	Excused at 8:45 a.m.
Vice President Romano	All sessions	Excused at 8:45 a.m.
Executive Asst. to President Geadelmann	All sessions	Excused at 8:45 a.m.
Assistant Director Saunders	All sessions	Excused
<u>Iowa School for the Deaf</u>		
Superintendent Johnson	All sessions	All sessions
Director Cool	All sessions	All sessions
Director Heuer	All sessions	All sessions
<u>Iowa Braille and Sight Saving School</u>		
Principal Hooley	All sessions	Excused at 8:43 a.m.
Director Woodward	All sessions	Excused

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday and Thursday, June 14 and 15, 2000.

President Newlin stated that the Regents were pleased to be meeting at the Iowa Lakeside Laboratory. He asked Director Barak to introduce the Director of the Laboratory.

Director Barak introduced Arnold van der Valk, Director of Lakeside Laboratory. He said Director van der Valk has done an outstanding job of achieving all of the goals set out for the Laboratory.

Director van der Valk welcomed the Regents to Lakeside Laboratory on behalf of its staff, students and faculty.

President Newlin expressed the Board's appreciation for the hospitality.

APPROVAL OF MINUTES OF BOARD MEETING OF MAY 17-18, 2000. The Board Office recommended the Board approve the minutes.

President Newlin asked if there were additions or corrections to the minutes. There were none.

MOTION: Regent Fisher moved to approve the minutes of the May 17-18, 2000, meeting, as written. Regent Ahrens seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

CONSENT ITEMS. The Board Office recommended the Board approve the consent docket, as follows:

 Ratify personnel transactions at the Regent institutions;

Receive the affiliated organization reports on the Committee for Agricultural Development associated with Iowa State University, and the Iowa School for the Deaf Foundation;

Refer the proposed course changes at the University of Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation;

Approve the request of Iowa State University to change the name of the Computation Center to the Center for Academic Information Technology;

Refer the proposed graduate major for an Interdepartmental Master of Science in Information Assurance at Iowa State University to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation;

Refer the proposed Graduate Program in Sustainable Agriculture at Iowa State University to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation;

Refer the proposed undergraduate minor in Military Studies in the College of Liberal Arts and Sciences at Iowa State University to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation;

Refer the renaming of the Engineering Operations degree program in the College of Engineering, Iowa State University, to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation; and

Refer the proposal for a Master of Fine Arts degree, with a major in Integrated Visual Arts, from Iowa State University to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

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

INTERINSTITUTIONAL COMMITTEE ON EDUCATIONAL COORDINATION.

(a) Proposed Minor in Global Health Studies, University of Iowa. The Board Office recommended the Board approve a proposed new minor in Global Health Studies in the College of Liberal Arts at the University of Iowa.

College of Liberal Arts officials requested that a new minor in Global Health Studies be established. The fifteen (15) credit hour program, to be administered by the Office of International Programs, builds upon the existing disciplinary offerings in the College of Liberal Arts and the new College of Public Health, and the success of the existing Certificate in Global Health program. The new minor would be a model for interdisciplinary and international studies.

As this proposed minor illustrates, the general purpose of minors is to provide an opportunity for students to broaden their education while pursuing a particular major. Through the concentration of several courses and/or experiences, students gain a deeper understanding of a field or area of interest. In certain fields of study where employment prospects are limited, minors are essential for students.

The purpose of the new minor is to offer a variety of research opportunities for undergraduates and to provide a means for students to explore careers in health related fields. While three new courses are proposed for the minor, there are no substantive costs associated with the new minor as current faculty would teach them. Any marginal costs have already been negotiated in the context of the renewal grant proposal for the Department of Education's National Resource Center.

The new minor is consistent with the goals of the College of Liberal Arts' strategic plan, specifically Goal IV, "initiatives that support international and interdisciplinary education." It is also consistent with the University's strategic plan to encourage international study and the Board of Regents' key result area 3.0, diversity.

MOTION: Regent Fisher moved to approve a proposed new minor in Global Health Studies in the College of Liberal Arts at the University of Iowa. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

APPOINTMENT OF INTERIM PRESIDENT AND PROCEDURES FOR THE SELECTION OF A PRESIDENT AT IOWA STATE UNIVERSITY. President Newlin recommended the Board:

- (1) Accept the resignation of Martin Jischke as the President of Iowa State University, effective August 15, 2000.
- (2) Appoint Dr. Richard C. Seagrave as Interim President Designate of Iowa State University at a salary of \$195,000 per year effective immediately;

- (3) Appoint Dr. Benjamin Allen as Chair of the ISU Presidential Search and Screen Advisory Committee.
- (4) Approve recommended policies for the selection of the President of Iowa State University.
 - A. Create an advisory committee at Iowa State University to be known as the Presidential Search and Screen Advisory Committee to aid in the Presidential search, as set forth.
 - B. Request that the Chair of the Presidential Search and Screen Advisory Committee and the President of the Faculty Senate jointly nominate campus members of the Presidential Search and Screen Advisory Committee. In consultation with the Board President, they will recommend their candidates to the Board of Regents for approval.
 - C. Authorize the Executive Director, with the approval of the President of the Board of Regents, to enter into a contract with an executive search firm.
 - D. Approve the duties of the Committee and the firm as outlined.
 - E. Instruct the ISU Presidential Search and Screen Advisory Committee and the Board Office to develop criteria for the position for the Presidency of Iowa State University and to report to the Board for consideration at its September Board meeting.
 - F. Direct Iowa State University to establish a fund to pay all the expenses of the Presidential Search, and the ISU University Relations Office to provide support to the Board regarding the Presidential search.
 - G. Authorize the President of the Board to supervise the search process and to be the spokesperson for the Board regarding the search process.

The Board received the resignation of Martin Jischke as President of Iowa State University, effective August 15, 2000. President Jischke has provided exceptional service to Iowa State University and the Board as a strong and effective leader.

The following general criteria should apply to the process selected by the Board of Regents for a presidential search at Iowa State University.

The process must be consistent with the Board's statutory responsibility to appoint a president and with the Policy on the Selection of Institutional Heads, as adopted by the Board of Regents, State of Iowa, on April 13, 1984. The policy is listed as follows:

1. The process shall be consistent with the Board's statutory authority to appoint institutional heads and shall provide for regental control of the search, screening, and selection process. All rules, procedures, and policies regarding the search including, but not limited to, the role, composition and appointment of a search committee, the time schedule for the search, and the use of consultants shall be established by the Board of Regents.
2. The process shall provide for confidentiality of each of the candidates to the fullest extent possible under the Code of Iowa.
3. The process shall provide for participation by institutional constituencies, specifically including the faculty with respect to the criteria to be used in the selection process and in review of the final candidates.
4. The process shall be one that can be accomplished within a reasonable period of time set by the Board.
5. Affirmative action/equal employment opportunity procedures shall be fully utilized.
6. The election of an institutional head shall be the sole responsibility of the Board of Regents [262.9 (2)], Code of Iowa.

The procedures recommended were based on the Board's experience in the selection of institutional heads since 1981. This includes previous selections of presidents at the University of Iowa, the University of Northern Iowa, Iowa State University, and searches for the superintendents of the two special schools. In these searches, the Board has utilized an advisory committee (mostly campus-based) to draft and recommend criteria for selection and to carry out a primary role in the search and screening process. All recent searches have also included the services of an executive search firm. The executive search firms have provided valuable service to the search and screening advisory committees and to the Board in the selection process. Throughout all of these searches, the Board Office has also carried out its important coordinating responsibilities. The process and procedures recommended were consistent with these elements of past searches, and the policy of the Board noted above.

It was recommended that an ISU Presidential Search and Screen Advisory Committee be selected at Iowa State University to advise the Board of Regents in selecting a new president. The Committee will be broadly representative of the major campus

constituents with a heavy contingent of faculty, many of whom will be distinguished faculty. The Board Office was asked to assist the Board President in the identification of an appropriate executive search firm. As has been the past practice, the President of the Board will provide overall supervision of the selection process and be the spokesperson for the Board, assisted by the Board Office.

It was recommended that the process begin with initial advertisement of the position and the Board's approval of procedures for the selection of a new president at its June meeting. This action will be followed by the consideration and approval of the appointments to the Presidential Search and Screen Advisory Committee by the Board of Regents at the July meeting. The Board will approve Presidential criteria to be used in the search at its regular September Board meeting. The search for and screening of prospects will take place during September and October. In November and December, the Presidential Search and Screen Advisory Committee will conduct interviews of prospects, resulting in the identification of four finalists for review and selection by the Board of Regents. It is anticipated that the actual interviewing of the finalists by the Board will take place some time in December or January, with the selection of a new president by the Board soon thereafter.

President Newlin recommended Dr. Benjamin Allen, Dean of the College of Business and Distinguished Professor of Business, to chair the Presidential Search and Screen Advisory Committee.

This schedule will provide an opportunity for the selection process to take place in a timely manner, yet, allow the flexibility to adjust the process as needed. This schedule is similar to those used in other recent Board searches, including the ones in which Presidents Mary Sue Coleman, Martin Jischke, and Robert Koob were selected.

The Board needs to ensure the seamless transition of the institution to new leadership following President Jischke's departure from the University. In order to ensure this transition, it was recommended that the Board appoint Dr. Richard C. Seagrave as Interim President Designate for Iowa State University. Dr. Seagrave will begin immediately to work with President Jischke to ensure the seamless transition the Board requires and will work with the Board in preparing FY 2002 budget requests.

President Newlin presented the recommended actions as outlined in the meeting materials.

Regent Fisher referred to the statement that the Board would approve presidential criteria to be used in the search at its regular September meeting, and asked if there was any way to hasten the process through the use of a teleconference of the Board of

Regents. He felt that it was important to move the process along as rapidly as possible with due diligence.

President Newlin said it was possible that the Board will be presented with the presidential criteria for approval at its July meeting. Otherwise, approval of the criteria may require a telephone conference.

Regent Lande said he strongly supported making every effort to approve the criteria at the July meeting.

Regent Fisher stated that the citizens of Iowa have indicated they want this process to move forward as quickly as possible. He would like to be able to complete the process by the end of the year, if possible.

Regent Fisher stated that the Regents could not have chosen a better person to serve as interim president than Richard Seagrave.

MOTION: Regent Ahrens moved to approve the recommended actions, as outlined beginning on page 919. Regent Fisher seconded the motion.
MOTION CARRIED UNANIMOUSLY.

President Newlin stated that he echoed the statement of Regent Fisher relative to Richard Seagrave. He expressed the Board's appreciation to Professor Seagrave for accepting the responsibility and said they looked forward to working with him.

President Newlin thanked Dr. Jischke for his nine years of excellent service and expressed appreciation for everything President Jischke has done to move Iowa State University forward. He said he particularly appreciated President Jischke's initiative regarding strategic planning and the accomplishments that have occurred in undergraduate education in the areas of scholarships, teaching excellence and learning communities.

The Regents applauded President Jischke.

Regent Lande stated that President Jischke will leave the university a stronger university than it was when he came, which was the highest accolades that a person could be given.

President Jischke stated that he had enjoyed enormously the opportunity to serve under this and the other Boards of Regents. He believes that Iowa State University has made progress. It has been a team effort with the Board of Regents and Iowa State University

personnel. Mrs. Jischke and he had made many friends, had fun and worked hard. He then complimented the Board on the appointment of Richard Seagrave as Interim President Designate. Professor Seagrave is as distinguished a member of the faculty as there is at Iowa State University. Professor Seagrave did a splendid job as Interim Provost. President Jischke was optimistic that there would be many good candidates for the presidency. President and Mrs. Jischke look forward to new challenges and opportunities and were grateful for the opportunities to serve at Iowa State University.

Interim President Designate Seagrave thanked the Board of Regents for its confidence in him and he thanked his colleagues at Iowa State University for their help so far. He hoped that both would continue. He then said he seconded the Regents' comments about Dr. Jischke. Speaking as an Iowa State University faculty member of 34 years, he said Iowa State University is a much stronger and better institution than it was 10 years ago. On behalf of all Iowa State University faculty, he thanked President Jischke very much. He concluded by stating that he looked forward to working with all of the Regents.

President Newlin expressed appreciation to Dr. Ben Allen, Dean of the College of Business, who agreed to chair the Presidential Search and Screen Advisory Committee.

REPORT ON MEETING OF THE IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION. The Board Office recommended the Board receive the report.

The Iowa Coordinating Council for Post High School Education (ICCPHSE) met on May 23 at Buena Vista University in Storm Lake. Below is a brief summary of the major actions taken at that meeting.

The Coordinating Council approved the following new program requests:

- Briar Cliff College - New Media (On-Campus)
- Iowa Western Community College - Radio and TV Production (On-Campus)
- Kirkwood Community College - Fire Fighting & Global Imaging (Both On-Campus)

The ICCPHSE discussed the date that the postsecondary institutions in Iowa submit their fall enrollment information for the Coordinating Council's annual fall enrollment report. This information had been reported on the same date as the federal enrollment reporting date but changes by the National Center for Educational Statistics (NCES) will result in a change in the federal reporting requirement date. This reporting date change would make it difficult for the ICCPHSE report to be prepared in a timely manner. The Council agreed on a new reporting date for the ICCPHSE enrollment report separate

from the federal reporting date. The enrollment data are a part of the enrollment information reported to the Board of Regents every fall.

The Coordinating Council appointed Fred Moore as Chair of the ICCPHSE for the 2000-2001 year to begin this summer and end September 2001. The Council will await nominations from the Regents and the community colleges for the Executive Committee positions of immediate past chair and vice-chair, respectively.

The Council also appointed an Audit Committee to report at the fall 2000 meeting.

The Council heard a status report from a committee reviewing the Council's role in program approval. A "Draft" report of the committee report recommended that the Coordinating Council continue to review programs but no longer act to *approve* or *disapprove* programs. Instead, the Council would review the programs and the specific actions taken would be to *accept* or *not accept* a report on a new program proposal. The Committee action would also include public dissemination of the Council's action. As a result of this proposed change, it would be the responsibility of the various boards to consider the Council's action at the time that a program is approved. For the Board of Regents, this means that the Board would agree to not approve programs until after the Council had acted and to take the Coordinating Council's action including any discussion of the program, into consideration when the Board of Regents officially acts to approve a program.

There was general support for this approach expressed at the meeting. A motion to add a stipulation requiring a follow-up report on each controversial report was not adopted but was referred to the Committee for consideration.

The Committee met following the regular Coordinating Council meeting and adopted the draft policy with a few modifications. The Committee did not agree to add the requirement for a follow-up report. A majority of the members agreed that it should not be a part of the new policy but could be a separate action of the Council, and agreed to undertake such a report on a given program.

Regent Kennedy said she had attended the meeting. She noted that Dr. Barak had distributed the results of the study of all the approved programs for institutional representatives to review.

Regent Fisher asked who would succeed President Jischke as chair of the Iowa Coordinating Council for Post-High School Education. Director Barak responded that Fred Moore would succeed President Jischke as chair and President Koob would serve as immediate past chair.

President Newlin thanked President Koob for agreeing to serve in that capacity.

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

FINAL REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board receive the final report on the 2000 legislative session.

The General Assembly completed its 2000 session on April 26, 2000. The deadline for the Governor to sign or veto bills passed by the General Assembly was May 26, 2000. Governor Vilsack has taken action on all the bills from the 2000 Legislative Session.

On May 10, 2000, the Governor signed the Education Appropriations bill (HF 2549) on the University of Northern Iowa campus. The bill appropriates \$695.4 million to the Regent institutions, which is \$2.7 million less than the original FY 2000 appropriations. The Governor vetoed two items in this bill relating to the Regent institutions.

One vetoed item directed the Cooperative Extension Service at Iowa State University to conduct a study on duplication of educational materials, seminars, and assistance between the Extension Service and the Department of Human Services. The Governor noted that the legislature had not provided additional resources for this task and that the study would unnecessarily divert resources from the important services provided by the Extension Service.

The other item directed the University of Iowa to develop and maintain a database regarding treatment options of neonatal brachial plexus injury and treatment. The Governor noted that University officials have indicated their willingness to continue discussions with interested parties to provide communication with concerned families regarding this matter.

The Governor signed the Infrastructure bill (SF 2453) on May 11, 2000. This bill appropriates capital funds for the Regent institutions, which includes \$16.2 million in FY 2001, \$15.6 million in FY 2002, and \$11.4 million in FY 2003, for capital projects as detailed in the following table:

GENERAL
June 14-15, 2000

<u>Item</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>Total</u>
SUI Biology Renovation	\$4,400,000	\$7,300,000	\$3,000,000	\$14,700,000
ISU Gilman Hall - HVAC	8,500,000	2,500,000	-	11,000,000
ISU Planning – College of Business Bldg.	300,000	-	-	300,000
UNI McCollum Science Hall Addition	2,700,000	5,800,000	8,400,000	16,900,000
ISD Replacement of Water System	<u>250,000</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Total	\$16,150,000	\$15,600,000	\$11,400,000	\$43,150,000

Other appropriations bills signed by the Governor with funding for the Regent institutions include the Economic Development Appropriations bill (SF 2428) with \$7.5 million of direct appropriations for FY 2001, which are \$313,259 less than the original FY 2000 appropriations; the Administration and Regulation Appropriations bill (HF 2545), which modifies the payment mechanism for workers' compensation claims and appropriates \$1.9 million to the Regents for these claims; and the Agricultural Appropriations bill (SF 2430), which contains FY 2001 allocations to Iowa State University.

The Salary Appropriations bill (SF 2450) appropriates \$42.2 million to state agencies with the Regent allocation determined to be \$18.2 million for funding Regent salary increases. To fully fund the state salary policy increase of 4 percent at the Regent institutions, exclusive of health insurance increases, funding from state appropriations would have to total \$27.4 million for FY 2001.

The Technology Appropriations bill (SF 2433) includes a \$1 million allocation to the University of Northern Iowa for a 21st century learning initiative. Funding for this initiative depends upon FY 2000 reversions from state departments (these will not be determined until August). Technology projects are to be funded in priority order as listed in the bill. The University of Northern Iowa technology initiative is listed after the first \$7.5 million are allocated to the state's general fund to balance the state's FY 2001 budget and after \$1.5 million are allocated to the Department of Education for purposes of making technology available to students of accredited nonpublic schools.

This 21st century learning initiative was part of the Governor's recommendation for the proposed Information Technology Department. The bill language requires that the University of Northern Iowa consult with the Division of Information Technology Services of the Department of General Services and the Department of Education in developing this initiative.

Executive Director Stork reviewed the report with the Regents. He said the Regents were presented with the final appropriations figures, as approved by the Governor. There were two item vetoes last month. The Regents salaries were underfunded by \$9 million. The good news related to the list of Regent capital projects funded from the state infrastructure fund.

Regent Fisher referred to the capital funding and asked if the Regents request funding every year or was the appropriation a three-year appropriation? Executive Director Stork responded that three years ago the Regents had an agreement not to request capital appropriations for the universities for two years; however, that was not the case this year. The newly-approved projects will be cash flowed over three years. The Board will not request additional appropriations for these projects but will request appropriations for other capital projects for FY 2002. These requests should come before the Board next month.

Regent Fisher asked if the Board of Regents would continue to request capital appropriations each year. Director Stork responded affirmatively. He said the Board of Regents approves a five-year capital plan every year in September. As a part of that plan, the Board approves legislative capital askings for the next year, as well.

President Newlin stated that the Regents were disappointed with the level of operating appropriations but would move forward with what was provided.

ACTION: President Newlin stated the Board received the final report on the 2000 legislative session, by general consent.

REPORT OF THE BANKING COMMITTEE. The Board Office recommended the Board approve the report of the Banking Committee.

Regent Fisher stated that the Banking Committee had met on the morning of June 14. The Banking Committee approved a 28E Agreement regarding a mobile burn unit, renewal of contracts with bond counsel and financial advisor, and the master lease financing for Lakeside Laboratory housing subject to the Board's approval to purchase and relocate such housing. He said the Banking Committee also received investment and cash management reports for the quarter ending March 31, 2000.

MOTION: Regent Fisher moved to approve the report of the Banking Committee. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

PRELIMINARY GENERAL FUND OPERATING AND ATHLETICS BUDGETS FOR FY 2001. The Board Office recommended the Board refer to the individual preliminary budgets for FY 2001.

Strategic planning goal 4.1.1.0 requires the Board annually to review and approve institutional resource allocations and reallocations consistent with the Board and institutional strategic plans. In accordance with this goal and the Board's budget process, budgets are presented to the Board at various times before final approval is requested.

At the May Board meeting, the institutions presented conceptual operating budgets that provided overviews of institutional planning as it relates to strategic planning, legislative action, and major budgetary decisions. This month, preliminary budgets were presented to the Board for review before final budgets are presented to the Board in July for approval. This gives the Board an opportunity to provide direction to the institutions before final budgets are completed.

The preliminary FY 2001 general fund operating budgets for the Regent institutions, including the University of Iowa Hospitals and Clinics, total \$1.5 billion. In developing the individual preliminary budgets, the institutions were guided by the strategic plans of the Board and each respective institution.

During FY 2000, the institutions experienced a legislative reduction in state appropriations of \$3.4 million. For FY 2001, base institutional operating appropriations are reduced by \$3.0 million and the salary appropriation allocation of \$18.2 million is approximately \$9.2 million less than the full funding needed to implement the state salary policy of 4 percent, excluding health insurance. A 10 percent health insurance increase for the Regent institutions would total approximately \$4.1 million.

Legislative intent language merged the appropriations of three priority Regent initiatives - namely Public Health at the University of Iowa, Plant Sciences at Iowa State University, and Masters in Social Work at the University of Northern Iowa - into each university's general operating budget. However, these initiatives did not receive the level of new state funding requested by the Board. The universities have, nevertheless, indicated commitments to spend the full amounts authorized.

In October 1999, the Board approved a 4.3 percent increase in base tuition for FY 2001, with 2.3 percent to maintain quality and effectiveness and 2.0 percent to improve quality to achieve the aspirations of the Board's strategic planning goals of excellence. The universities are proposing to use all of the increased tuition revenues from the rate increase to cover shortfalls in operating and salary appropriations and for other mandatory cost increases.

In FY 1997, the Board established a five-year program of reallocations averaging 2 percent per year. The reallocation policy was not intended to be a budget reduction mechanism, but had a two-fold purpose: a) to maintain operations and improve quality by redirecting resources needed to build excellence, or b) engage in new opportunities. The institutions are proposing that the majority of the identified reallocations be directed to maintaining the quality that has been achieved in recent years.

Director Elliott reviewed with the Regents the information that was presented in the meeting materials.

President Newlin asked for the amount of shortfall caused by the underfunding of the projected 10 percent increase in health insurance premiums. Director Elliott responded that the health insurance premium underfunding amounted to \$4.1 million.

Regent Turner asked if the 10 percent increase in premiums was a known amount. Director Elliott responded that 10 percent was an estimate at the time the materials were prepared.

President Jischke stated that 10 percent was almost certainly a low estimate; the actual amount of increase would probably be closer to twice that much.

Executive Director Stork stated that information from the rest of state government indicates that the amount of the health insurance premium increase would be in the area of 20 percent. If that is the case for the Regents, the amount of shortfall for health insurance premiums would be \$8.2 million.

Regent Fisher asked for the total appropriation to the Regents from state government. Director Elliott responded that general fund operating appropriations totaled \$691,167,511. "Other" appropriations were \$744,600 and the appropriation for workers compensation was \$1,893,373. Executive Director Stork noted that the appropriations identified by Director Elliott did not include capital appropriations.

Director Elliott noted that capital appropriations and tuition replacement, which are included in the restricted funds, would be added to reach the total level of state appropriations to the Regents.

Regent Fisher asked how to respond to a citizen who asks how much does the state appropriate in total to the Regent universities.

Executive Director Stork said it was important to make the distinction between the annual appropriations for operating needs of the universities versus capitals and tuition

replacement, particularly because tuition replacement is nondiscretionary. Total state funding of the Regent institutions was \$727 million. Director Elliott stated that in addition to the \$727 million the Regents also received \$28.1 million for tuition replacement.

Regent Turner asked for clarification regarding the appropriations for workers' compensation. Director Elliott responded that historically the workers' compensation funds have been appropriated to the Iowa Department of Personnel (IDOP) to handle all state government workers' compensation claims. The Regents are then billed annually by IDOP for claims paid out of the central funds. This year, the legislature reallocated the workers' compensation appropriation to all state agencies although IDOP will still administer the program and will bill back the institutions for anything over and above the amount of the appropriation.

Regent Fisher said he would like to know the total state funding of each university this fiscal year through general state appropriations, including capitals and tuition replacement, as compared to previous years. Executive Director Stork said the Board Office would prepare this information for distribution to Board members.

Regent Lande stated that it is helpful when one member of the Board of Regents asks for additional information that the information routinely be sent to the other Regents, also.

(a) University of Iowa. The Board Office recommended the Board (1) consider the preliminary FY 2001 general fund operating budget for the University of Iowa in the amount of \$908,696,049; (2) approve rate increases, effective July 1, 2000, for the University of Iowa Hospitals and Clinics (6 percent), Psychiatric Hospital (6 percent), and University Hospital School (6 percent); and (3) defer the University of Iowa's proposal for employer payment of domestic partner insurance coverage.

In accordance with the Board's strategic plan, University of Iowa officials presented its preliminary FY 2001 general operating fund budget. In July, University of Iowa officials will present its final FY 2001 general fund operating and restricted fund budgets to the Board for approval.

The University's FY 2001 general fund budget, which includes 17 different appropriation units and the operations of the university hospitals and clinics, totals \$908.7 million. The FY 2001 state operating appropriations for the University were \$2.2 million less than the amounts originally appropriated to the University for FY 2000.

GENERAL UNIVERSITY

The University's general education operations are accounted for within the general university unit for which the proposed budget is \$414.4 million. FY 2001 state appropriations for this general university budget unit total \$255.8 million, which include (1) a decrease of \$1.7 million to its base (FY 2000 original) operating appropriations, (2) \$7.2 million in appropriations for salary increases (which is \$3.7 million less than full funding to implement the state salary policy of 4 percent, excluding health insurance), and (3) \$0.8 million for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the University.

When the legislature combined the general university and the public health appropriations, intent language was added to the education appropriations bill that allows the University to expend an additional \$1.05 million for its Public Health initiative, for a total of \$2.1 million. The appropriation did not include incremental funding specifically for this spending authorization, but gives the University flexibility in managing its base appropriations reduction. University officials, though, are committed to spending \$2.1 million for its Public Health initiative.

University officials proposed to use all new tuition revenues generated by the 4.3 percent rate increase to cover the salary funding shortfall and other non-discretionary operating cost increases (maintenance of quality rather than improvement of quality).

University officials allocated the University's preliminary budget by its strategic goals as follows: strengthening undergraduate education (\$129.3 million), achieving premier graduate and professional programs (\$158.1 million), fostering distinguished research, scholarship, and artistic creation (\$63.0 million), facilitating interdisciplinary interaction in teaching, research, and service (\$12.1 million), and developing a highly productive organization (\$51.9 million).

The FY 2001 education appropriations bill eliminated the special purpose appropriations to the University for the National Advanced Driving Simulator (NADS). University officials proposed to allocate \$297,000 from general university funds to sustain the NADS operation during this transitional year in the absence of specific state support for this program. The current NADS program schedule calls for completion of installation by October 2000. When completed, the federal government will have approximately \$47 million invested in the NADS project. The University is committed to this partnership with the federal government.

UNIVERSITY OF IOWA HOSPITALS AND CLINICS

University officials proposed rate increases for patient services of 6 percent at the University of Iowa Hospitals and Clinics, Psychiatric Hospital, and University Hospital School. UIHC officials anticipate that this rate increase, combined with expected volumes and non-patient revenue sources, will yield an increase in net revenues of 4.4 percent. UIHC officials expect salary cost increases of 4 percent and other cost increases ranging from 3 percent - 6 percent.

DOMESTIC PARTNER INSURANCE COVERAGE EXPANSION

The Board Office recommended that the Board defer consideration of the University's proposal at this time, in part because state funding is not sufficient to meet the existing salary increases and health insurance coverages approved by the Board. Additionally, more research concerning the experience of the existing program, as approved by the Board, and similar programs at other institutions was recommended prior to Board approval of the request.

Director Wright stated that included in the University of Iowa's budget item was a request for the University to be authorized to provide same sex domestic partner coverage as is provided to spouses in the flexible benefits program of the University. Essentially, he said University officials wish to contribute to the health insurance premium for same sex domestic partners. He said the University already permits participation in the University health insurance program for same sex domestic partners although no University funding is provided and all of the premium payment must be made by the employee. In order to participate in the current program and, as University officials propose the program be modified, the employee must sign an Affidavit of Domestic Partnership with the same sex domestic partner.

Director Wright stated that the current program was approved by the Board in June 1992 and became effective in January 1993. Since that approval, both of the other universities have developed a same sex domestic partnership insurance offering. At the time the program was approved in 1992, the University of Iowa was placed in a national leadership position among universities in providing this coverage. Today, University officials indicate that approximately 110 of the 3,000 colleges and universities in this country provide for same sex domestic partner insurance. University officials also noted that about 20 percent of the Fortune 500 companies provide for same sex domestic partner health insurance. Director Wright stated that neither the University nor the Board Office is certain how many of those employers participating in the program contribute to the cost.

The University conjectures participation would cost \$18,000 to \$43,000 for the first year of the same sex domestic partner health insurance benefit program. Director Wright said there were several reasons why the Board Office recommended the Board defer action on the University's request. Insurance and salary funds are not fully funded by the state this year. While the sum of money may be small, he said there is the symbolism of adding to this cost. The report that the Board requested in 1992 when it approved the present program was to be completed in three years. The Board received a report based on 30 months of experience. There have now been seven years of experience with the program. The Board Office felt that it would be appropriate for the Board to have a report on the full seven-year history before making a decision. The Board Office also believed that the Board should have some information about how the University projects participation might change based on the experiences of other universities that are paying the employee contribution for the same sex domestic partner. The Board Office also noted that while the Board changed the same sex domestic partner insurance policy over a period of two years for the other two universities, it might be preferable to make one policy change that would affect all Regent institutions. Doing so would require interinstitutional consultation at a level that has not yet taken place.

The Board Office also noted that the availability of a domestic partner insurance program, which involves no institutional funds, is already in place at all three universities. Thus, it appears the University of Iowa's existing program, as approved by the Board, is consistent with many of the programs of the 110 other universities that offer domestic partner insurance. Further analysis of the programs offered at the University's peer institutions needs to be undertaken. The Board has approved the University of Iowa's peer group of 10 universities. Of this peer group, only three, in addition to the University of Iowa, offer domestic partner insurance. (University of California at Los Angeles, University of Michigan, and University of Minnesota.) More detailed information concerning employer contributions to same sex domestic partner insurance and experience at the other institutions would be instructive. Some employers who have not financially supported domestic partner insurance have reasoned that a person who marries is bound at law to be responsible for the debts of their spouse and children. In order to assist the employee with this legal obligation, the employer provides financial assistance for health insurance for the employee, spouse, and children. The law imposes no such responsibility on those who elect to live together outside of marriage, whether of the same or opposite gender. (Some obligations vary for common law marriages and for children born outside of a marriage but acknowledged by a birth father.) Hence, these employers have reasoned that if the law did not impose financial responsibility, the employer should not be financially responsible for the benefit.

Director Wright stated that while the Board Office recognizes that this is a growing program for colleges and universities across the nation as well as for private industry, more information and greater interinstitutional consultation would be appropriate.

President Coleman provided the Regents with background about how the proposal came to her. The proposal was first developed through the University's Funded Retirement Insurance Committee, chaired by Professor Shelley Kurtz from the law school. She said the proposal then went to the Faculty Senate and to the Staff Council. The proposal was widely discussed in both groups and received enthusiastic approval from both the Faculty Senate and the Staff Council. The proposal was then brought to President Coleman to bring to the Board. She brought the proposal to the Board with her support. She said the proposal had received wide support on the campus.

After discussion of the Board Office recommendations and the implications for the other two Regent universities, President Newlin asked if there was a motion relative to the proposal.

MOTION: Regent Turner moved to accept the University of Iowa's proposal for the employer payment of domestic partner insurance coverage. Regent Kennedy seconded the motion. The motion carried with Regents Ahrens, Fisher and Kelly voting "no".

President Coleman reviewed with the Regents the University of Iowa's preliminary general fund operating budget. She said appropriations were \$2.764 million below the support provided last year for the general education budget. She discussed other challenges including salary underfunding, inflationary cost increases, and lack of funding for opening new buildings and the National Advanced Driving Simulator. This will be a year of re-examining the University. Several principles will be involved in the re-examination including the University's strategic plan, state salary policy and the ability of students to graduate in a timely fashion. University officials wish to avoid layoffs and furloughs. Funds for non-salary price inflation, except library inflation, will not be provided. Budget reductions had already taken place due to state deappropriations for FY 2000. She said University officials will not change their commitments to students. The strategic planning program review process will be augmented for additional reallocation opportunities.

President Coleman provided specifics regarding revenue and expense reductions. She said the salary underfunding will be covered by redeploying tuition revenues that were originally targeted for quality improvements. University officials will reduce the building renewal budget, the utility budget and the budgets of individual units. Capital projects

will be deferred including the Phillips Hall auditorium remodeling, Gilmore Hall HVAC, and general campus classroom projects. One percent of the building value for building repairs was the annual target. The University will begin falling behind in trying to reach the target if it does not receive the funding to catch up next year. Library inflation would be funded at \$300,000 which was one-half of what was provided last year. She said that amount will not allow the University to keep its current subscriptions. The result will be a compromise of the strategic planning goal of having one of the top 15 public university libraries in the country. The projected increase of \$608,000 for utility inflation will not be funded. The utility budget will be reduced by \$500,000. The projected increase of \$300,00 for building renewal inflation will not be funded. The projected increase of \$250,000 for equipment inflation will also not be funded. The shortfall for opening new buildings will be covered with new tuition revenue and indirect cost recoveries as well as additional reductions to academic and administrative units. The NADS shortfall of \$297,000 will be covered by additional reductions to academic and administrative units and indirect cost recoveries.

President Coleman discussed what the University will not be able to do because of the budget shortfalls. She said that in addition to building repairs that will be deferred this year, there will be little or no progress on many of the initiatives that the Board and the students expected the new tuition revenue to be dedicated toward. Those initiatives include smart classrooms, rapid response management, technology in the classrooms, next generation science faculty recruitment and start-up, furnishings for common gathering places, improved electronic connectivity, experiential learning opportunities such as study abroad, student disability accommodations and expansion of student support functions.

President Coleman stated that University of Iowa officials reallocated \$14.7 million in FY 2000 and projected to reallocate \$10.9 million in FY 2001, which was above the 2 percent target. She said key components of the reallocation program include the need to redirect for large new systems. Academic and administrative budgets are being cut to absorb a portion of the underfunding. University officials will be looking for ways throughout the year to save money.

Regent Fisher referred to the proposed 6 percent rate increase for University of Iowa Hospitals and Clinics and asked what amount of money the increase would equal. Mrs. Rice said the rate increase would net out to a 4.4 percent increase. The sum of \$35 million will be generated by the rate increase.

Regent Fisher referred to the mandatory cost increase for amortization of capitalized systems and Y2K of \$952,000, and asked if that was a non-cash item. President Coleman said the University has spent about \$5 million per year over a number of years for that item. Vice President True stated that it was a cash cost to reimburse for the

cost of systems purchased over a period of time. A cash transfer is made each year in order to reimburse the University.

President Coleman stated that University officials have discussed in past University of Iowa Hospitals and Clinics quarterly reports that operating margins are expected to continue to decline. UIHC is doing pretty well but it is basically "treading water". Gains are not being made on the operating margin.

Mrs. Rice said the UIHC has to continue to save money through cost reductions with a target of removing \$65 million from the budget. The rate increase will keep the UIHC whole because of the other revenues that are being removed.

Regent Fisher asked if cost reduction was vital to the bottom line. Mrs. Rice responded affirmatively.

Regent Turner asked if the \$35 million in revenue from a 6 percent rate increase assumed an increase in patient volume or for reimbursement to remain at the same level. Mrs. Rice said the cents/dollar being collected would continue to decrease. UIHC officials anticipate minimal volume changes.

Regent Turner said the UIHC would have to keep at least the same volume and the same reimbursement to realize the \$35 million in revenue from the proposed rate increase. Mrs. Rice agreed.

President Newlin stated that that Regents' long-term goal for reallocation is that those moneys be devoted to quality. He said President Coleman had indicated that some of the reallocated funds would go toward improving quality and other reallocated funds would go to make up for the appropriations shortfall. He referred to the FY 2002 budget and asked if University officials would be able to maintain the policy of 2 percent reallocation toward quality.

President Coleman responded that University officials would try their best. University officials are examining more carefully everything the University does.

Regent Neil referred to the items the University will not be able to do as a result of the appropriations shortfall, as identified by President Coleman. He asked if the Regents could obtain a written summary of those items. President Newlin responded that the minutes would contain a listing of those items.

Regent Neil noted that the College of Liberal Arts had reallocated \$2 million. From where did those funds come? President Coleman responded that much of the reallocation is from faculty lines when faculty leave the University. University officials

look carefully at department enrollments. Some departments are experiencing tremendous growth while others are not. University officials would provide more specific information on reallocations at the July Board meeting.

Regent Neil said he would appreciate knowing from where the reallocated funds are coming in all instances so the Regents have a complete picture.

MOTION: Regent Fisher moved to (1) consider the preliminary FY 2001 general fund operating budget for the University of Iowa in the amount of \$908,696,049 and (2) approve rate increases, effective July 1, 2000, for the University of Iowa Hospitals and Clinics (6 percent), Psychiatric Hospital (6 percent), and University Hospital School (6 percent). Regent Lande seconded the motion. MOTION CARRIED UNANIMOUSLY.

(b) Iowa State University. The Board Office recommended the Board (1) consider the preliminary FY 2001 general fund operating budget for Iowa State University in the amount of \$397,915,455 and (2) approve the FY 2000 budget ceiling increases of \$269,671 for the Agriculture and Home Economic Experiment Station for a revised FY 2000 budget of \$40,235,541, and \$83,574 for the Cooperative Extension Service for a revised FY 2000 budget of \$31,709,285.

In accordance with the Board's strategic plan, Iowa State University officials presented its preliminary FY 2001 general operating fund budget. In July, Iowa State University officials will present its final FY 2001 general fund operating and restricted fund budgets to the Board for approval.

The University's FY 2001 general fund budget, which includes eight different appropriation units, totals \$397.9 million. The FY 2001 state operating appropriations for the University were \$0.9 million less than the amounts originally appropriated to the University for FY 2000.

The University's general education operations are accounted for within the general university unit for which the proposed budget is \$317.7 million. FY 2001 state appropriations for this general university budget unit total \$202.5 million, which include (1) an increase of \$0.2 million to its base (FY 2000 original) operating appropriations, (2) \$5.5 million in appropriations for salary increases (which is \$2.8 million less than full funding to implement the state salary policy of 4 percent, excluding health insurance), and (3) \$0.6 million for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the University.

When the legislature combined the general university and the plant sciences appropriations, intent language was added in the education appropriations bill that allows the University to expend an additional \$2.5 million for its Plant Science initiative, for a total of \$4.7 million. The appropriation did not include incremental funding specifically for this spending authorization, but gives the University flexibility in managing its base appropriations reduction. University officials, though, are committed to spending \$4.7 million for its Plant Sciences initiative.

University officials proposed to use most tuition revenues generated by the 4.3 percent rate increase to cover the salary shortfall and other non-discretionary operating cost increases (maintenance of quality rather than improvement of quality). Of the \$7.6 million planned reallocations (2.0 percent of the FY 2000 revised general university budget), University officials proposed to use \$3.5 million of the reallocations to address the budget shortfall and \$4.1 million for programmatic reallocations.

University officials allocated the University's preliminary budget by its strategic planning goals of learning (\$199.0 million), discovery (\$145.2 million), and engagement (\$53.7 million).

Iowa State University officials requested approval of budget ceiling adjustments for FY 2000 of \$269,671 for the Agriculture and Home Economic Experiment Station for a revised FY 2000 budget of \$40.2 million, and \$83,574 for the Cooperative Extension Service for a revised FY 2000 budget of \$31.7 million. The federal funding was higher than estimated. Iowa State University officials proposed to use these additional funds for supplies and services.

President Jischke presented the preliminary general fund budget summary for Iowa State University. He discussed FY 2000 and 2001 budgets by revenue source, changes in general fund appropriations from FY 2000 to FY 2001, revenue increases, reallocations and allocations, mandatory cost increases, and allocations by strategic plan goals. He stated that enrollments are growing. University officials were grateful for the plant sciences appropriation. Appropriations reductions were experienced in general university funding, the Experiment Station, Cooperative Extension, Institute for Physical Research and Technology, Small Business Development Center and the Research Park. With regard to the new method of appropriating funds for workers compensation, he said he did not understand why it had been developed in this manner, and that it was not a wise policy. He said a \$2.5 million increase in tuition and fees revenue was due to an accounting change. Last month, University officials indicated that the estimated shortfall in salary and benefits costs was approximately \$5 million. University officials are distributing less than the 4 percent salary increase (3.6 percent).

The University is also only funding a 4 percent increase in health care benefits which means the employees are absorbing the additional cost.

President Jischke referred to the mandatory cost increases and said it was troubling when the state helps fund a building but will not help fund the operating cost. University officials have set aside tuition funds for need-based financial aid.

Regent Fisher referred to the increased costs for health insurance premiums. He asked if employees would be asked to pay a larger fraction of that cost. President Jischke responded that the university would pay an additional 4 percent.

Regent Neil asked if all three universities use a cafeteria-type benefits plan. President Jischke said it was his understanding that all three universities have such a menu of health plans for employees. President Coleman stated that the University of Iowa has a menu of health plans for its employees. President Koob said the University of Northern Iowa offers choices but not a full cafeteria plan.

Regent Neil asked if the same position on the amount of employer contribution toward employee benefits would be taken across the whole system. President Koob said the University of Northern Iowa had no choice; benefits are negotiated along with salaries. President Coleman said the University of Iowa is shifting some costs to its employees because it cannot come anywhere close to making up the cost difference. The University of Iowa will fund 50 percent of the expected increase in health insurance premiums.

President Jischke stated that, as a matter of policy, Iowa State University increases the amount it contributes toward employee benefits by the same percentage that salaries are increased. The employees make choices on how to allocate those dollars.

Regent Turner asked for clarification regarding salary increases averaging 3.6 percent. President Jischke stated that University officials have calculated that it would cost 3.6 percent to increase the pool of dollars for filled continuing positions. He said there would be some additional reallocation into salaries for particularly competitive positions which would increase the average a little. There has also been a pattern over time of higher percentage increases for lower paid employees. University officials did not want the net resulting salary increase number that will be reported to the Board in the fall to be above 4 percent. They expect the average to be 4 percent.

Regent Neil asked that in July President Jischke provide a list of items, similar to that presented by President Coleman, of what the University will not be able to do as a result of the lack of appropriations.

President Jischke said it was his intention to describe precisely which positions would be eliminated, where every dollar of reduction would come from and some sense of the impact. He said the University will not avoid at least a small number of lay offs.

Regent Turner referred to allocations made according to strategic plan goal 3, engagement, and asked for an explanation of strategic initiatives (pending commitments). President Jischke responded that University officials have withheld identifying those until there is certainty about the amount of income from tuition.

Regent Lande referred to the one-page ISU budget summary which was distributed for this presentation. He asked that the Board Office consider utilizing such a format.

MOTION: Regent Lande moved to (1) consider the preliminary FY 2001 general fund operating budget for Iowa State University in the amount of \$397,915,455 and (2) approve the FY 2000 budget ceiling increases of \$269,671 for the Agriculture and Home Economic Experiment Station for a revised FY 2000 budget of \$40,235,541, and \$83,574 for the Cooperative Extension Service for a revised FY 2000 budget of \$31,709,285. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

(c) University of Northern Iowa. The Board Office recommended the Board consider the preliminary FY 2001 general fund operating budget for the University of Northern Iowa in the amount of \$130,610,085.

In accordance with the Board's strategic plan, University of Northern Iowa officials presented its preliminary FY 2001 general operating fund budget. In July, University of Northern Iowa officials will present its final FY 2001 general fund operating and restricted fund budgets to the Board for approval.

The University's FY 2001 general fund budget, which includes four different appropriation units, totals \$130.6 million. FY 2001 state appropriations for the University of Northern Iowa total \$91.8 million, which include (1) an increase of \$68,211 to its base (FY 2000 original) operating appropriations, (2) \$2.4 million in appropriations for salary increases (which is \$1.2 million less than full funding to implement the state salary policy of 4 percent, excluding health insurance), and (3) \$0.4 million for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the University.

When the legislature combined the general university and the Masters in Social Work appropriations, language was added in the education appropriations bill that allows the University to expend an additional \$150,000 for its Masters in Social Work program, for a total of \$450,000. Additional intent language includes up to \$100,000 for the roadside vegetation project and up to \$200,000 for the Iowa Office for Staff Development. The appropriation did not include incremental funding specifically for these spending authorizations, but gives the University flexibility in managing its base appropriations. University officials, though, are committed to spending the dollars for the identified areas.

University officials proposed to use all new tuition revenues generated by the 4.3 percent rate increase to cover the salary funding shortfall and other non-discretionary operating cost increases. Of the \$4.9 million planned reallocations (3.9 percent of the FY 2000 revised general university budget), University officials proposed to use \$1.9 million of the reallocations to address the budget shortfall and \$3.0 million for programmatic reallocations.

The preliminary budget has been allocated by its strategic planning goals of generating an intellectually demanding and stimulating environment (\$87.7 million), promoting a sense of community (\$6.5 million), managing resources effectively (\$34.0 million), and improving external relations (\$2.4 million).

President Koob presented the University of Northern Iowa's preliminary budget information. With regard to new revenues allocation, he said the budget was about \$30,000 to the positive without the salary appropriation which was offset by additional obligations. He identified two sources of shortfall: 1) salary and benefits, and 2) additional obligations placed on the University without the money to meet those obligations. The net effect requires the University to spend more than it received in appropriations. The University has reallocated about 3.9 percent of the budget which allows the University to meet the 2 percent target for quality enhancements. He said University officials were able to do that for one reason only. The University of Northern Iowa is undergoing extraordinary turnover of faculty, largely due to retirements. Having those positions open provides the flexibility to meet the shortfalls in a straightforward way. However, doing so is very dangerous for the University. The University of Northern Iowa has as its strategic goal and as its history 75 percent of its faculty being tenured and tenure track. He said that number has dropped sharply. By using those faculty funds to cover the budget shortfall, the University will not reach its strategic plan goal. He said there would be an enormous impact on the quality of the University if it is allowed to continue. In order to put the faculty back at the University's traditional ratio, University officials will come to the Board in the next year to ask to make up for the difference. For one year only, University officials have taken money out of the faculty lines.

ACTION: President Newlin stated the Board considered the preliminary FY 2001 general fund operating budget for the University of Northern Iowa in the amount of \$130,610,085, by general consent.

(d) Iowa School for the Deaf. The Board Office recommended the Board (1) consider the preliminary FY 2001 general fund operating budget for the Iowa School for the Deaf in the amount of \$8,735,589 and (2) consider the preliminary FY 2001 restricted fund budget for the Iowa School for the Deaf in the amount of \$1,370,068.

The preliminary FY 2001 general fund operating budget and the restricted fund budget at the Iowa School for the Deaf (ISD) were presented in accordance with the Board's strategic plan. Iowa School for the Deaf officials will present its final FY 2001 operating and restricted fund budgets to the Board for approval in July.

The School's proposed general fund operating budget totals \$8.7 million. The FY 2001 state operating appropriations are \$12,631 less than the amounts originally appropriated to the School for FY 2000. In addition to the reduced base operating appropriations, the School will receive a salary appropriation allocation of \$169,835 (which is \$87,000 below the level of funding needed to implement the state salary policy of 4 percent, excluding health insurance) and \$43,806 for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the School.

The Iowa School for the Deaf preliminary FY 2001 general fund operating budget, including reallocations of \$178,862 (2.1 percent of the FY 2000 revised budget) reflects the School's commitment to the strategic plans of the Board and the institution. Internal reallocations address several priorities of the Iowa School for the Deaf strategic plan, the school improvement plan, and the instructional technology plan.

The FY 2001 preliminary restricted fund budget of \$1.4 million is \$3.8 million less than FY 2000 primarily due to a large decrease from the one-time FY 2000 capital appropriation of \$3.2 million for the new Recreation Complex.

Revenue generated from the State of Nebraska students attending Iowa School for the Deaf accounts for \$1 million of the restricted fund budget. This represents a decrease of \$188,277 from FY 2000 due to the expectation that three less students will attend during FY 2001.

Superintendent Johnson stated that the focus of the operating budget would be to fund fully all salaries. The number of anticipated Nebraska students (18) was the best estimate at this time.

ACTION: President Newlin stated the Board, by general consent, (1) considered the preliminary FY 2001 general fund operating budget for the Iowa School for the Deaf in the amount of \$8,735,589 and (2) considered the preliminary FY 2001 restricted fund budget for the Iowa School for the Deaf in the amount of \$1,370,068.

(e) Iowa Braille and Sight Saving School. The Board Office recommended the Board consider the FY 2001 preliminary general fund operating budget for the Iowa Braille and Sight Saving School in the amount of \$4,910,093.

The preliminary FY 2001 general fund operating budget at the Iowa Braille and Sight Saving School (IBSSS) is presented in accordance with the Board's strategic plan. Iowa Braille and Sight Saving School officials will present its final FY 2001 operating and restricted fund budgets to the Board in July.

The School's proposed budget totals \$4.9 million. The FY 2001 state operating appropriations are \$7,358 less than the amounts originally appropriated to the School for FY 2000. In addition to the reduced base operating appropriations, the School will receive a salary appropriation allocation of \$101,855 (which is \$52,268 below the level of funding needed to implement the state salary policy of 4 percent, excluding health insurance) and \$18,599 for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the School.

The Iowa Braille and Sight Saving School preliminary FY 2001 general fund operating budget, including reallocations of \$385,378 (8.2 percent of the FY 2000 revised budget), reflects the School's commitment to the strategic plans of the Board and the institution. The reallocations will be concentrated in areas that support the offering of a smaller, more focused nine-month residential program; creating alternative placement options including expanded summer school and short-term placements; and creating parent and professional development programs. School officials proposed to use some of the reallocations to offset the operating and salary shortfalls and meet inflationary adjustments.

In its budget, School officials emphasize focusing services to meet better the needs of visually-impaired students in line with its strategic planning goals of quality and access to education, diversity, and finances. Iowa Braille and Sight Saving School continues to support educational programs that enable visually impaired and blind youth throughout Iowa to function as independently as possible in all aspects of life by providing appropriate educational opportunities, resources, and support services.

Director Hooley presented the school's preliminary FY 2001 budget.

ACTION: President Newlin stated the Board considered the FY 2001 preliminary general fund operating budget for the Iowa Braille and Sight Saving School in the amount of \$4,910,093, by general consent.

(f) Regional Study Centers. The Board Office recommended the Board (1) approve the distribution of the Quad-Cities Graduate Study Center's FY 2001 appropriation of \$175,686 including salary increase funds, (2) approve the distribution of the Tri-State Graduate Center's FY 2001 appropriation of \$85,936 including salary increase funds, (3) approve the distribution of the Southwest Iowa Regents Resource Center's FY 2001 appropriation of \$117,546 including salary increase funds, and (4) consider the preliminary FY 2001 budgets for the Quad-Cities Graduate Study Center (\$388,680), the Tri-State Graduate Center (\$140,726) and the Southwest Iowa Regents Resource Center (\$148,600).

Each year funds are appropriated to the Board of Regents for distribution to the Quad-Cities Graduate Study Center, the Tri-State Graduate Center, and the Southwest Iowa Regents Resource Center. The annual reports for the study centers were presented to the Board in May. The FY 2001 preliminary budgets were consistent with the conceptual budgets presented to the Board last month.

FY 2001 State of Iowa appropriations for the Regional Study Centers total \$369,484, which equals the FY 2000 State of Iowa funding for the centers. In addition, the sum of \$9,684 from the salary appropriations bill will be available to fund salary increases.

The Board was asked to approve a distribution of funds to the study centers. The distribution includes the individual appropriation amounts included in the education appropriations bill (HF 2549) and an allocation of funds for salary increases based upon Iowa's share of the centers' personnel bases. The recommended distribution was as follows:

	FY 2000 <u>Approp.</u>	FY 2001 <u>Approp.</u>	FY 2001 <u>Salary</u>	Total <u>FY 2001</u>
Quad-Cities Graduate Study Center	\$171,382	\$171,382	\$4,304	\$175,686
Tri-State Graduate Center	83,778	83,778	2,158	85,936
Southwest Iowa Regents Resource Center	<u>114,324</u>	<u>114,324</u>	<u>3,222</u>	<u>117,546</u>
TOTAL	\$369,484	\$369,484	\$9,684	\$379,168

No significant changes from FY 2000 were anticipated in the FY 2001 budgets of any of the Regional Study Centers. Small mandatory cost increases are included for the Southwest Iowa Regents Resource Center. These increases will not be funded from State of Iowa appropriations.

Associate Director Racki reviewed with the Regents the information that was presented in the meeting materials.

MOTION: Regent Kennedy moved to (1) approve the distribution of the Quad-Cities Graduate Study Center's FY 2001 appropriation of \$175,686 including salary increase funds, (2) approve the distribution of the Tri-State Graduate Center's FY 2001 appropriation of \$85,936 including salary increase funds, (3) approve the distribution of the Southwest Iowa Regents Resource Center's FY 2001 appropriation of \$117,546 including salary increase funds, and (4) consider the preliminary FY 2001 budgets for the Quad-Cities Graduate Study Center (\$388,680), the Tri-State Graduate Center (\$140,726) and the Southwest Iowa Regents Resource Center (\$148,600). Regent Fisher seconded the motion. MOTION CARRIED UNANIMOUSLY.

(g) Lakeside Laboratory. The Board Office recommended the Board:

- (1) Consider the preliminary FY 2001 operating budget of \$433,554 for the Iowa Lakeside Laboratory as approved by the Lakeside Laboratory Coordinating Committee, including \$353,724 in general funds to be provided as follows:

	<u>Amount</u>
University of Iowa	\$174,879
Iowa State University	107,559
University of Northern Iowa	<u>71,286</u>
Total	\$353,724

- (2) Approve the purchase of three sections of a motel complex in Spencer, Iowa, and their relocation to the Laboratory to help improve housing, subject to approval of the financing by the Board.

Last month, the Lakeside Laboratory Director submitted and the Lakeside Laboratory Coordinating Committee approved a conceptual, status quo FY 2001 general fund operating budget plus funds for faculty salary increases. The Director submitted and the Coordinating Committee approved a detailed FY 2001 general fund operating budget totaling \$353,724 which is consistent with the conceptual budget previously approved.

The submitted total FY 2001 general fund budget is \$9,882 (+2.9 percent) higher than the approved FY 2000 general fund budget and is calculated based on a 4 percent average increase in the budgeted amount for faculty and staff salaries. The general fund budget for the Laboratory is provided by the universities; a recommended allocation is included above. Review and approval of the Laboratory's budget is consistent with the Board's strategic plan (action step 4.1.1.2) and provides effective stewardship of resources.

The Laboratory's general fund operating budget has increased at a lower rate than that of any other Regent institution during the last six years, and this has already forced Lakeside Laboratory to reduce expenditures to a minimum. Lakeside Laboratory does not receive any tuition revenues and consequently cannot offset cuts in its operational budget from tuition income.

In 1994, when the Board reorganized the administration and funding of Iowa Lakeside Laboratory, it established eight goals for the Laboratory; among these goals was improving the financial situation. Lakeside Laboratory's operational budget in FY 1995 was \$300,000. The FY 2000 operational budget is \$343,842, for a total increase of 14.6 percent over the last six years or 2.4 percent per year. For the first four of the last six fiscal years, Lakeside Laboratory's budget was inadequate to meet its fixed expenses (staff and faculty salaries, utilities, maintenance, etc.) and only in FY 1999 was Lakeside Laboratory, for the first time, able to balance its operating budget.

The Lakeside Laboratory Coordinating Committee requested that the Board approve the purchase and relocation to Iowa Lakeside Laboratory of three sections of a motel complex in Spencer, Iowa. The three sections, which total 14 rooms, would more than double Lakeside Laboratory's winterized housing. The estimated cost of purchasing the motel units, moving them to the Laboratory, constructing the foundations, demolishing the existing buildings and hooking up utilities is approximately \$147,000. Of this amount, \$20,000 would be provided by currently available housing revenues and the remaining funds would be borrowed through the Board's master lease agreement with Wells Fargo Brokerage Services, LLC (previously known as Norwest Investment Services). Board approval of the use of master lease financing was sought this month.

It was proposed that the room and board budget increase by 4 percent. FY 2001 room and board revenues would increase because new winterized housing units would replace existing unheated units. There would be a higher room and board rate for the winterized units to offset the higher utility costs associated with them.

Director van der Valk stated that there was a slight increase over last year's budget. He requested that the Board of Regents formally approve the purchase of three hotel units located in Spencer.

Regent Ahrens asked Director van der Valk to describe the activities of Lakeside Laboratory and how its courses are offered through the universities. Director van der Valk said Lakeside Laboratory is operated cooperatively by the three Regent universities. The Laboratory offers field experiences for students in disciplines that are offered in the Laboratory's setting. Students are provided with the opportunity to enroll at the Laboratory during the summer and become immersed in their disciplines.

Regent Ahrens asked if the course credits are granted by a student's original institution. Director van der Valk responded that the credits are granted to students through the institutions in which the students are enrolled.

Regent Turner asked if individuals from other universities are utilized at the facility. Director van der Valk responded that the Laboratory hires its faculty primarily from the Regent universities except for some disciplines that are not offered at the Regent universities.

Regent Lande asked if any one institution supplies a disproportionate number of students. Director van der Valk said the Laboratory attracts more students from Iowa State University, possibly because Iowa State University has more programs that are geared toward offerings at the Laboratory. Also, since Iowa State University has taken over the operation of the Laboratory, it has become more visible at Iowa State University.

Regent Ahrens thanked Director van der Valk for the hospitality. Regent Ahrens noted that more Iowa State University students attend offerings at the Laboratory than do students of the other two universities. She asked how the breakout of general funds contributions to the Laboratory was decided. Director van der Valk stated that in 1994 most of the money for operating the Laboratory was in the University of Iowa budget. Iowa State University and the University of Northern Iowa had some staffing responsibilities. The proportion of operating funds from each university has never been a reflection of student enrollments.

MOTION:

Regent Kennedy moved to (1) consider the preliminary FY 2001 operating budget of \$433,554 for the Iowa Lakeside Laboratory as approved by the Lakeside Laboratory Coordinating Committee,

including \$353,724 in general funds to be provided as presented, and (2) approve the purchase of three sections of a motel complex in Spencer, Iowa, and their relocation to the Laboratory to help improve housing, subject to approval of the financing by the Board. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

(h) University Athletic Budgets. The Board Office recommended the Board give preliminary consideration to the FY 2001 preliminary athletic budgets for the University of Iowa, Iowa State University and the University of Northern Iowa.

The universities have prepared their FY 2001 preliminary athletic budgets, which total \$51.8 million for the three universities. In addition, \$2.2 million in men's athletic scholarships at the University of Iowa are not included in its athletic budget. Review of the athletic budgets is consistent with the Board of Regents strategic plan which provides for a review of institutional operating budget proposals (action step 4.1.1.2). Revenue by source is summarized below:

	SUI	ISU	UNI	Total
General Fund Support	\$1,925,000	2,345,424	2,921,814	\$7,192,238
Designated Tuition for Operations	0	960,000	586,450	1,546,450
Designated Tuition for Debt Service	710,000	0	0	710,000
Sports Income	11,207,500	7,981,011	871,950	20,060,461
Athletic Conference/ NCAA Support	7,168,000	4,780,135	179,000	12,127,135
Other Income	<u>4,740,000</u>	<u>3,850,679</u>	<u>1,596,000</u>	<u>10,186,679</u>
Total	\$25,750,500	\$19,917,249	\$6,155,214	\$51,822,963

The following table compares revenue by institution for the FY 2000 Board approved budget, FY 2000 estimate (current estimate of revenues and expenditures) and FY 2001 preliminary budget.

	FY 2000		FY 2000 Budget	FY 2001 Preliminary	
	Approved Budget	Current Estimate		% Change from FY 2000 Budget	% Change from FY 2000 Estimate
SUI	\$23,980,500	\$25,182,649	\$25,750,500	7.38%	2.25%
ISU	17,613,693	18,493,663	19,917,249	13.08%	7.70%
UNI	<u>5,607,534</u>	<u>5,806,902</u>	<u>6,155,214</u>	9.77	6.00%
Total	\$47,201,727	\$49,483,214	\$51,822,963		

Generally, the increases in income are comprised of a variety of fund sources, including sports income, athletic conference/NCAA support, general fund support and other income.

Budgeted University of Iowa sports income for FY 2001 includes increased football season and individual ticket prices for the home game with Iowa State University. There is also an increase,

equivalent to \$ 1.00 per game, for men's basketball season tickets for the public, staff and students, and a \$1.00 increase in individual game tickets. General public, single-ticket prices for football and men's basketball also increased for FY 2000.

Single-ticket prices for men's and women's basketball for FY 2001 will increase at Iowa State University. Men's single game tickets and women's adult single game tickets will increase by \$2/game. Women's ticket prices also increased during FY 2000.

No ticket price increases were included for the University of Northern Iowa.

Three years ago, the Board requested specific information on athletic scholarships, which are estimated to total \$9.3 million for FY 2001, as follows:

University of Iowa	\$4,122,800
Iowa State University	3,491,038
University of Northern Iowa	<u>1,674,460</u>
Total	\$9,288,298

The \$9.3 million included in the FY 2001 preliminary budgets compares to \$8.8 million included in the FY 2000 budgets. There is an increase in the number of budgeted women's scholarships at the University of Iowa and the University of Northern Iowa. Iowa State University's FY 2001 preliminary budget includes an increase in women's scholarships above the FY 2000 estimate.

All scholarships for athletes at Iowa State University and the University of Northern Iowa were included in the athletic budgets presented for consideration by the Board. Women's scholarships at the University of Iowa were included in the University's athletic budget presented to the Board and men's scholarships are funded by gifts for that purpose.

Associate Director Racki reviewed with the Regents the information that was provided in the meeting materials.

Regent Fisher referred to the University of Iowa's total scholarship funds of \$4.1 million and asked if that number included the Iowa Scholarship fund. Vice President True responded that funds from the private scholarship program to which Regent Fisher referred come directly to the financial aid program. The funds do not appear in the athletics budget. Although the funds flow separately and not from the rest of the athletics budget, the funds directly benefit men's student athletes.

Regent Fisher asked why Iowa State University's university support to athletics needed to be increased. President Jischke said there were two possible reasons. First, a certain fraction of the cost of salary increases is borne by the University. Second, the

University has been taking additional actions to increase competitiveness and to be in compliance with Title IX.

Regent Kennedy noted that \$300,000 of general University of Northern Iowa funds were estimated to be used for diversity support for intercollegiate athletics, yet funds were not budgeted for this purpose. She asked why the decision was made to do this and how the University relates diversity support to intercollegiate athletics.

President Koob stated that approximately two years ago, University of Northern Iowa officials reported to the Board in its strategic plan that financial aid would be increased in areas where there is under-representation including women in athletics. The funds dedicated to athletics are for minority students who might choose athletics and women who might choose athletics in areas where women are under-represented. He said that same financial aid program is available in other areas on the campus including music and debate.

Regent Kennedy asked if diversity support would be included in the preliminary budget for FY 2001. President Koob responded affirmatively, noting that the program has been very successful.

President Newlin referred to scholarships funded from other sources for the University of Iowa and questioned whether those should be explicitly approved as part of the total picture.

Vice President True stated that, beginning in July, University of Iowa officials would imbed the Iowa Scholarship funds specifically in the athletics budget.

Regent Turner asked whether the other institutions include private funds in the athletics budgets.

Vice President True stated that at the University of Iowa it is simply an accounting function because the money comes into the financial aid office rather than the athletics department.

President Jischke stated that the Iowa State University athletic budget includes private funds which are not used exclusively for scholarships. Private funds are seen as one of the sources of funds for the athletics department. There are some endowments for student aid scholarships, also.

President Koob said it was the policy at the University of Northern Iowa that all athletics department funds are run through the athletic budget.

ACTION: President Newlin stated the Board gave preliminary consideration to the FY 2001 preliminary athletic budgets for the University of Iowa, Iowa State University and the University of Northern Iowa, by general consent.

(i) Board Office. The Board Office recommended the Board (1) consider the FY 2001 preliminary operating budget of the Board Office in the amount of \$2,050,277 from all funds and (2) approve a transfer to the Department of Management in the amount of \$9,060 to offset costs of State budget/outreach meetings.

In accordance with the Board's strategic plan, the Board Office presented its preliminary FY 2001 operating budget. The final budget will be presented to the Board in July for approval.

The FY 2001 Board Office preliminary budget is funded with state appropriations and allocations to the Regent institutions. The FY 2001 state appropriations to the Board Office include a base appropriation of \$1,284,586, which is \$2,459 lower than the original FY 2000 appropriation; an allocation of state salary appropriations of \$32,767 (which is almost \$22,000 less than needed to implement the state salary policy of 4 percent); and \$3,982 for workers' compensation to reflect a change in state funding policy and distribution methodology, but does not represent new funding for the Board Office.

The Board Office budget for FY 2001 includes five positions and related travel expenditures in the University of Iowa budget. The proposed allocations to the Regent institutions for FY 2001, which follow, represent a 2.2 percent increase over the FY 2000 budget.

Institutional Allocations

University of Iowa	\$289,825
Iowa State University	284,073
University of Northern Iowa	130,930
Iowa School for the Deaf	13,360
Iowa Braille & Sight Saving School	<u>7,254</u>
	\$725,442

The Department of Management has requested a reimbursement from the Board of Regents for enterprise planning team outreach/budget meetings for FY 2001 funding. The Board Office understands that this transfer would be made pursuant to the provisions of Iowa Code §8.39 and that the Department of Management will take care of the approval, notification, and related provisions required by the statute for

interdepartmental transfers. It was recommended that the Board approve this one-time transfer to the Department of Management.

Executive Director Stork stated that the FY 2001 appropriations were somewhat less than FY 2000 appropriations. The Board Office would be making some budget adjustments.

MOTION: Regent Turner moved to (1) consider the FY 2001 preliminary operating budget of the Board Office in the amount of \$2,050,277 from all funds and (2) approve a transfer to the Department of Management in the amount of \$9,060 to offset costs of State budget/outreach meetings. Regent Ahrens seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

EXECUTIVE SESSION. President Newlin requested that the Board meet in closed session pursuant to Iowa Code §21.5(1)(i) upon the request of an employee whose performance was being considered.

MOTION: Regent Kelly moved to enter into closed session. Regent Ahrens seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Neil, Newlin, Turner.
NAY: None.
ABSENT: Smith.

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 3:50 p.m. on June 14, 2000, and adjourned therefrom at 5:05 p.m. on that same date.

ALLOCATIONS OF FY 2001 CAPITAL APPROPRIATIONS. The Board Office recommended the Board allocate the \$11,915,000 appropriated to the Board of Regents for FY 2001 for capital projects authorized by the First Session of the Seventy-Seventh General Assembly (1997 session) as set forth.

HF 733 of the Seventy-Seventh General Assembly, second session (1997 session) authorized \$70,415,000 in projects for the Board of Regents; funds were appropriated to the Board for the projects for FY 1998 - FY 2001.

The Board was authorized to determine the amounts to be allocated to each project for each fiscal year based upon project needs. The Board allocated the \$19,500,000 FY 1998 appropriation for the authorized projects in June 1997, the \$19,500,000 FY 1999 appropriation in June 1998, and the \$19,500,000 FY 2000 appropriation in June 1999.

The Board was requested to allocate the FY 2001 appropriation of \$11,915,000. The following allocation, plus the allocation of prior years, will equal the project amounts authorized by the 1997 General Assembly.

<u>Project</u>	<u>FY 2001 Allocation</u>
Medical Education and Biomedical Research Facilities (SUI)	\$2,622,000
Engineering Teaching and Research Complex, Phase II (ISU)	6,787,000
Lang Hall Renovation (UNI)	<u>2,506,000</u>
Total	\$11,915,000

The drawdowns of the appropriations will continue to be based upon project expenditures.

Executive Director Stork stated that this was the last allocation from the \$70 million approved by 1997 General Assembly.

MOTION: Regent Fisher moved to allocate the \$11,915,000 appropriated to the Board of Regents for FY 2001 for capital projects authorized by the First Session of the Seventy-Seventh General Assembly (1997 session) as set forth. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

FY 2001 CAPITAL IMPROVEMENT PLANS. The Board Office recommended the Board (1) receive the report on institutional FY 2001 anticipated capital improvement projects with the understanding that the proposed projects are subject to further review, availability of funding, and specific project approval by the Board, and (2) receive the status report on previously approved projects with budgets exceeding \$1 million.

The institutions submit to the Board in June of each year, as required by the Regent Procedural Guide §9.02 D, their capital plans for the upcoming fiscal year. Presentation of the plans is also consistent with objective 4.3 of the Board's strategic plan which provides for the maintenance and acquisition of physical facilities and equipment to meet stewardship responsibilities and changing institutional needs. The plans include an overview of anticipated capital improvement projects for all campus facilities and a status report on previously-approved projects with budgets exceeding \$1 million.

FY 2001 Anticipated Capital Projects

The institutions anticipate bringing to the Board for approval projects with estimated total costs of \$294.9 million. All projects are subject to further review, availability of funding, and specific approval by the Board. The distribution by institution of the projects is as follows:

	# of Projects	Estimated Cost
University of Iowa		
General University	16	\$ 43,334,000
University Hospitals	28	67,138,000
Iowa State University	19	135,374,655
University of Northern Iowa	18	47,803,000
Iowa School for the Deaf	2	350,000
Iowa Braille & Sight Saving School	8	926,000
Total	91	\$294,925,655

Of the total estimated cost of \$294.9 million, only \$48.7 million would be from state appropriations (capital appropriations, future capital appropriations, and building repair operating funds). Other sources of funds include: revenue bonds (\$74.8 million), gifts (\$68.7 million), UIHC Building Usage Funds (\$66.6 million), improvement reserves of self-supporting enterprises (\$17.0 million), income from Treasurer's Temporary Investments (\$11.4 million), and other sources (\$7.7 million).

The plans include projects to address fire and environmental safety; building deferred maintenance; and utility expansion, improvements and deferred maintenance. Also included are remodel/renovation projects; and telecommunications, parking and exterior improvements. The estimated cost of projects in these categories total more than \$118.8 million.

New building projects totaling \$176.1 million are included in the plans. Of this amount, the Board has previously granted permission to proceed with 8 projects totaling \$112.8 million. (The projects are included in the plans because the Board has not yet approved a project description and budget.)

The plans include more than \$57.6 million in anticipated projects for the university residence systems. Included are the remodeling of the dining areas of the Currier and Quadrangle Residence Halls at the University of Iowa, construction of the Union Drive Neighborhood portion of Iowa State University's Residence System Master Plan, and the next phase of the long-range plan for the residence system at the University of Northern Iowa.

Status Report

Approximately \$410.5 million in previously-approved projects with budgets exceeding \$1 million are in progress. Of this amount, projects totaling \$141.4 million are scheduled to be completed in FY 2001. Construction will continue during FY 2001 on \$212.6 million in projects. Previously approved projects for which construction is scheduled to begin in FY 2001 total \$56.5 million. Construction will also likely start in FY 2001 on some projects included on the anticipated list after appropriate Board approvals.

Executive Director Stork stated that this was the annual report concerning all potential capital projects at the institutions as well as status reports of capital projects in some stage of completion.

Associate Director Racki discussed the specifics of the capital improvement plans as submitted by the institutions. She noted that when the institutions are ready to request specific project approval, institutional officials will bring those forward to the Board. She said that in FY 1996 there were approximately \$218 million worth of projects in some state of design or construction. There were currently over \$400 million in projects.

Regent Fisher asked for an explanation of the Iowa State University Union Drive Neighborhood project. President Jischke responded that two to three years ago, Iowa State University officials reported on their long-term plans for upgrading the residence system, of which the Union Drive Neighborhood project is a part.

Regent Fisher referred to the University of Iowa quadrangle residence remodeling and dining project and asked why \$3 million of revenues was coming from the athletic department. Vice President True responded that it was a joint project between the residence system and athletic department to fulfill the needs of both. Men's and women's athletics officials want to build an academic center in a location that is central, close to food services and where a number of the student athletes live. The academic center will be used for a variety of activities including studying and tutoring. The rest of the space will be used by the broader student body.

Regent Fisher stated that the report did an excellent job of identifying the projects with sources of revenue. The report provided him with a better understanding of the projects and the revenue streams that will finance the projects. He emphasized the importance of the private funding.

President Newlin asked President Jischke to comment about the Jack Trice Stadium expansion including the timing and the revenue.

President Jischke stated that the Jack Trice Stadium expansion project, about which University officials were very excited, would expand facilities for four of Iowa State

University's largest athletic programs. He noted that the Regents may have heard or read in the media about the project, for which he apologized. University officials did not intend to go public about the project but the news had gotten out. He said that happens sometimes in projects that are funded exclusively with private sources because donors get excited and start talking about the project. Because of the very positive response from alumni and friends, University officials intend to bring the project to the Board for formal approval in July.

President Jischke stated that the project will enclose the south end of the stadium, create two indoor practice courts, add rest rooms and concessionaires at a cost of \$14 million, funded entirely with private donations. University officials were confident that they would be able to raise the money. President Jischke said there was no question that a new practice facility was needed for men's and women's basketball. The new practice facility will give the teams a space of their own and will give the coaches and team members a place where they can concentrate on becoming great student athletes. With regard to why University officials were proposing to add seats to the stadium, he said the seats sell out for some games. More seats could be sold if there were more seats available. University officials are looking to the future with this expansion.

When President Jischke arrived at Iowa State University, he began the process of rebuilding a football team, which he said is a long, arduous process. The University is seeing the results of that rebuilding. Coach McCarney has done an excellent job of engineering the rebuilding. He said it was true that the university was not filling all of the stadium seats for all of the games but it will and it must. As the athletic programs continue to improve, more fans will come. Iowa State University's stadium is the smallest stadium in the Big 12 and would continue to be the smallest even with the expansion. He said the expansion was key to the long-term strategy of the department and the university for intercollegiate athletics. The university is investing for the future. University officials have identified \$10 million of the \$14 million budget for the project. He stressed that the project was essential to the long-term health and success of the intercollegiate athletics program at Iowa State University.

Regent Fisher noted that when the stadium was originally built, it cost \$7 million to \$8 million. Ten years from now the cost to expand the stadium will be much higher. He expressed his support for the project.

President Newlin said he looked forward to the University's report in July.

ACTION: President Newlin stated the Board, by general consent, (1) received the report on institutional FY 2001 anticipated capital improvement projects with

the understanding that the proposed projects are subject to further review, availability of funding, and specific project approval by the Board, and (2) received the status report on previously approved projects with budgets exceeding \$1 million.

UNIT COST STUDY FOR FY 1999. The Board Office recommended the Board receive the unit cost study for FY 1999.

The Board of Regents' strategic plan outlines its accountability objective in key result area 4. The Board is charged with exercising effective stewardship of the institutions' state, federal, and private resources. On a biennial basis, the Regent universities compile and report to the Board the unit costs of instruction.

Unit cost represents the general fund supported cost of instructing a full-time equivalent (FTE) student at a given level. Unit cost is considered in establishing tuition rates, reviewing the program emphases of the universities, and measuring instructional productivity and cost benefits. The average Regent undergraduate unit cost is also used as a basis to determine the funding goal for the Iowa Tuition Grant Program.

The following table denotes the FY 1999 unit cost of instruction for each of the Regent universities by student level, the FY 1999 composite unit cost for the Regents and the percentage increases of the unit cost over the two-year period FY 1997 to FY 1999. The Regent composite unit cost increased 8.1 percent over the two years, for an average of about 4 percent each year. The highest institutional unit cost reported is at the University of Iowa for the more costly advanced graduate and professional level programs.

UNIT COST OF INSTRUCTION
FY 1999

	SUI		ISU		UNI		REGENT COMPOSITE	
		2 Yr. <u>Incr.</u>		2 Yr. <u>Incr.</u>		2 Yr. <u>Incr.</u>		2 Yr. <u>Incr.</u>
Lower Division	\$ 6,435	20.8%	\$ 6,663	8.1%	\$ 5,381	4.0%	\$ 6,321	12.3%
Upper Division	10,068	12.0%	9,550	9.1%	9,312	10.7%	9,666	10.5%
Overall Undergraduate	8,301	15.3%	8,242	8.1%	7,742	9.9%	8,151	11.0%
Master's	18,261	7.5%	11,086	13.2%	11,580	8.9%	14,652	10.3%
Advanced Graduate	25,519	-1.6%	14,075	10.8%	16,922	13.6%	19,508	3.8%
Professional	21,782	5.0%	48,169	11.3%	N/A	N/A	24,622	6.0%
Composite	\$12,623	7.3%	\$ 9,677	8.3%	\$ 8,292	9.6%	\$10,617	8.1%

Director Elliott reviewed with the Regents the information that was provided in the meeting materials. She said education for lower division students is the least costly educational emphasis at a university. As a student progresses, the education becomes more costly.

Regent Ahrens asked why there was such a big difference in the cost of instruction for professional students at the University of Iowa (\$21,782) and Iowa State University (\$48,169). Director Elliott stated that there are five professional-level programs at the two Regent universities; the University of Iowa has four (medicine, dentistry, law and pharmacy) and Iowa State University has one (veterinary medicine). It was her understanding that law is less costly on a per student basis. Pharmacy is not as costly as medicine or dentistry.

Vice President True stated that the lab-based programs are more costly. For example, the cost of law dilutes what the cost of medicine would otherwise be.

President Jischke stated that veterinary medicine is the most expensive professional program.

Regent Ahrens said it would be beneficial in future reports if the professional colleges' costs of instruction were provided to allow a more "apples-to-apples" comparison. Director Elliott said it would be done.

President Newlin asked if the costs of the first two years of lower division programs would be comparable to the community colleges' costs. Director Elliott responded that the universities have many different programs than those offered at the community colleges. The universities have programs that are lab-based that the community colleges do not have.

President Newlin stated that comparing the costs of the first two years of lower division programs to the community colleges' costs would be a much better comparison than a composite of medicine and other such programs, which is what is reported in the newspapers. The universities' costs reported in the newspapers were \$12,000 compared to \$4,000 at the community colleges.

President Jischke stated that what was reported in the newspapers was quite an inappropriate comparison. Included in the \$12,000 cost reported for the Regent universities were expenditures related to research and outreach which in no way are related to the number of students. To divide the total budget by the number of students on campus is grossly unfair and misleading. For Iowa State University, it would be more appropriate to divide the 300,000 people the University affects through extension, not just the 26,000 students on campus.

Executive Director Stork stated that Regent representatives have had discussions on this issue with the education appropriations subcommittee over the past couple of years. The subcommittee members have been presented with the most simplistic comparison, dividing the appropriations, particularly at the community college level, by the number of students. The Regents have not had much input into that process. He said it is important to continue to dialogue with members of the committee to educate them on how Regent unit costs are quite different than the mathematical computations that are provided for comparison purposes. Executive Director Stork then asked Director Elliott if the community colleges or private colleges present any data on costs of instruction.

Director Elliott responded that she was not aware of unit cost of instruction data being presented for any education sector other than the Regents. The Iowa College Student Aid Commission does not collect the data.

President Newlin asked if it was possible to have a line similar to what President Jischke had discussed relative to unit cost of instruction. Are those data available? President Jischke said it was conceptually easy to think about but it was, in effect, very hard to do. About one-half of the general fund budget goes into instruction. Thirty-five percent to 37 percent would be associated with the larger research enterprise. Approximately 13 percent of the budget would go into outreach. Therefore, in order to determine unit cost, those data have to be disaggregated.

President Newlin said it may not be easy to do but was it possible to do? President Jischke said it was absolutely possible to do and it was the responsible thing to do.

Director Elliott stated that for the next report the Board Office would include that information.

President Newlin asked that the Board be presented with an interim biennial report next year. This was an important issue.

Director Elliott said she would work with the institutions to provide the Regents with the requested interim report.

President Newlin thanked Director Elliott for the report, noting that it was the best report of its kind with which the Regents had been presented so far. He looked forward to receiving an interim report in a year.

ACTION: President Newlin stated the Board received the unit cost study for FY 1999, by general consent.

REPORT ON MEETING OF THE IOWA COLLEGE STUDENT AID COMMISSION. The Board Office recommended the Board receive the report.

The Iowa College Student Aid Commission met on May 3, May 15, and June 5, 2000. Items from these meetings of interest to the Board and Regent institutions included FY 2001 appropriations, FY 2001 Iowa Grant allocations, Foster Child Grant awards, Disaster Relief grant allocations, and development of a new strategic plan. The Regents were presented with information regarding each of the items of interest.

Executive Director Stork noted that the Iowa Grant Program is receiving much more emphasis from the Commission. The amount of funding for the program is increasing modestly this year. The Commission intends to pursue substantially more funding through that program.

Regent Fisher asked for an explanation of the Iowa College Student Aid Commission. Executive Director Stork responded that it is a statutory commission which was appointed about 20 years ago to process and manage student financial aid programs, primarily those related to the private colleges and universities. The Commission's 10 members represent various sectors of higher education and the general public.

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

STUDENT APPEAL. The Board Office recommended the Board deny the request for appeal.

Board members were provided with a packet of confidential materials related to an appeal by a student concerning the denial of readmission to the University. A

review of the materials submitted by the student and by the University suggests that the University's position be upheld.

Director Barak stated that the Board members had before them a confidential packet of information regarding the student appeal.

MOTION: Regent Fisher moved to deny the request for appeal. Regent Kennedy seconded the motion.
MOTION CARRIED UNANIMOUSLY.

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

APPROVAL OF CONTRACT FOR LABOR RELATIONS SERVICES FOR REGENT INSTITUTIONS. The Board Office recommended the Board approve the biennial agreement between the Board of Regents, State of Iowa (Board) and Joseph E. Flynn (Contractor) for services as legal counsel for purposes of collective bargaining.

The contract with Mr. Flynn provides for his services as chief negotiator for the Board in bargaining with the certified exclusive bargaining representatives of employee groups at Regent institutions and for such other labor relations services as may be required by the Board. The two-year agreement provides a fee for Mr. Flynn's services at the rate of \$125 per hour for all time expended in reference to his duties for the Board during the first year and \$130 per hour during the second year of the agreement. Compared to his present hourly rate of \$120, this is an increase of 4.17 percent for the first year and 4.00 percent for the second year. The proposed agreement is for the period July 1, 2000, through June 30, 2002, or until obligations are fulfilled.

Director Wright reviewed with the Regents the information that was provided in the meeting materials.

MOTION: Regent Ahrens moved to approve the biennial agreement between the Board of Regents, State of Iowa (Board) and Joseph E. Flynn (Contractor) for services as legal counsel for purposes of collective bargaining. Regent Turner seconded the motion.
MOTION CARRIED UNANIMOUSLY.

AFFILIATED ORGANIZATION REPORTS. The Board Office recommended the Board receive the affiliated organization reports on the Committee for Agricultural Development associated with Iowa State University and the Iowa School for the Deaf Foundation.

The Committee for Agricultural Development, an organization affiliated with Iowa State University, exists for scientific and educational purposes that promote the general welfare of agriculture. The independent auditor reported that the financial statements of the Committee for Agricultural Development for the two fiscal years ended December 31, 1999, were presented fairly in all material respects. No findings were reported.

The Iowa School for the Deaf Foundation, with a December 31, 1999, fiscal year end, was organized to provide financial support to ISD through the acquisition of gifts, grants, bequests, and other available funding. This is the second report provided to the Board for this foundation. A volunteer-based Board of Directors conducts the affairs and business of the foundation.

Copies of the detailed information are retained at the Board Office.

ACTION: The reports were received on the consent docket.

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

July 19-20, 2000	University of Northern Iowa	Cedar Falls
September 13-14, 2000	University of Iowa	Iowa City
October 18-19, 2000	Iowa State University	Ames
November 15-16, 2000	University of Iowa	Iowa City
December 13-14, 2000	West Des Moines Marriott Hotel	W. Des Moines
January 17, 2001	Telephonic Conference Call	
February 21-22, 2001	Iowa State University	Ames
March 21-22, 2001	University of Northern Iowa	Cedar Falls
April 18, 2001	Iowa Braille and Sight Saving School	Vinton
April 19, 2001	University of Iowa	Iowa City
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

GENERAL
June 14-15, 2000

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.

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, June 14 and 15, 2000.

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

Register of Personnel Changes for April 2000.

Approve the reappointments of Douglas True as Treasurer and Douglas Young as Secretary for the fiscal year beginning July 1, 2000, in accordance with the Iowa Code §262.9.

ACTION: The personnel transactions were approved, as presented, on the consent docket.

COURSE CHANGES. The Board Office recommended the Board refer the proposed course changes at the University of Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

University of Iowa officials submitted its list of proposed course changes for the approval of the Board of Regents. The proposed course offerings represent the continuing response of the University to the changing educational needs of students, changing disciplinary emphases, and vitality of University faculty. The course changes do not include any new programs of study. Whereas programs contain an entire field of study, courses are specific units within a program; as such, they change frequently to reflect changes in the occupation, changes in faculty specialties, developments in the field of study or discipline, changes in demand by students, or other needs determined by the university.

For example, in the College of Dentistry, the course Restorative Dentistry I was developed to reflect a better integration of course content. In the College of Medicine, the course Diagnostic Cardiac Sonography was moved from a nondepartmental designation to its own department number to reflect the course content more clearly. In

the College of Engineering, the course title of Magnetic Resonance Imaging Systems was changed from Tomographic Image Reconstruction to reflect the current course content. In the College of Law, the course Criminal Trial Practice was dropped because there are no faculty on staff to teach the course.

The proposed course changes include 408 new courses, 246 department number changes, 18 course number changes, 140 title changes, 92 semester hour changes, and 384 course eliminations. The net result on active courses is +24. The course changes are consistent with the need for on-going curricular review in order to provide the most relevant and logical educational experiences to students. The proposed course changes do not include any new programs of study.

ACTION: This matter was referred on the consent docket.

NAMING OF THE HALL OF FAME AND VISITORS CENTER THE ROY G. KARRO ATHLETICS HALL OF FAME. The Board Office recommended the Board approve the naming of the new Hall of Fame and Visitors' Center at the University of Iowa the Roy G. Karro Athletics Hall of Fame.

At its February 2000 meeting, the Board of Regents approved plans for Phase 1 of the Hawkeye Athletic/Recreation Complex to be constructed west of the Finkbine Golf Course. A critical element of that complex is a Visitors' Center and Hall of Fame that will allow Iowans and other Hawkeye fans to see and hear in one location the accomplishments of women's and men's athletics teams over the years. This project will be constructed and operated entirely by private gifts and athletics program income.

University of Iowa officials sought Board approval to name this facility the Roy G. Karro Athletics Hall of Fame in honor of Mr. Karro and in recognition of his \$3 million lead gift to the project.

Roy Karro is a retired vice-president with Salomon Smith Barney. He graduated from the University of Iowa in 1942 with a B.A. in Sociology. Mr. Karro made his first gift to the University in 1956 and has made gifts to support a variety of University of Iowa projects for 44 consecutive years.

President Coleman presented the request on behalf of the University of Iowa.

MOTION: Regent Kennedy moved to approve the naming of the new Hall of Fame and Visitors' Center at the University of Iowa the Roy G. Karro Athletics Hall of Fame. Regent Ahrens seconded the motion.
MOTION CARRIED UNANIMOUSLY.

NAMING THE UNIVERSITY OF IOWA BASEBALL STADIUM THE DUANE BANKS BASEBALL STADIUM. The Board Office recommended the Board approve the naming of the University of Iowa baseball stadium the Duane Banks Baseball Stadium.

University of Iowa officials sought Board approval to name this facility the Duane Banks Baseball Stadium in honor of former baseball coach Duane Banks.

Duane Banks served as Iowa's head baseball coach for 28 years. He retired from coaching after the 1997 season.

He became Iowa's all-time most winning coach in 1985. In 1990, he led Iowa to its first Big Ten title in 18 years and to the NCAA playoffs for the first time since 1975. In 1991, he was named to the American Baseball Coaches Hall of Fame. He is past president of the American Baseball Coaches Association (ABCA) and a member of the ABCA Board of Directors. Mr. Banks also served as chairman of the NCAA Division I coaches and is currently on the advisory board of the Iowa High School Baseball Coaches Association.

President Coleman presented the request on behalf of the University of Iowa.

MOTION: Regent Ahrens moved to approve the naming of the University of Iowa baseball stadium the Duane Banks Baseball Stadium. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REVISIONS TO P&S CLASSIFICATIONS. The Board Office recommended the Board

(1) Approve the following pay grades changes:

Pharmacy Practice Specialist from pay grade 10 to pay grade 11
Academic Advisor from pay grade 6 to pay grade 7

(2) Approve the following new classifications:

Research Assistant III - Clinical Trials Coordinator in pay grade 8
Chief Nurse Anesthetist in pay grade 16

(3) Approve the following title and pay grade change:

Director of Program Services, University Hospital School in pay grade 12 to
Assistant Administrator-Hospital School in pay grade 11

(4) Defer action on the following revisions pending consultation with the SEIU:

- Staff Pharmacist from pay grade 9 to pay grade 10
- Clinical Pharmacist from pay grade 10 to pay grade 11
- Radiation Therapist (new class) in pay grade 5
- Senior Radiation Therapy Technologist in pay grade 5 to Senior Radiation Therapist in pay grade 6

As a part of its annual review of the Professional and Scientific Classification System, University officials recommended the following changes. Pay grade assignments are based upon application of the Job Evaluation Instrument in compliance with the state's comparable worth law.

New classifications:

Title	Pay Grade	Comments
Research Assistant III-Clinical Trials Coordinator	8 \$30,900 to \$58,435	Coordinates clinical research trials in the College of Medicine. Position requires a nursing degree and experience in both research and clinical care. The pay grade recognizes the complexity and scope of the class.
Chief Nurse Anesthetist	16 \$58,010 to \$109,740	Provides leadership and supervision to eleven Staff Nurse Anesthetists (CRNA's). Will serve as a liaison between faculty physicians and the CRNA's.

Pay Grade Changes:

Title	Pay Grade From	Pay Grade To	Comments
Pharmacy Practice Specialist	10 \$36,170 to \$68,405	11 \$39,140 to \$74,010	Pay grade recognizes increased responsibilities in the development, implementation and evaluation of new programs and systems.
Academic Advisor	6 \$26,410 to \$50,150	7 \$28,565 to \$54,015	Pay grade recognizes expanded recruitment responsibilities and knowledge of departmental and collegiate policies.

Title and Pay Grade Changes:

From	To	Comments
Director of Program Services, University Hospital School, pay grade 12 \$42,350 to \$80,075	Assistant Administrator- University Hospital School, pay grade 11 \$39,140 to \$74,010	Pay grade change recognizes departmental reorganization and shifting of responsibilities.

The following four classifications are in the SEIU bargaining unit, and action is deferred on these revisions until consultation has taken place with the union.

- Staff Pharmacist from pay grade 9 to pay grade 10
- Clinical Pharmacist from pay grade 10 to pay grade 11
- Radiation Therapist (new class) in pay grade 5
- Senior Radiation Therapy Technologist in pay grade 5 to Senior Radiation Therapist in pay grade 6

MOTION:

Regent Turner moved to (1) approve the pay grades changes, as presented; (2) approve the new classifications, as presented; (3) approve the title and pay grade change, as presented; and (4) defer action on the revisions pending consultation with the SEIU. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University Hospitals and Clinics—Development of Replacement Perinatal and Obstetrical Patient Care Units

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Sept. 1997	Approved
Program Statement		Feb. 2000	Approved
Architectural Agreement— Schematic Design (HLM Design of Northamerica)	\$ 165,250 (est)	Feb. 2000	Approved
Schematic Design		June 2000	Requested
Project Description and Total Budget	18,800,000	June 2000	Requested

The integration of the neonatal and obstetrical care units in the Pappajohn Pavilion will provide a contemporary setting for coordinated, efficient, high quality patient and family services, optimal health science student training, and the cost-effective sharing of staff and other health care resources. In addition, the project will provide replacement facilities for these functions which are currently located in approximately 44,000 gross square feet (GSF) of inadequate space in the General Hospital and Boyd Tower.

The project will finish a total of approximately 88,000 GSF of existing shell space primarily on the sixth, seventh and eighth levels of the Pappajohn Pavilion, as outlined on the following table.

STATE UNIVERSITY OF IOWA
June 14-15, 2000

	<u>Levels</u>	<u>Gross Square Feet</u>	<u>Net Square Feet</u>
Labor and Delivery Suite	Pappajohn Level 6	11,600	7,300
Antepartum/Postpartum Units	Pappajohn Level 6	16,000	9,900
Neonatal Intensive and Intermediate Care Unit	Pappajohn Levels 6, 7 & 8	26,000	18,000
Pediatric Intensive and Intermediate Care Unit	Pappajohn Level 7	14,600	9,600
Common Spaces/Support Facilities	Pappajohn Levels 7 & 8 Colloton Level 7	13,100	10,300
Corridor/Lobby Space	All Areas	<u>6,900</u>	<u>6,900</u>
Total		88,200	62,000

Net to Gross Ratio = 70.3 percent

The Labor and Delivery Suite will include four labor/delivery/recovery rooms, two rooms for performing cesarean sections and other procedures, four patient triage/recovery rooms, four high risk labor/antepartum rooms, as well as testing and consultation rooms, and patient, staff and family support space.

The Antepartum/Postpartum Units will include 20 interchangeable antepartum/postpartum rooms, a well baby nursery, physician and nurse conference and work rooms, and examination and treatment rooms. Patient, family and staff support space will also be included.

The Neonatal Intensive and Intermediate Care Unit will be located on all three levels in the Pappajohn Pavilion. The majority of the unit's functions, which will be housed in approximately 21,000 GSF on level six, will include 55 infant stations, and physician and nurse conference and work rooms. A family waiting area, consisting of approximately 1,600 GSF, will be located on level seven directly above the unit, and faculty and support offices, consisting of approximately 3,300 GSF, will be located on level eight.

The Pediatric Intensive and Intermediate Care Unit will include 16 patient rooms, physician and nurse work rooms, faculty offices, and other patient, family and staff support space.

Common spaces and support facilities will include a satellite pharmacy (Pappajohn level 7), on-call rooms and support areas (Pappajohn and Colloton levels 7), staff locker rooms (Pappajohn levels 7 and 8), and areas for housekeeping, telecommunications, and electrical closets.

The space, as designed, is approximately 15,600 total gross square feet more (approximately 21 percent) than the 72,600 gross square foot estimate which was presented with the building program. This increase reflects the inclusion of the faculty offices for the Neonatal and Pediatric Intensive and Intermediate Care Units (approximately 4,800 GSF) to allow the faculty to remain in close proximity to the patient care areas. The increase also reflects the addition of circulation space (approximately 6,900 GSF) which was not included with the building program, and other minor space modifications. All patient care areas have remained identical in size from the building program approved by the Board in February.

The current schedule for the project includes commencing construction in March 2001 for completion in December 2002.

Project Budget

Construction	\$ 15,040,000
Architectural/Engineering Support	1,504,000
Planning and Supervision	752,000
Contingency	<u>1,504,000</u>
TOTAL	<u>\$ 18,800,000</u>

Director Howell began the presentation regarding the replacement of the perinatal and obstetrical facilities. He noted that these were the same facilities that were in place when Regent Turner was in training at UIHC.

Mr. Staley stated that three others who would assist with the presentation were Professors Jennifer Niebyl and Frank Morriss, and Doug Infelt from HLM Design of Iowa City. He noted that the project has a 70 percent net-to-gross ratio. The project has a \$15 million construction cost with an \$18.8 million project budget for a \$170/square foot construction cost.

Dr. Niebyl described the current obstetrical/gynecological space limitations in meeting contemporary delivery standards. She noted that all of the new patient rooms will be private rooms.

Dr. Morriss discussed how the project will benefit pediatric patients and their families. He noted that the units would be state-of-the-art.

Mr. Infelt presented the schematic design for the project which contains more than 88,000 gross square feet of space. The majority of the space is located on level 6 of the Pappajohn Pavilion. There will be large private patient rooms. There are three distinct areas of the neonatal intensive care unit. He described what would be located on each level of the project. With regard to the project schedule, he said construction will begin at the end of March 2001 and would be completed in December 2002.

Regent Kennedy asked about the nursery on level 6 having room for 10 babies while there are 20 private rooms on that level. Mr. Infelt responded that the babies typically will stay in the rooms with their mothers.

Regent Turner said she thought the design was exciting. This project will bring the UIHC's Ob/Gyn and pediatric care into the 21st century. She said it was important to remember, when the Regents hear of some of the amenities that might seem extravagant, that these amenities are currently available at other hospitals. The UIHC is stepping up to where it should be.

Health Sciences Campus Plan

University officials requested approval of project descriptions and budgets for two new projects on the Health Sciences Campus, and a change order to the construction contract for the Medical Education and Biomedical Research Facility.

Medical Education and Biomedical Research Facility—Completion of Basement Level of East Wing

Source of Funds: Income from Treasurer's Temporary Investments and/or College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 1,654,000	June 2000	Requested

The Medical Education and Biomedical Research Facility is currently under construction. The east wing is scheduled to be finished on all levels but the basement.

University officials indicated, during the presentation of the schematic design in June 1997, its plan to construct the east wing initially as shell space with interior completion to proceed as additional funds became available. The receipt of the additional funds

since that time has allowed interior finishing for all but the Animal Care Facility in the basement level.

The University has continued to receive funds to complete the east wing. In December 1999, the Board approved Amendment #7 to the design agreement with Payette Associates for design development and construction phase design services for the Animal Care Facility. Due to budget considerations, only schematic design services had been completed for the basement level prior to that time.

The project will include construction of interior partitions and ceilings; extension and distribution of electrical power, mechanical ductwork, and telecommunication wiring to the area; and installation of cage washing equipment, steam sterilizers, and an automatic watering system. The basement area will total approximately 5,700 net square feet of space.

Due to the magnitude of the project, University officials proposed to bid the work as a separate construction contract. Following award of the contract, University officials will negotiate a change order with Knutson Construction Services Midwest, the general contractor for the Medical Education and Biomedical Research Facility, to coordinate construction of the Animal Care Facility with construction of the main facility. Similar procedures were followed for construction of the University Services Building, and the University believes this method will facilitate timely completion of the Animal Care Facility.

Project Budget

Construction	\$ 1,471,000
Design, Inspection and Administration	36,000
Contingency	<u>147,000</u>
TOTAL	<u>\$ 1,654,000</u>

Health Sciences Campus Landscape Improvements—Phase 1

Source of Funds: Income from Treasurer’s Temporary Investments and/or College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 990,000	June 2000	Requested

University officials indicated in November 1996 that the Health Sciences Campus Plan would include surface and landscaping improvements for the area. The design agreement with Payette Associates for the Medical Education and Biomedical Research

Facility included only schematic design services for landscaping the Health Sciences Campus; further landscaping design services could not be provided until the various projects had progressed. In December 1999, the Board approved Amendment #8 to the agreement with Payette Associates to complete the landscape design services.

The Phase 1 project will include the following: landscaping the Newton Road corridor from the east end of the roadway to the intersection just west of the Veteran's Administration Medical Center's parking lot; selective removal of pavement and curbs along the decommissioned Newton Road and on the south and west side of the Medical Education Building; landscaping the site of the Materials Management Facility at the Medical Education Building; landscaping the site of the Newton Road Parking and Chilled Water Facility; and revitalizing the landscape on the west side of Westlawn.

The Phase 1 project will be coordinated with the Newton Road relocation project. Work will include repair and installation of sidewalks; installation of lighting and other site amenities including bicycle racks, benches, and trash receptacles; planting of trees, shrubs, and vines; seeding, sodding and planting ground cover; construction of enclosures for service elements; and reconstruction of the fence along the property line with the Veteran's Administration Medical Center.

The Phase 2 project will be undertaken following completion of the Medical Education and Biomedical Research Facility and the relocation of Newton Road. This phase will address the area surrounding the Medical Education and Biomedical Research Facility, and will extend to the east side of the Medical Education Building and the north side of the Eckstein Medical Research Building and eastward to Newton Road. The Phase 3 project will address the area between Hardin Library and the UIHC Boyd Tower.

Project Budget

Construction	\$ 848,000
Design, Inspection and Administration	57,000
Contingency	<u>85,000</u>
TOTAL	<u>\$ 990,000</u>

Medical Education and Biomedical Research Facility
Source of Funds: State Appropriations, Revenue Bonds, and College of Medicine Gifts and Earnings

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 1996	Approved
Program Statement		June 1997	Approved
Schematic Design		June 1997	Approved
Project Description and Total Budget	\$ 47,135,000	June 1997	Approved
Architectural Agreement (Payette Associates)	3,750,700	Nov. 1996	Approved
Architectural Amendments (3)	1,161,200		Approved
Construction Contract (Knutson Construction Services)	40,430,000	Dec. 1998	Approved
Previous Change Orders (28)	1,045,478		Approved*
Change Order #29	245,475	June 2000	Requested

* **Approved by Board and University in accordance with Board procedures.**

The construction contract with Knutson Construction Services Midwest specifies a completion date of June 30, 2001, which is based on an estimated contract completion time of 900 days. The facility would have been ready for occupancy with the fall 2001 semester.

University officials indicated that additional design details were required to specify door hardware, doorframes, and the electronic lock systems for the facility. These components required a long lead time for manufacture which directly affected the project schedule. As a result, University officials and the contractor have updated the construction schedule with a new completion date of November 26, 2001 (an additional 148 days). The contract extension requires that the construction contract per diem costs be increased by \$245,475, which is the amount derived from the contractor's schedule of values submitted at the beginning of the project.

Dean Kelch stated that, several years ago, he pledged to provide periodic progress reports on the health sciences campus plan. The progress report presented at this meeting covered the last five years and looked ahead five years. A master plan for the health sciences campus was developed and approved in 1996. He said renovation of laboratory facilities within the Bowen Science Building were initiated for the Departments of Anatomy and Cell Biology, Pharmacology and Physiology and Biophysics. Relocation of programs in the west and central sections of the Steindler

Building to Westlawn and the University of Iowa Hospitals and Clinics was completed during 1998. Demolition of the vacated sections of the Steindler Building was completed in 1998. Underground utilities were reorganized into an accessible tunnel to meet current and future project needs. He said construction of the Medical Education and Biomedical Research Facility was initiated at the Steindler site early in 1999. Construction of the new parking ramp, chiller plant and the relocation of Newton Road were initiated. Completion of the ramp is targeted for September 2000. Initiation of site landscaping and pedestrian walkways will begin this fall. He stated that the financial scope of this project is the largest in the history of the University of Iowa, with a current budget of \$133 million.

The Regents were presented with diagrams of the site which included the location of the new construction. Dean Kelch discussed the construction schedule.

Executive Associate Dean Nelson reviewed with the Regents a series of photographs which showed the health sciences campus from various views. He noted that university officials anticipate designing a memorial honoring Dr. Steindler. Professor Nelson presented the Regents with a computer-generated image of the new building. He noted that one of the projects on the capital register this month was the first part of re-landscaping the campus.

With regard to the future, Dean Kelch identified the following:

- Relocation of the remaining programs in Steindler to renovated space within the UIHC and other facilities and the demolition of the east section of the building are being planned.
- Renovations for the academic home for the new College of Public Health within the General Hospital and the Physical Therapy Graduate program within the current Medical Education Building will be completed in 2001.
- Construction of MEBRF should be completed late in 2001.
- Completion of the landscaping program and related projects is targeted for early 2002.
- Planning for MEBRF - Building B, approved by the Board of Regents in November 1999, is underway. Construction can be initiated in the Spring of 2002.

Regent Lande asked about the facing material on MEBRF which appeared to be varying shades of aquamarine. Dean Kelch responded that the material was copper sheeting

that is pre-oxidized. He stated that when the Regents are on the campus, he hoped to have an opportunity to show them the true color of the material.

Regent Kennedy asked how much Knutson Construction Services would be paid for coordination of the construction. Vice President True stated that Knutson is the prime contractor. Built into its base bid was the price for managing the construction. He said that to determine what part of the base bid was for the management fee would be difficult because it is a single price.

Campus Fiber Optic Network—Phase 2

Source of Funds: Telecommunications Facilities Revenue Bonds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		June 2000	Requested

This project will install additional components to complete the connection of several campus buildings to the campus fiber optic network. The system was installed on the main and Oakdale campuses in the Phase 1 project to provide improved communication systems to meet the University's current and future voice, video and data communications needs for instruction, research, administration and outreach services.

The Phase 2 project will include the construction of telecommunications closets for several campus buildings and improvements to the interior telecommunications infrastructure of the buildings. The majority of these buildings were connected to the network during the Phase 1 project. The Phase 2 project will provide necessary upgrades to the existing systems to replace obsolete technology and to provide full fiber connectivity. In addition, the project will install fiber optic cable in a portion of the ductwork pathways which were constructed in Phase 1 but for which cabling was not installed due to a lack of funding.

The total estimated project cost is \$8 million which will be funded by the February 2000 sale of Telecommunications Facilities Revenue Bonds. The work will consist of a number of individual projects to be completed in multiple buildings and locations across campus.

Currier and Stanley Residence Halls—Fire Protection Upgrade
Source of Funds: Dormitory Improvement Reserves

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
<u>Residence Halls and Family Housing—</u>			
<u>Upgrade Fire Protection</u>			
Permission to Proceed		July 1995	Approved
Agreement for Schematic Design and Cost Estimates			
(Alvine and Associates)	\$ 288,000	July 1997	Approved
 <u>Currier and Stanley Residence Halls—</u>			
<u>Fire Protection Upgrade</u>			
Engineering Agreement			
(Alvine and Associates)	252,450	Jan. 2000	Approved
 Project Description and Total Budget	 3,609,000	 June 2000	 Requested

This project will upgrade the fire protection systems in Currier and Stanley Residence Halls in accordance with the project scope developed as part of the schematic design for fire protection upgrades in all residence system facilities. The majority of the work is not required to meet fire safety codes; it represents the University's efforts to upgrade voluntarily the existing fire safety systems in the residence facilities. Fire safety improvements for the Currier and Stanley residence halls are being implemented as a single project since they are located adjacent to each other and share some mechanical systems.

The primary component of the project will be the installation of a fire sprinkler system. Sprinklers will be installed in all public areas and student rooms of Stanley Hall and in the basement of Currier Hall. The exit stairwells of Stanley Hall will also be pressurized to keep them free of smoke in the case of fire.

Both buildings will also be equipped with a new addressable fire alarm system. The system will include detection and signaling devices in each student room, alarm horns and strobe lights, smoke detectors in the heating, ventilating and air conditioning system, and electronic hold-opens on appropriate doors. The project will also install a new emergency generator, emergency lighting, new fire extinguishers and cabinets, and elevator upgrades. Miscellaneous improvements will include the replacement of corridor ceilings and light fixtures, and minor remodeling to accommodate a new electrical supply room and fire safety command center.

Project Budget

Construction	\$ 2,975,000
Design, Inspection and Administration	
Consultants	290,500
Design and Construction Services	45,900
Contingency	<u>297,600</u>
 TOTAL	 <u>\$ 3,609,000</u>

WSUI Radio Towers—WSUI Transmitter Site Relocation

Source of Funds: Federal Emergency Management Agency (FEMA) Grant and Income from Treasurer’s Temporary Investments

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 654,000	June 2000	Requested
Engineering Agreement			
(Warmus and Associates)	25,800	June 2000	Requested

This project will relocate the WSUI transmission site from the Hawkeye Park area, where two of the three radio transmission towers were blown down in a June 1998 windstorm, leaving the two towers damaged beyond repair. University officials indicated that while the towers could be rebuilt in their present location, the University’s long-term use plans suggest that moving the towers off-campus would be highly desirable. The relocation would also allow the existing location in the Hawkeye Park area (approximately 10 acres) to be available for other uses.

The new WSUI complex will be constructed on approximately 15 acres of land which has been given to the University. The project will include construction of three new transmission towers, a new transmitter building and access road, installation of new transmission equipment and a radial ground wire system, and security fencing for the area. The project will also provide electrical service at the site.

University officials anticipate that the FEMA grant will provide up to \$300,000 for the project; the remainder of the project budget will be funded by Income from Treasurer’s Temporary Investments.

University officials requested approval to enter into an agreement with Warmus and Associates of Bath, Ohio, to provide full design services for the project. University officials indicated that the firm has the necessary expertise to provide the highly

specialized engineering services that are required for this project. University officials have relied upon the firm’s engineering expertise for many years and are not aware of any Iowa firms with comparable qualifications. The agreement provides for a fixed fee of \$25,800.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Construction	\$ 504,500
Design, Inspection and Administration	
Consultants	87,600
Design and Construction Services	18,900
Contingency	<u>43,000</u>
 TOTAL	 <u>\$ 654,000</u>

University Parking Systems—Hawkeye Storage and Commuter Lot Expansion—
Phase 3

Source of Funds: Parking Services Improvement and Replacement Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		May 2000	Approved
Engineer Selection (Shive-Hattery)		May 2000	Approved
Project Description and Total Budget	\$ 1,277,000	June 2000	Requested
Engineering Agreement (Shive-Hattery)	120,746	June 2000	Requested

This project will expand the Hawkeye Storage and Commuter Lot on the University’s far west campus from its current capacity of 1,000 stalls to 1,500 stalls. The project will include the construction of the expanded asphalt parking lot which will provide an additional parking area of approximately 3.9 acres, installation of new lighting, concrete curb and gutter islands, concrete bus access drives, security cameras, and extensive landscaping.

University officials requested approval of the negotiated agreement with Shive-Hattery to provide design and construction inspection services for the project. The agreement provides for a fee of \$120,746, including reimbursables.

Project Budget

Construction	\$ 1,038,000
Design, Inspection and Administration	
Consultants	120,746
Design and Construction Services	18,000
Contingency	<u>100,254</u>
TOTAL	<u>\$ 1,277,000</u>

Eckstein Medical Research Building and College of Medicine Administration Building—
Replace Fire Alarm

Source of Funds: Building Renewal and/or Income from Treasurer’s Temporary Investments

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 527,000	June 2000	Requested
Engineering Agreement (Ament Engineering Associates)	49,375	June 2000	Requested

This project will install new independent fire alarm systems in the Eckstein Medical Research Building and College of Medicine Administration Building. The facilities are located adjacent to each other and currently share the same fire alarm system. During the last few years, the operation and maintenance of the system has become increasingly difficult and expensive due to its age and the inability to obtain repair parts.

In August 1999, the University obtained the services of a consultant to assess alternatives for replacement, upgrade or continued maintenance of the existing system. The consultant has recommended that the system be replaced with two new independent systems. The State Fire Marshal’s Office concurs with this recommendation and has participated in planning for the project including identification of panel locations, notification issues and design of the new systems.

The project will include the removal of existing system components and installation of new fire alarm equipment, initiating and signal devices, control panels and digital communicators. New initiating devices will include a combination of manual pull stations, smoke detectors, and heat detectors. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

University officials requested approval to enter into an agreement with Ament Engineering Associates to provide design and construction inspection services for the project. The agreement provides for a fixed fee of \$49,375.

Project Budget

Construction	\$ 420,000
Design, Inspection and Administration	
Consultants	49,375
Design and Construction Services	15,500
Contingency	<u>42,125</u>
 TOTAL	 <u>\$ 527,000</u>

University Hospitals and Clinics—Pain Medicine Clinic Development

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 987,500	June 2000	Requested

This project will finish approximately 5,200 gross square feet of shell space on the fifth level of the Pappajohn Pavilion to house the Pain Medicine Clinic. The Clinic, which is operated by the Department of Anesthesia, currently utilizes patient treatment facilities within the Clinical Cancer Center in the Pappajohn Pavilion. The Clinic has experienced substantial growth and now requires expanded and dedicated outpatient facilities.

The project will provide additional patient examination and treatment facilities, allowing the Clinic to offer new services which cannot be provided in the limited space in its current location. In addition, the proposed location for the Pain Medicine Clinic, immediately adjacent to the Main Operating Room Suite, will enhance surgical patient care and permit more efficient use of the operating room areas.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Construction	\$ 790,000
Architectural/Engineering Support	79,000
Planning and Supervision	39,500
Contingency	<u>79,000</u>
TOTAL	<u>\$ 987,500</u>

University Hospitals and Clinics—Mental Health Clinical Research Center Office Development

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 975,000	June 2000	Requested

This project will renovate approximately 5,000 square feet of space on the second level of General Hospital to provide office space for faculty and staff associated with the Mental Health Clinical Research Center. The development of these office areas is necessary to accommodate the Center's growth in clinical research initiatives. The project will also include installation of a fire detection and protection system to bring this area of the General Hospital into compliance with fire codes. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The project will result in the relocation of a number of staff from the second level of the Pappajohn Pavilion, which will allow this space to be developed into patient care facilities.

Project Budget

Construction	\$ 780,000
Architectural/Engineering Support	78,000
Planning and Supervision	39,000
Contingency	<u>78,000</u>
TOTAL	<u>\$ 975,000</u>

University Hospitals and Clinics—Neuroimaging Laboratory Relocation
Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Project Description and Total Budget	\$ 440,000	June 2000	Requested

This project will renovate approximately 2,000 gross square feet of space in the General Hospital to house the Department of Psychiatry's Neuroimaging Laboratory. The project will provide additional space for the Laboratory which will relocate from the Medical Education Building. The project will also include installation of a fire detection and protection system to bring this area of the General Hospital into compliance with fire codes. Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

The vacated space in the Medical Education Building will provide classroom and office facilities for the College of Medicine.

Project Budget

Construction	\$ 352,000
Architectural/Engineering Support	35,200
Planning and Supervision	17,600
Contingency	<u>35,200</u>
TOTAL	<u>\$ 440,000</u>

University Hospitals and Clinics—General Hospital C-42 Heating, Ventilating and Air Conditioning System

Source of Funds: University Hospitals Building Usage Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Engineering Agreement (A and J Associates)	\$ 27,740	April 1999	Approved
Project Description and Total Budget	436,000	June 2000	Requested

This project will include installation of duct work, modification of air handling systems and controls, and asbestos abatement. The project will also require wall and ceiling modifications, and lighting replacements.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Construction	\$ 348,600
Architectural/Engineering Support	34,900
Planning and Supervision	17,600
Contingency	<u>34,900</u>
TOTAL	<u>\$ 436,000</u>

Mississippi River Environmental Research Station
Proposed Source of Funds: Private Funds

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
Permission to Proceed		Dec. 1999	Approved
Engineer Selection (Stanley Consultants)		April 2000	Approved
Engineering Agreement (Stanley Consultants)	\$ 142,000	June 2000	Requested

This project will construct a 10,000 square foot facility to house the Mississippi River Environmental Research Station for the College of Engineering's Iowa Institute of Hydraulic Research. The research station will be located at the Department of Natural Resources Fairport Fish Hatchery in Fairport, Iowa, which is located on the Mississippi River near Muscatine.

University officials requested approval of the negotiated agreement with Stanley Consultants to provide design and site observation services for the project. The agreement provides for a fee of \$142,000, including reimbursables.

University officials will return to the Board for approval of the project description and budget, estimated at approximately \$1.2 million, at a future date.

University officials indicated that an agreement with the Department of Natural Resources for development of the site is in the final stages of negotiation and will be presented to the Board for approval at a future date.

Currier/Quadrangle Residence Halls Dining Area Renovation
Source of Funds: Residence Services/Athletic Departments

Project Summary

	<u>Amount</u>	<u>Date</u>	<u>Board Action</u>
<u>Currier Residence Hall—Dining Area Renovation</u>			
Permission to Proceed Architectural Selection (Rohrbach Carlson)		Oct. 1999	Approved
		April 2000	Approved
Architectural Agreement	\$ 407,500	June 2000	Requested
 <u>Quadrangle Residence Hall—Dining Area Renovation</u>			
Permission to Proceed Architectural Selection (Rohrbach Carlson)		Jan. 2000	Approved
		April 2000	Approved
Architectural Agreement	\$ 707,500	June 2000	Requested

These projects will renovate the dining areas in the Currier and Quadrangle residence halls for student service use. The Currier Hall former dining area will be remodeled to provide a variety of student service functions at an estimated cost of up to \$5 million. The project in the Quadrangle will remodel the existing food service areas into a student academic center and student life center at a total project cost of \$6.5 million to \$8.5 million.

The firm of Rohrbach Carlson was selected to provide design services for both projects. The firm was selected from a single search process due to the programmatic and technical similarities between the two projects. University officials requested approval to enter into two agreements, one for each project, with Rohrbach Carlson to provide design and programming services.

The agreement for the Currier Hall project provides for a fee of \$407,500, including reimbursables. The agreement for the Quadrangle project provides for a fee of \$707,500, including reimbursables.

University officials will return to the Board for approval of the project descriptions and budgets at a future date.

* * * *

Included in the University's capital register were project budgets under \$250,000, amendments to architect/engineer agreements which were approved by the University in accordance with Board procedures, construction contracts awarded by the Executive Director, the acceptance of completed construction contracts, and final reports. These items were listed in the register prepared by University officials.

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

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

University officials requested approval to enter into a new lease with Maxwell Development, L.C., for the University's use of 12,000 square feet of warehouse space located in North Liberty, Iowa. The space will be leased at the rate of \$8,250 per month (\$8.25 per square foot, \$99,000 per year) for a four-year period commencing October 1, 2000, through September 30, 2004.

University officials requested approval to enter into a new lease agreement with the United States Government for its use of a total of 8,000 to 10,000 square feet of University laboratory space in the Medical Research Center, Medical Laboratories, Eckstein Medical Research Building, Westlawn, and the Medical Research Facility. The Department of Veterans Affairs Medical Center currently utilizes approximately 7,676 square feet of laboratory space in the facilities for its research activities. The College of Medicine and the Department of Veterans Affairs coordinate the assignment of space for research activities among their respective facilities. The Department of Veterans Affairs now requires that its research projects be conducted in its own or leased facilities, which requires approval of the lease agreement.

The spaces will be leased for a one-year term commencing July 1, 2000 through June 30, 2001, at no cost to the tenant. The total square footage utilized by the Department of Veteran Affairs Medical Center may vary as room assignments change, but it will not exceed 10,000 square feet in accordance with the lease agreement.

University officials requested approval to renew the lease agreement with Optimal Electronics Corporation for its use of 613 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus at the rate of \$306.50 per month (\$6 per square foot, \$3,678 per year) for a one-year period commencing July 1, 2000, through June 30, 2001. The lease renewal reflects an increase of 316 square feet of space. The total space will be leased at the same rate per square foot that is paid under the current agreement.

University officials requested approval to enter into a new lease agreement with AudioNet International, LLC, for its use of 1,329 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus (1,237 square feet of office space and 92 square feet of storage space) at the rate of \$649.17 per month (\$6 per square foot for the office space, \$4 per square foot for the storage space, \$7,790 per year) for a one-year period commencing July 1, 2000 through June 30, 2001.

University officials requested approval to renew its lease agreement with Enzymed for its use of 4,222 square feet of business incubator space in the Technology Innovation Center at the Oakdale Campus (2,915 square feet of laboratory space and 1,307 square feet of office space) at the rate of \$4,490 per month (\$14 per square foot for the laboratory space, \$10 per square foot for the office space, \$53,880 per year) for a one-year period commencing July 1, 2000 through June 30, 2001. The proposed rate per square foot for both the laboratory and office space reflects increases of approximately 17 percent over the rate paid under the current agreement. The rate increases are consistent with the University's rate schedule for tenants of the Technology Innovation Center.

MOTION:

Regent Fisher moved to approve leases, as presented. Regent Lande seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Neil, Smith.

MOTION CARRIED.

PROPERTY PURCHASE AND LEASE -- 322 N. CLINTON STREET. The Board Office recommended the Board (1) approve the purchase of property located at 322 North Clinton Street, Iowa City, Iowa, from Omicron Holding Corporation, at the purchase price of \$570,000, subject to approval of the Executive Council of Iowa; and (2) approve the lease agreement with Sigma Alpha Mu Housing Corporation for its use of the property located at 322 North Clinton Street, effective August 1, 2000, subject to University purchase of the property.

University officials requested approval of the purchase and lease of property located at 322 North Clinton Street in Iowa City. The property consists of the Delta Tau Delta House which is located to the east of Burge residence hall. The house formerly served as a fraternity house and currently serves as a rooming house for single male students. The purchase price of \$570,000 is consistent with Board policies for the purchase of property.

Following the purchase of the property, University officials propose to lease the house in the near-term to Sigma Alpha Mu Housing Corporation for its use as a fraternity house. The lease agreement provides for a five-year term; however, the agreement also includes a provision which would allow the University to begin utilizing the house prior to the end of the lease term. The University's long-term plans include operation of the house as a residence facility to provide living-learning opportunities for students with common academic interests.

The purchase and lease agreements were reviewed by the Attorney General's Office and were recommended for approval.

Regent Lande asked if the seller of the property was going out of business. Vice President True responded that the fraternity is no longer chartered at the university. The fraternity corporation has been leasing the facility to another organization.

President Newlin expressed appreciation for the map that was provided for the Regents' use along with this agenda item. He said he was pleased that the University was buying the property.

MOTION:

Regent Ahrens moved to (1) approve the purchase of property located at 322 North Clinton Street, Iowa City, Iowa, from Omicron Holding Corporation, at the purchase price of \$570,000, subject to approval of the Executive Council of Iowa; and (2) approve the lease agreement with Sigma Alpha Mu Housing Corporation for its use of the property located at 322 North Clinton Street,

effective August 1, 2000, subject to University purchase of the property. Regent Turner seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Fisher, Neil, Smith.

MOTION CARRIED.

FINANCING AND CONSTRUCTION OF ADDITION TO MULTI-TENANT RESEARCH FACILITY. The Board Office recommended the Board (1) approve amendment #3 to the Amended and Restated Oakdale Research Park Lease between the Board of Regents and the University of Iowa Facilities Corporation; and (2) approve award of the construction contract to Selzer-Werderitsch Associates (\$3,756,100) and Amendment #2 to the design agreement with Herbert Lewis Kruse Blunck (\$8,000) for the University of Iowa Research Park at Oakdale—Multi-Tenant Facility—Building Addition project.

University of Iowa officials requested approval of Amendment #3 to the Amended and Restated Oakdale Research Park Lease between the Board of Regents and the University of Iowa Facilities Corporation. The lease agreement, which provides for the University's use of the Multi-Tenant Facility at the Oakdale Research Park, will be amended to provide for the financing, construction and lease of an addition to the facility. The amendment will extend the lease for a 15-year term consistent with the long-term financing arrangements for construction of the addition.

University officials also requested award of the construction contract for the addition, and an amendment to the design agreement for the project which will modify the steam heating system for the facility.

MOTION:

Regent Kennedy moved to (1) approve amendment #3 to the Amended and Restated Oakdale Research Park Lease between the Board of Regents and the University of Iowa Facilities Corporation; and (2) approve award of the construction contract to Selzer-Werderitsch Associates (\$3,756,100) and Amendment #2 to the design agreement with Herbert Lewis Kruse Blunck (\$8,000) for the University of Iowa

Research Park at Oakdale—Multi-Tenant Facility—Building Addition project. Regent Turner seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Fisher, Neil, Smith.

MOTION CARRIED.

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.

EXECUTIVE SESSION. President Newlin requested that the Board meet in closed session pursuant to Iowa Code §21.5(1)(i) upon the request of an employee whose performance was being considered.

MOTION: Regent Ahrens moved to enter into closed session. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Fisher, Neil, Smith.

MOTION CARRIED.

The Board having voted at least two-thirds majority resolved to meet in closed session beginning at 10:45 a.m. on June 15, 2000, and adjourned therefrom at 11:10 a.m. on that same date.

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday and Thursday, June 14 and 15, 2000.

TOUR OF FACILITIES AND BIKE TRAIL.

Director van der Valk provided the Regents and institutional officials with a tour of Lakeside Laboratory including housing, the proposed routing of a bike trail, research and teaching facilities, and the Waitt Laboratory. He said Lakeside Laboratory is located on Little Miller's Bay of West Lake Okoboji, which is by far the deepest lake in Iowa (140'). Lake Okoboji is one of the cleanest lakes in Iowa because of the huge amounts of water. West Lake Okoboji flows into East Lake Okoboji which is the longest lake in Iowa. East Lake Okoboji flows into Spirit Lake which is the biggest lake in Iowa. Lakeside Laboratory contains 143 acres of land, with the northern land being managed as a nature preserve. Lakeside Laboratory owns the entire lake shore of Miller's Bay. Lakeside Laboratory property is the last undeveloped natural area in Okoboji. It contains 23 or 24 species of aquatic plants and offers great fishing. Twenty-five acres which are currently in agricultural production will be converted to prairie and wetlands. One of the courses taught at the Laboratory is restoration ecology. There is a regional sewage treatment system for the lakes.

Director van der Valk said one of Lakeside Laboratory's most chronic problems is housing. Students attending Lakeside Laboratory pay \$140/week which includes room and board. The Regents were shown which housing units would be replaced by the three hotel units currently located in Spencer. The new units will have bathrooms and heat. Laboratory officials will try to make the new housing units fit in as much as possible with the rest of the housing units. The Spencer units will have new fronts with a stone base and the same siding as is currently on the Laboratory's housing units. In 1935-1936, the Civilian Conservation Corps built the original housing units.

Director van der Valk discussed the remodeled mess hall.

Provost Richmond asked how many students are served annually at the Laboratory. Director van der Valk responded that five courses/term are taught. Most courses have a cap of eight students. The goal is for a total of 150-160 students each summer.

Regent Turner asked if the Laboratory experiences much interaction with K-12 students. Director van der Valk responded that interactions with K-12 students is occurring more frequently. Programs have begun with the local middle school. Laboratory officials are trying to develop programs for school-age students.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office recommended the Board approve the personnel transactions at Iowa State University, as presented.

Register of Personnel Changes for May 2000.

Approve the reappointments of Margaret Pickett as Secretary and Joan Thompson as Treasurer for the fiscal year beginning July 1, 2000, in accordance with the Iowa Code §262.9.

The register included two additional promotion and tenure actions and the following appointments: Dr. Ann Hill Duin as Associate Provost, Director of Extended and Continuing Education and Professor of English effective July 1, 2000, at an annual salary of \$135,000; and Dr. James Bloedel as Vice Provost for Research and Advanced Studies, Dean of the Graduate College and Professor of Biomedical Sciences effective September 1, 2000, at an annual salary of \$180,000.

ACTION: The personnel transactions were approved, as presented, on the consent docket.

NAME CHANGE FOR THE COMPUTATION CENTER TO THE CENTER FOR ACADEMIC INFORMATION TECHNOLOGY. The Board Office recommended the Board approve the request of Iowa State University to change the name of the Computation Center to the Center for Academic Information Technology.

Iowa State University officials requested that the name of the Computation Center be changed to the Center for Academic Information Technology. This renaming will help students, faculty, and staff to identify more easily the center as a service which supports their activities. The new name is broader, including services such as GIS (Geographical Information Systems) and high-performance computing.

There are no costs associated with the name change. The Center for Academic Information Technology maintains the basic mission of the Computation Center, but the new name is a reflection of the change in focus from the era of mainframe-based academic systems to linkages of high-performance computing at multiple sites.

ACTION: This matter was approved on the consent docket.

PROPOSED NEW INTERDEPARTMENTAL GRADUATE MASTER OF SCIENCE MAJOR IN INFORMATION ASSURANCE. The Board Office recommended the Board refer the proposed graduate major for an Interdepartmental Master of Science in Information Assurance at Iowa State University to the Interinstitutional Committee on Educational Coordination (ICEC) and the Board Office for review and recommendation.

Iowa State University officials requested approval of an interdepartmental Master of Science major in Information Assurance. The proposed program will train students to become information security professionals.

University officials state that there is need for such a major, in light of governmental and business concerns about computer viruses. The new degree program does not duplicate any program in the state; in fact, there are only six other similar programs nationwide. Coordinated by the Department of Electrical and Computer Engineering, the interdisciplinary degree program has a projected enrollment of 70 majors in five years, as well as 30 non-majors. Graduates would have many employment opportunities. Additional costs of approximately \$20,000 are projected in two of the first three years of the program's offering.

The proposed Master's degree program is consistent with the strategic plans of the departments, the College of Engineering, and the University. Within the Department of Electrical and Computer Engineering, information security and networking is one of the nine research focus areas that has been targeted for growth.

ACTION: This matter was referred on the consent docket.

PROPOSED NEW INTERDEPARTMENTAL GRADUATE PROGRAM IN SUSTAINABLE AGRICULTURE. The Board Office recommended the Board refer the proposed Graduate Program in Sustainable Agriculture at Iowa State University to the Interinstitutional Committee on Educational Coordination (ICEC) and the Board Office for review and recommendation.

Iowa State University officials requested approval of a new interdepartmental program (M.S. and Ph.D.) in sustainable agriculture. The proposed graduate degree program in sustainable agriculture would be the first of its kind in the United States. University officials also propose to offer, as part of this program, a graduate minor in sustainable agriculture.

The specific goals of the Graduate Program in Sustainable Agriculture (GPSA) are to: (1) provide students with the analytical and problem-solving skills required to meet the challenges confronting agriculture in the 21st century; (2) develop an innovative

approach to graduate education that is interdisciplinary and interdepartmental; and (3) position Iowa State University at the forefront of institutions conducting research and extending knowledge about sustainable agricultural systems.

While a large number and wide range of interdisciplinary environmental studies programs exist at the undergraduate and graduate levels in the United States and around the world, there are few graduate programs focused on environmental issues in agriculture. Some land grant institutions have sustainable agriculture research projects and offer training and education programs, but such programs are not degree-granting.

Graduates of the GPSA will have highly marketable skills for careers in university research, education, extension, agricultural industry, governmental and non-governmental organizations, and farming.

Costs for the program are estimated to be: Year 1: \$79,000; Year 2: \$129,000; and Year 3 and thereafter: \$197,000, plus inflation. The largest portion of each year's budget is for graduate assistantships (from three in Year 1, to six in Year 2, to 10 in Year 3 and thereafter). Each core course, except one, is taught one semester every other year. Faculty loads have been negotiated so that no instructional costs will be incurred. Some funding is provided for a secretary and guest speakers.

The GPSA is consistent with the strategic plan of Iowa State University to become the nation's premier land grant institution. The proposed interdepartmental program reflects the University's emphasis on research programs related to agriculture, natural and social sciences, engineering technology, and stewardship of the environment, part of Goal 2 of the Iowa State University strategic plan.

ACTION: This matter was referred on the consent docket.

PROPOSED NEW UNDERGRADUATE MINOR IN MILITARY STUDIES IN THE COLLEGE OF LIBERAL ARTS AND SCIENCES. The Board Office recommended the Board refer the proposed undergraduate minor in Military Studies in the College of Liberal Arts and Sciences at Iowa State University to the Interinstitutional Committee on Educational Coordination (ICEC) and Board Office for review and recommendation.

Iowa State University officials requested approval of a new undergraduate Minor in Military Studies, to be offered through the College of Liberal Arts and Sciences. The proposed minor would be jointly offered by the Air Force Aerospace Studies (Air Force ROTC), Military Studies (Army ROTC), and Naval Science (Naval ROTC). It would replace the current minor in Naval Science.

Minor programs are meant to complement students' major fields of study by offering a sequence of critical knowledge and skills for the effective organization and utilization of information. In this case, Iowa State University students can receive a minor by completing 15 credit hours of specialized coursework from a combination of any of the three ROTC programs, regardless of whether or not a commission in the Armed Forces is tendered.

ACTION: This matter was referred on the consent docket.

PROPOSED CHANGE IN THE NAME OF THE ENGINEERING OPERATIONS CURRICULUM OFFERED IN THE COLLEGE OF ENGINEERING. The Board Office recommended the Board refer the renaming of the Engineering Operations degree program in the College of Engineering, Iowa State University, to the Interinstitutional Committee on Educational Coordination and Board Office for review and approval.

To reflect more accurately the content and direction of this degree program, College of Engineering officials requested that the Engineering Operations curriculum be renamed Engineering Applications. Students in this program, who still take a core of math, science, and engineering courses, tend to focus on application of engineering principles in a wide variety of fields, including technical sales, business, entrepreneurship, and management.

No programmatic changes were connected to the name change, nor will any additional instructional costs be incurred.

ACTION: This matter was referred on the consent docket.

PROPOSED NEW MASTER OF FINE ARTS DEGREE IN THE DEPARTMENT OF ART AND DESIGN IN THE COLLEGE OF DESIGN. The Board Office recommended the Board refer the proposal of a Master of Fine Arts degree, with a major in Integrated Visual Arts, from Iowa State University, to the Interinstitutional Committee on Educational Coordination (ICEC) and the Board Office for review and recommendation.

Iowa State University officials requested approval of a new MFA in Integrated Visual Arts (IVA). The proposed MFA of 61 credits (minimum) will offer students a program of study that uniquely integrates visual arts with technology.

In the field of art, the MFA is regarded as a terminal degree, comparable to the Ph.D. The need for this degree program and major is based on rapidly expanding technologies that require greater collaboration across disciplines. For example, electronic imaging, web design, visualization experiments, and global communications reflect cooperative efforts of artists and scientists.

The proposal acknowledges that within the State of Iowa, the University of Iowa and Maharishi University of Management offer MFA degrees. Iowa State University officials indicated that these two programs have different purposes and emphases. The Iowa State University major will integrate science and art with theory and practice, thus supporting the land grant mission of the institution. A part of the Interinstitutional Committee on Educational Coordination and Board Office review should include a review of the potential for unnecessary duplication.

Enrollment projections provided by Iowa State University are based on current bachelor degree enrollments, as well as available studio space and faculty workloads. It is projected that five students will enroll in Year One, gradually increasing to 20 by Years Four and Five. Graduates of the program would be employable by universities, media firms, and businesses in such careers as illustrators, graphic designers, senior animators, and digital modelers. Other graduates would be able to work in such fields and professions as textile design, architecture, and chemical engineering.

The costs of the program reflect the addition of five new courses that will require that the Department of Art and Design hire a faculty member in either Year Two or Year Three. Some savings will occur as specializations in the current Master of Arts program, such as craft design, printing, and printmaking, will be dropped. The projected costs for the first three years of the program are \$5,500, \$51,000, and \$51,500.

Iowa State University officials stated that the new degree program, offered through the College of Design, is consistent with the strategic plans of the College and the University. The report declares, "unlike the traditional MFA studio program which focuses on a singular medium, such as ceramics, printmaking, painting, metals/jewelry design, etc., the IVA program offers an innovative curriculum aligned with emerging art and design markets."

ACTION: This matter was referred on the consent docket.

IOWA STATE UNIVERSITY STRATEGIC PLAN OF 2000-2005. The Board Office recommended the Board (1) approve the Iowa State University strategic plan of 2000-2005, subject to review and proposed modifications by the new president, and (2) request that the University continue the development of benchmarks, indicators, and action steps to be reported to the Board in November 2000.

Following the Board's approval of the plan, it will be used by the University to guide strategic planning and budgeting decisions for the next five years (2000-2005). The new president of Iowa State University should have the opportunity to review the plan and propose changes to the Board.

University officials are requested to continue to develop benchmarks, indicators, and action steps to be reported to the Board in November 2000.

President Jischke stated that Board members received copies of the university's new strategic plan approximately 2-1/2 months ago. He said the plan was the result of a 1-1/2 year-long process and included widespread involvement across the campus. He was very pleased with the results of the process. The university aspires to become the best land grant university in the country. The new strategic plan provides greater focus to the goals which are derived from the mission of the university. He discussed the symbolism of the three overlapping circles representing the three goals of the strategic plan.

President Jischke stated that as he comes to the end of his service, the development of strategic planning, its use in advancing the institution and as a basis for shared vision was a source of considerable satisfaction to him. He said what has happened at Iowa State University was quite impressive.

President Newlin expressed appreciation for the work that had taken place in developing the strategic plan. He then said he would like to see the performance indicators, benchmarks and peer comparisons better quantified and measurable. He provided, as an example, the cost of education per FTE.

President Jischke said there would be a number. The Regents had received the cost information earlier in the meeting. He stated that he has led an effort of all land grant universities to develop a data set that would allow comparisons among the universities. Some progress has been made but it is a difficult task to do well. Part of the difficulty has to do with the politics of higher education.

President Newlin asked if the Regents would eventually be provided with the numbers. President Jischke responded that university officials would try. He said they would certainly have all of the numbers for Iowa State University.

MOTION:

Regent Lande moved to (1) approve the Iowa State University strategic plan of 2000-2005, subject to review and proposed modifications by the new president, and (2) request that the University continue the development of benchmarks, indicators, and action steps to be reported to the Board in November 2000. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

President Jischke stated that many people had worked very hard, two in particular whom he wanted to mention: Dean Ulrichson and Rab Mukerjea.

REVISION OF THE STUDENT DISCIPLINARY REGULATIONS AT IOWA STATE UNIVERSITY. The Board Office recommended the Board approve the revised Student Disciplinary Regulations at Iowa State University.

Iowa State University officials requested approval of a revision in its Student Disciplinary Regulations. The revision process began in 1997 when a committee of students, staff, and faculty initiated a comprehensive review of the Student Code of Conduct at Iowa State University. The proposed revisions were reviewed by the appropriate administrative officers at Iowa State University, student leaders in the Government of the Student Body (GSB), the Graduate Student Senate, the Inter-Residence Hall Association, student organizations, and the University's legal counsel. The proposed revision was reviewed by the Iowa Attorney General's office and found satisfactory.

Individuals, student organizations, and campus organizations are expected to observe the policies, rules, and regulations of Iowa State University, the City of Ames, the State of Iowa, and the United States of America. University policies have been designed to protect individuals and the campus community and to create an environment conducive to achieving the academic mission of the institution. The following points were emphasized in revising the Student Disciplinary Regulations: philosophy, safety, clarity, flexibility, equal treatment, and fairness of treatment.

Vice President Hill reviewed with the Regents the information that was provided in the meeting materials, noted that the revision represented significant improvement. He described the process utilized in developing the proposed revisions.

Regent Ahrens asked what were the most significant changes. Vice President Hill said the focus was probably the most significant change. The regulations focus on providing an environment in which students are given an opportunity for personal growth and respect among students.

Regent Ahrens asked how the revision will be communicated to students once it is approved. Vice President Hill said the regulations will be printed and distributed to all students. It will also be available on the web.

Regent Lande asked about the current disciplinary system regarding violence. Vice President Hill said the current system provides for a longer period of time between the violation and adjudication. The revision provides the opportunity to move faster. Regent Lande stated that being prompt and timely was a great improvement.

Ben Golding, Student Senate President, stated that he had spoken with Vice President Hill briefly about this issue. University officials had presented the revisions to students. Mr. Golding said he was asked by the Student Senate to ask the Regents to wait until September to approve the revision to allow more time for student review. The students do not feel the matter was properly reviewed and brought to students.

Vice President Hill stated that the then-sitting Student Senate reviewed the revised student disciplinary regulations. Subsequent to the Student Senate's review, there was an election and a new Student Senate was seated. He said it has been over a year-long process. University officials feel that the revision was reviewed properly by the students at the time. He suggested the Regents approve the revision; university officials will deal with any student questions or concerns they have in the fall.

Mr. Golding said students fully agree with everything that was stated by Dr. Hill. He believes every avenue was taken by the University and the communication lines are open.

MOTION: Regent Lande moved to approve the revised Student Disciplinary Regulations at Iowa State University. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

Reiman Gardens—Conservatory
Source of Funds: ISU Foundation

Project Summary

	Amount	Date	Board Action
Permission to Proceed		March 1999	Approved
Project Description and Total Budget	\$ 7,835,300	July 1999	Approved
Architectural Agreement (Architects Smith Metzger)	739,740	July 1999	Approved
Program Statement		Nov. 1999	Approved
Schematic Design		June 2000	Requested
Revised Project Budget Architectural Amendment #1	9,624,300	June 2000	Requested

(Architects Smith Metzger)

97,790

June 2000

Requested

This project will construct a conservatory facility at the Reiman Gardens to support the University's multi-disciplinary academic programs and extension activities at the Gardens, particularly those activities of the Department of Horticulture. The primary features of the facility will include a glass structure garden conservatory area which will be used for permanent and rotating plant displays, growing greenhouses for plant production, a head house for preparation of plants for production and display, and a butterfly flight house and laboratory. The facility will also include an auditorium and multi-purpose room for educational and outreach activities consisting of demonstrations, classes and seminars, and a café/kitchen area and gift shop to serve visitors. The schematic design was developed with input from potential users and University personnel including those from the College of Agriculture, Department of Horticulture, Department of Entomology, Department of Landscape Architecture, and Facilities Planning and Management.

The Conservatory complex will be constructed north and west of the existing Reiman Garden areas and adjacent to the Mahlstedde Building which houses University extension offices and multi-purpose space for educational and other activities at the Gardens. The entry to the Conservatory complex at the north will be flanked by the Butterfly Flight House and the Auditorium which will be located adjacent to the lobby and reception area. The Butterfly Flight House will consist of an all-glass conservatory structure which will display native and exotic butterflies, tropical plants and a water feature. The building will include pedestrian circulation paths which will provide ample space for viewing the butterflies. The glass enclosure will also permit the butterflies to be viewed from the surrounding outdoor terrace area.

The remaining public functions within the complex, with the exception of the multi-purpose room, will be arranged around a central pedestrian circulation spine. This area is designed to accommodate the large crowds that are anticipated for the facility. From the lobby area, the circulation spine will serve as a corridor to the visitor areas which will include restrooms, a gift shop, café, and finally the conservatory. The circulation spine will also connect to the Mahlstedde Building and to the Butterfly Flight House. The non-public butterfly laboratory, which will be used to grow the butterflies, will also be located along this corridor directly across from the Butterfly Flight House. The multi-purpose room will be located away from the circulation spine but will be accessible from the conservatory area.

The remaining non-public areas of the complex, which include the greenhouses, the head house, kitchen and building mechanical areas, will be served by a secondary corridor. The greenhouses and head house will be available to visitors on a limited

basis, primarily through scheduled tours. A service drive will be developed in the central open area located adjacent to the greenhouses.

The schematic design reflects a total building area of approximately 30,700 gross square feet (20,945 net square feet), for a net-to-gross ratio of 68 percent. The following is the space summary for the various components of the Conservatory complex:

	<u>Net Square Feet</u>
Growing Greenhouses (including Head House)	8,048
Garden Conservatory	5,270
Butterfly Flight House and Laboratory	3,059
Café/Kitchen	2,025
Gift Shop	851
Auditorium	953
Multi-Purpose Room	739
 Total Net Assignable Space	 20,945
 Total Non-Assignable Space	 <u>9,755</u>
(Maintenance, Mechanical/Electrical, Restrooms, Circulation)	
 Total Gross Square Feet	 <u><u>30,700</u></u>
 Net-to-Gross Ratio	 68 percent

Since presentation of the building program in November 1999, the size of the conservatory complex has increased to accommodate a larger Butterfly Flight House which has increased approximately three-fold to 3,059 net square feet. It is anticipated that this larger area will increase visitor attendance significantly; therefore, the public spaces and circulation areas have also been increased in size. While annual attendance at the Conservatory complex is difficult to predict at this time, it is currently estimated at up to 250,000 visitors per year.

Due to the increased size of the project, the University also requests approval of a revised project budget in the amount of \$9,624,300, an increase of \$1,789,000. The additional funds will be provided by the ISU Foundation.

Construction of the Conservatory complex is anticipated to commence in April 2001 for completion in August 2002. Construction of a new maintenance facility for the Reiman Gardens, which will replace an existing facility that will be removed from the site to accommodate construction of the Conservatory complex, is expected to begin this October.

University officials also requested approval of Amendment #1 in the amount of \$97,790 to the agreement with Architects Smith Metzger. The amendment will provide compensation for the additional design services for the expanded project scope.

Project Budget

	Initial Budget <u>July 1999</u>	Revised Budget <u>June 2000</u>
Construction Costs	\$ 6,133,000	\$ 7,624,500
Professional Fees	1,221,500	1,479,800
Movable Equipment	315,000	315,000
Project Contingency	<u>165,800</u>	<u>205,000</u>
TOTAL	<u>\$ 7,835,300</u>	<u>\$ 9,624,300</u>

Vice President Madden introduced Daryl Metzger, the design architect, to give the presentation.

Mr. Metzger discussed the schematic design for the Reiman Gardens Conservatory. He noted that a new drop-off area will be created as well as a new connection across the wetlands.

Regent Fisher asked if there was anything currently on the site. Mr. Metzger said there was a maintenance building that sits where the greenhouses will be.

Regent Fisher asked what materials would be used to construct the butterfly house. Mr. Metzger responded that it would be 100 percent glass.

President Newlin thanked Mr. Metzger for the presentation.

Vice President Madden stated that this was an exciting project. He said exotic butterfly houses are wonderful exhibits. The project is being financed through the foundation's fund-raising efforts.

Regent Kennedy asked that consideration be given to the ratio of men's and women's rest rooms since this facility will be a gathering place for large groups of people. Mr. Metzger responded that such consideration was being given.

Gilman Hall Systems Upgrade

Source of Funds: Capital Appropriations

Project Summary

	Amount	Date	Board Action
Prior Board Approvals			
Permission to Proceed Engineering Agreement		May 1992	Approved
(KJWW Engineering Consultants)	\$ 100,000	March 1993	Approved
Current Approval Requests			
Permission to Proceed		June 2000	Requested
Project Description and Total Budget	11,000,000	June 2000	Requested
Engineer Selection to Complete Design Services			
(KJWW Engineering Consultants)		June 2000	Requested

Various mechanical systems which serve the 1965 addition to Gilman Hall are in danger of complete failure. The air handling systems are at maximum capacity which allows little room for replacement air. In addition, the deteriorated fume hood exhaust ducts do not adequately disperse fumes high above the building roof. The current activities of the Gilman Hall occupants, which include the Departments of Chemistry, Chemistry Stores and Shops, Material Science and Engineering, and the Ames Laboratory, require much more intensive fume hood exhaust than was designed into the original building.

In addition to replacement of the air handling systems in the 1965 addition, the project will replace the penthouse air handlers in the original 1914 sections of Gilman Hall which will provide additional make-up air for the entire building. The project will also include exterior masonry repairs including chip repair, tuckpointing, and caulking to reduce water infiltration.

The majority of planning and design services for the project were completed in anticipation of funding for the project prior to July 1993. However, the remaining design services were put on hold at that time pending future State funding for the project. Because of the critical need for this work to proceed as quickly as possible, and the fact that the project design is 90 percent complete, the University recommends the selection of the original project engineer, KJWW Engineering Consultants, to complete design services for the project. The firm also provided engineering services for previous remodeling projects in Gilman Hall and therefore is very familiar with the Gilman Hall building systems. The University will return to the Board for approval of the negotiated agreement.

Project Budget

Construction Costs	\$ 8,952,500
Professional Fees	1,409,600
Relocation	100,000
Project Contingency	<u>537,900</u>
 TOTAL	 <u>\$ 11,000,000</u>

Knapp/Storms/Wallace/Wilson Pre-Cast Concrete Façade Panel Maintenance

Source of Funds: Dormitory System Surplus Funds

Project Summary

	Amount	Date	Board Action
Permission to Proceed		June 2000	Requested
Project Description and Total Budget	\$ 1,500,000	June 2000	Requested
Engineering Agreement (Construction Technology Laboratories)	213,000	June 2000	Requested

This project will be undertaken in response to a study completed by Construction Technology Laboratories, of Skokie, Illinois, to determine the cause and extent of deterioration of the concrete façade panels at the four residence halls, which were constructed between 1965 and 1967. The study determined that the pre-cast panels at the Knapp and Storms residence halls exhibit significant distress, including cracked delaminated and spalled concrete due to the embedment of reinforcing steel and the poor quality of concrete used to manufacture the pre-cast panels. In addition, the structural connections that were used to attach the pre-cast panels to the concrete structure exhibit moderate corrosion in all four facilities. The study determined that 16 percent of the connection straps have failed, resulting in offsets to the pre-cast

panels of approximately one-quarter inch or more. The sealant joints are hard and brittle with no flexibility, resulting in a lack of weather tightness to the façade system.

University officials proposed to undertake temporary structural anchoring repairs to the pre-cast panels of the Knapp and Storms facilities to extend the useful life of each for three years. University officials hope to demolish these two facilities, consistent with the Residence System Master Plan, as it proceeds with the additional projects planned for the residence system. University officials do not wish to spend significant amounts of money on repairs to the exterior of buildings which will ultimately be demolished.

University officials proposed long-term structural repairs and sealant joint replacement to the façade systems of the Wallace and Wilson facilities. These repairs are expected to extend the life cycle of each façade system by approximately 15 years.

The project will complete all exterior work of the facilities prior to December 2000. All interior work will be completed during the summer of 2000. The interior work will address primarily the panel anchorage systems for Wallace and Wilson halls. This will include cutting and patching of drywall, painting, and some asbestos abatement.

University officials requested Board approval of a new agreement with Construction Technology Laboratories to provide engineering services for the recommended repairs. The firm was selected by the University due to its extensive expertise in the field of forensic engineering, its knowledge of the specific situation resulting from completion of the feasibility study, and the urgency of completing the interior portion of the work prior to the fall 2000 semester. University officials indicated that Construction Technology Laboratories specializes in this specific engineering field, and that the same level of expertise is not available from an Iowa firm.

The agreement will provide full engineering services for the project for a fee of \$123,000, including reimbursables.

<u>Project Budget</u>	
Construction Costs	\$ 1,195,600
Professional Fees	<u>304,400</u>
TOTAL	<u>\$ 1,500,000</u>

Regent Fisher said it was his recollection that the residence system master plan included removal of these residence halls. Vice President Madden responded affirmatively, noting that the Regents had not yet officially approved that part of the plan.

Regent Fisher noted that University officials plan to extend the Wilson and Wallace facilities for 15 years. He asked how much money it would take for a 15-year timetable on the Knapp and Storm facilities and whether it would be practical to do so.

Vice President Madden responded that university officials have looked at those economics and believe that is not an appropriate approach. He said the design of those buildings does not meet the current student needs for housing. The economics of renovating those facilities does not work out so the plan is to take them down. The timelines depend on being able to make this work financially. The residence system is self-supporting and involves a relatively large amount of additional bond issues. University officials are in the process of pulling this together and hope to bring it to the Board in the near future.

Regent Fisher asked if most of what was being done to the residence halls was for safety purposes. Vice President Madden responded that it was for safety and for continued use of the facility in the near term.

Hilton Coliseum—Interior Handrails
 Source of Funds: Hilton Coliseum Surplus Funds

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 300,000	June 2000	Requested

The handrails will be installed to improve safety and accessibility in the parquet and mezzanine areas which currently do not have handrails. With completion of this project, handrails will be provided for all permanent seating areas in Hilton Coliseum.

University officials anticipate commencing the work in September of this year with completion in October. This schedule would allow the work to be completed prior to beginning construction on the Hilton Coliseum Improvements project, which is currently scheduled to commence in November 2000.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Construction Costs	\$ 218,000
Professional Fees	54,500
Project Contingency	<u>27,500</u>

TOTAL \$ 300,000

Veterinary Medical Research Institute (VMRI)—Building 29 Interior Repairs

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 263,000	June 2000	Requested

The project will include interior epoxy finishes for the walls, ceiling and floor, and replacement of a plumbing fixture and door in compliance with current National Institutes of Health standards.

Permission to proceed with the project was not required since the project budget does not exceed \$1,000,000.

Project Budget

Construction Costs	\$ 217,500
Professional Fees	41,100
Project Contingency	<u>4,400</u>
TOTAL	<u>\$ 263,000</u>
Source of Funds:	
General University Funds	\$ 200,000
Building Repair Funds	<u>63,000</u>
TOTAL	<u>\$ 263,000</u>

Carver Co-Laboratory

Project Summary

	Amount	Date	Board Action
Permission to Proceed		Dec. 1999	Approved
Project Description and Total Budget	\$ 7,000,000	Dec. 1999	Approved
Architectural/Engineering Agreement— Schematic Design & Site Planning (Brooks Borg and Skiles)	150,000	March 2000	Approved
Revised Project Budget	9,200,000	June 2000	Requested
Architectural Amendment #1 (Brooks Borg and Skiles)	48,000	June 2000	Requested

This project will construct a facility which will function as the center of research activities for the Plant Sciences Institute, which was established by the Board in September 1999. The co-laboratory will provide a facility where scientists from Iowa State University, private industry, and the world can meet in a collaborative and interactive environment to conduct state-of-the-art plant research and address critical issues in plant science. The co-laboratory will emphasize and promote interdisciplinary collaboration within the plant sciences and other core areas of the University, such as molecular biology, plant physiology, and classical plant breeding, molecular genetics, physics, and mathematics.

The revised budget of \$9,200,000 reflects an increase of \$2,200,000 for an expanded project scope to provide additional space to support interdisciplinary collaboration with biochemical research and to accommodate a major researcher in the facility. As a result, the building size will increase by approximately 4,400 net square feet to accommodate additional laboratory, office and support staff space. The additional funding for the revised budget will be provided by General University funds and the Iowa State University Foundation.

University officials also requested approval of amendment #1 in the amount of \$48,000 to the agreement with Brooks Borg and Skiles. The amendment will provide compensation for the additional design services for the expanded project scope.

Project Budget

	Initial Budget Dec. 1999	Revised Budget June 2000
Construction Costs	\$ 5,283,700	\$ 7,204,000
Professional Fees	1,010,100	1,262,000
Movable Equipment	223,200	230,000
Relocation	21,300	26,500
Contingency	461,700	477,500
TOTAL	<u>\$ 7,000,000</u>	<u>\$ 9,200,000</u>
Source of Funds:		
General University Funds	\$ 1,600,000	\$ 2,575,000
Agriculture Experiment Station	250,000	250,000
Restricted Funds	750,000	750,000
ISU Foundation	4,400,000	5,625,000
TOTAL	<u>\$ 7,000,000</u>	<u>\$ 9,200,000</u>

Institutional Roads—Iowa State Center Parking Lots Rehabilitation

Project Summary

	Amount	Date	Board Action
Permission to Proceed		Nov. 1999	Approved
Project Description and Total Budget	\$ 1,529,200	Nov. 1999	Approved
Engineering Agreement (Snyder and Associates)	125,068	Nov. 1999	Approved
Revised Project Budget	1,591,200	June 2000	Requested

This project will reconstruct, repair and resurface various deteriorated areas of the parking lots which serve the Iowa State Center, and the north/south drives through the parking areas. The revised budget of \$1,591,200, an increase of \$62,000, will allow award of the construction contract for the project by the Iowa Department of Transportation. One bid was received for the project in the amount of \$1,689,086 which exceeded the total project budget. In order to facilitate award of the construction contract, the bid was negotiated down to \$1,312,272, which reflects the removal of two parking areas from the construction contract and a reduced scope for the pavement overlay for one of the drives. However, the negotiated award still requires a revised project budget in order to provide sufficient construction funds for the contract.

Project Budget

	Initial Budget <u>Nov. 1999</u>	Revised Budget <u>June 2000</u>
Construction Costs	\$ 1,302,700	\$ 1,374,000
Professional Fees	207,000	201,400
Project Contingency	<u>19,500</u>	<u>15,800</u>
TOTAL	<u>\$ 1,529,200</u>	<u>\$ 1,591,200</u>
Source of Funds:		
Institutional Roads Funds	\$ 531,200	\$ 663,200
Parking Systems	450,000	338,000
Federal Transportation Grant (City of Ames)	420,000	432,000
Iowa State Center	<u>128,000</u>	<u>158,000</u>
TOTAL	<u>\$ 1,529,200</u>	<u>\$ 1,591,200</u>

MacKay Hall—Food Science and Human Nutrition Laboratory Renovation

Project Summary

	Amount	Date	Board Action
Project Description and Total Budget	\$ 150,000	May 1998	Exec. Dir. *
Revised Total Project Budget	455,000	May 1999	Approved
Architectural Agreement (RDG Bussard Dikis)	51,000	June 1999	Approved
Revised Total Project Budget	755,000	June 2000	Requested

* Approved by the Executive Director in accordance with Board procedures for projects under \$250,000.

This project will remodel space in the Food Science and Human Nutrition Laboratory in MacKay Hall and will include the installation of new heating, ventilating and air conditioning systems, and kitchen and telecommunications equipment. The improvements are based on a feasibility study undertaken for the laboratory area which indicated the need to renovate the space to provide modern, safe teaching facilities, utilizing state-of-the-art equipment and teaching technologies.

University officials are proceeding with the improvements in accordance with available funding for the project. The current project, based on the revised budget approved in May 1999, includes renovation of approximately 1,560 gross square feet, or approximately one-fourth of the total laboratory area. The proposed revised budget of \$755,000, an increase of \$300,000, will allow the project to include an additional 1,200 gross square feet of space for a total project area of 2,760 gross square feet (approximately one-half of the total laboratory area). University officials will proceed with additional renovation work as funding is available.

The additional funding for the revised budget will be provided by general university funds and the ISU Foundation.

Project Budget

	Revised Budget May 1999	Revised Budget June 2000
Construction Costs	\$ 304,000	\$ 509,300
Professional Fees	75,000	142,800
Movable Equipment	30,500	70,000
Contingency	45,500	32,900
TOTAL	<u>\$ 455,000</u>	<u>\$ 755,000</u>
Source of Funds:		
General University Funds	\$ 425,000	\$ 650,000
Agriculture Experiment Station	30,000	30,000
ISU Foundation	0	75,000
TOTAL	<u>\$ 455,000</u>	<u>\$ 755,000</u>

Buchanan Hall Suite Renovation—Feasibility Study
Source of Funds: Dormitory System Surplus Funds

Project Summary

	Amount	Date	Board Action
Agreement for Feasibility Study (Wells Woodburn O'Neil)	\$ 64,600	June 2000	Requested

The feasibility study will identify building deficiencies and recommend upgrades, and provide schematic design services, construction cost estimates, and life-cycle cost analysis for the recommended upgrades. The results of the feasibility study will be used by the University to guide future renovation work for the residence facility.

Board approval of the feasibility study is required in accordance with Procedural Guide §9.05, which requires Board approval of feasibility studies for which the fee exceeds \$50,000.

Engineering Teaching and Research Complex

Project Summary

	Amount	Date	Board Action
Permission to Proceed		May 1993	Approved
Planning Funds	\$ 2,190,700	July 1996	Approved
Phase 1 Revised Project Budget	33,763,869	July 1996	Approved
Phase 2 Revised Project Budget	25,066,393	July 1996	Approved
Total Revised Project Budget	61,020,962	Sept. 1997	Approved
Architectural Agreement—Phase 1 (Brooks Borg and Skiles)	748,000	Nov. 1996	Approved
Architectural Amendments #1 - #6	304,985		Approved
Architectural Amendment #7	17,800	June 2000	Requested

The installation of the audio/visual equipment includes construction of a metal frame to house the projection screen and the associated mechanical/electrical work.

* * * *

Included in the University's capital register were six project budgets under \$250,000, two amendments which were approved by the University in accordance with Board procedures, four construction contracts awarded by the Executive Director, the acceptance of seven completed construction contracts, and one final report. These items were listed in the register prepared by University officials.

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

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

University officials requested approval of an addendum to the lease agreement with Epsilon Investment which currently provides 2,672 square feet of office space in Urbandale, Iowa, for the Central Iowa Area Extension Office/Outreach Center. The space is currently leased at the rate of \$2,672 per month (\$12 per square foot, \$32,064 per year) for a five-year term through April 30, 2005.

The addendum will provide an additional 1,000 square feet of space for a total leased area of 3,672 square feet. The additional space will be leased at the rate of \$1,000 per month (\$12 per square foot, \$12,000 per year) for an initial term of one year effective May 1, 2000. The addendum provides for automatic renewals for each succeeding annual period through April 30, 2005, consistent with the end of the lease term for the existing lease agreement.

University officials requested approval to enter into an easement agreement with the Central Iowa Water Association for the installation of a water line at the Rhodes Research Farm in Marshall County, Iowa. The easement was requested by the utility to extend a rural water line through the farm to serve a nearby housing development and golf course. The water line will extend approximately two miles through a pasture area on the farm. The water line, which will be installed at no cost to the University, will benefit the farm by providing a needed rural water connection to the farm's headquarters.

MOTION: Regent Fisher moved to approve leases and easements, as presented. Regent Lande seconded the motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Neil, Smith.

MOTION CARRIED.

DEMOLITION OF BUILDING 19 AT VETERINARY MEDICAL RESEARCH INSTITUTE (VMRI). The Board Office recommended the Board approve the demolition of Building 19 located at the Veterinary Medical Research Institute.

University officials requested approval to demolish Building 19 at the Veterinary Medical Research Institute. The building is a barn structure consisting of approximately 2,400 square feet of space. The building, which was constructed in 1948, can no longer be used for research activities due to multiple electrical deficiencies. The demolition of the building will clear the site for construction of a new cattle research building which is expected to commence this July. The cost for demolition and clean-up of Building 19, estimated at \$5,000, will be paid by the College of Veterinary Medicine.

MOTION: Regent Lande moved to approve the demolition of Building 19 located at the Veterinary Medical Research Institute. Regent Fisher seconded the

motion, and upon the roll being called, the following voted:
AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Newlin, Turner.
NAY: None.
ABSENT: Neil, Smith.

MOTION CARRIED.

LIVESTOCK INFECTIOUS DISEASE ISOLATION FACILITY BIOSAFETY LEVEL-3 AGRICULTURE BIOCONTAINMENT FACILITY. The Board Office recommended the Board (1) approve the memorandum of agreement between Iowa State University and the United States Department of Agriculture for development of a biosafety level 3 Livestock Infectious Disease Isolation Facility to be constructed by Iowa State University at the U.S. Department of Agriculture National Animal Disease Center in Ames, Iowa, and (2) authorize Iowa State University to transfer ownership of the building to the United States Government following completion of construction, subject to Executive Council approval prior to entering into the agreement and commencing construction.

In May 1999, Iowa State University officials presented a report to the Board on a proposed agreement with the Agricultural Research Service (ARS) of the U.S. Department of Agriculture (USDA) to construct a Livestock Infectious Disease Isolation Biosafety Level 3 Facility at the National Animal Disease Center (NADC) in Ames. The project will provide state-of-the-art facilities to house large animals for the purpose of conducting highly infectious disease research at biosafety level 3 (BL-3), which requires systems with more stringent control of waste products. The total cost for construction of the BL-3 facility would be funded by state appropriations, which must be fully expended by June 30, 2003.

Since presentation of the report to the Board in May 1999, University officials have consulted with the Attorney General's Office and representatives of the General Counsel's Office of the Agricultural Research Service to develop the proposed agreement. University officials believe that the proposed agreement reflects the best set of terms and conditions that can be obtained under the current statutory constraints of the USDA.

Under the terms of the agreement, USDA would grant an easement to the University which would allow the University to construct the facility at the NADC. The easement will terminate with satisfactory construction of the facility and acceptance of the building by the federal government. At that time, title to the facility would transfer to the United States government. Transfer of title would require approval of the Executive Council of

Iowa; the Attorney General's Office recommended that this approval be obtained prior to proceeding with construction of the facility.

The proposed agreement also permits the University to conduct BL-3 infectious disease research at the site and addresses the joint operation of the facility and the University's access to the USDA facilities at the Center. The agreement would be in effect for a period of 50 years and would be subject to review at least once every five years for programmatic relevancy. The Attorney General's Office review of the proposed agreement noted that legally there is nothing that would prevent the Board from entering into the agreement. However, the Attorney General's Office also stated that there were risks to Iowa State University arising from the proposed agreement.

Vice President Madden presented this item on behalf of Iowa State University. He noted that Dean Ross had made a presentation to the Board about this project approximately a year ago. He said this was an important facility to promote the kind of research that needs to be done by the University. University officials believe the proposal was the most cost-effective manner in which to carry out the research. The proposal places the facility in the middle of a federal campus. University officials have spent a long time working on this proposal. Once the facility is completed, the title will be transferred to the federal government; that appears to be the only way to do this at this site. He noted this project also has value to the state's long-term interest in this federal site.

Regent Fisher asked who owns the ground. Vice President Madden responded that the land was owned by the federal government.

Regent Kennedy asked about the statement by the Attorney General that the University is responsible for any environmental problems. Vice President Madden said he believed that the agreement reflected that the University would be responsible for its activities and the federal government would be responsible for its activities. University officials believe the agreement adequately addresses how those issues will be resolved.

Director Tanaka stated that if the federal government does not follow the agreed-upon protocols or its own protocols, the federal government is responsible for the environmental liabilities.

MOTION:

Regent Lande moved to (1) approve the memorandum of agreement between Iowa State University and the United States Department of Agriculture for development of a biosafety level 3 Livestock Infectious Disease Isolation Facility to be constructed by Iowa State University at the U.S.

Department of Agriculture National Animal Disease Center in Ames, Iowa, and (2) authorize Iowa State University to transfer ownership of the building to the United States Government following completion of construction, subject to Executive Council approval prior to entering into the agreement and commencing construction. Regent Kennedy seconded the motion, and upon the roll being called, the following voted:

AYE: Ahrens, Fisher, Kelly, Kennedy, Lande, Newlin, Turner.

NAY: None.

ABSENT: Neil, Smith.

MOTION CARRIED.

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, June 14 and 15, 2000.

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

Register of Personnel Changes for April 2000.

Approve the reappointments of Gary Shontz as Secretary and John Conner as Treasurer for the fiscal year beginning July 1, 2000, in accordance with the Iowa Code §262.9.

MOTION: The personnel transactions were approved, as presented, on the consent docket.

REQUEST TO CHANGE THE OFFICE FROM PLACEMENT AND CAREER SERVICES TO THE CAREER CENTER. The Board Office recommended the Board approve a change in the name of the University of Northern Iowa office from Placement and Career Services to The Career Center.

University of Northern Iowa officials requested approval of a change in the name of the University of Northern Iowa Placement and Career Services to The Career Center. University officials indicated that surveys of staff, students, employer advisory committees, national professional associations and others have indicated the need to change the name of the Placement and Career Services. University officials committed to have the name describe the mission of the department and reflect the philosophy of a holistic, developmental approach to career choice. The new name encompasses the broad life span of students rather than a mechanistic approach to securing a job.

Other than reflecting its philosophy, the change is not intended to alter the mission of the organization. Costs of this change are relatively small, such as changes will need to be made to business cards, envelopes, letterhead, name badges and tablecloths.

MOTION: Regent Fisher moved to approve a change in the name of the University of Northern Iowa office from Placement and Career Services to The Career Center. Regent Ahrens seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

The University of Northern Iowa capital register included two project budgets under \$250,000, two construction contracts which were awarded by the Executive Director, and three final reports. These items were included in the register prepared by University officials.

MOTION: Regent Lande moved to approve the Register of Capital Improvement Business Transactions for the University of Northern Iowa, as presented. Regent Turner 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. There were none.

IOWA SCHOOL FOR THE DEAF

The following business pertaining to the Iowa School for the Deaf was transacted on Wednesday and Thursday, June 14 and 15, 2000.

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

Register of Personnel Changes for May 2000, which included an educational leave of absence for the 2000-01 academic year for Molly Stedman.

Approve the reappointment of James Heuer as Secretary and Treasurer for the fiscal year beginning July 1, 2000, in accordance with the Iowa Code §262.9.

Approve the appointment of John Cool as Level I child abuse investigator and Lori Green and Jeanette Watson alternates for the fiscal year beginning July 1, 2000.

ACTION: The personnel transactions were approved, as presented, on the consent docket.

REQUEST FOR REASSIGNMENT OF PAYGRADE FOR TWO P&S POSITIONS. The Board Office recommended the Board approve the following revisions to the P&S Classification System:

Eliminate the classifications of Dean of Boys and Dean of Girls in pay grade 4.

Establish the classification of Residence Dean in pay grade 5 (\$35,833 to \$53,917).

Upgrade the classification of Head Registered Nurse from pay grade 4 (\$32,485 to \$48,294) to pay grade 5 (\$35,833 to \$53,917).

Over the past ten years, the deans have assumed greater responsibility for the planning, development, implementation, and evaluation of the residential curriculum as

well as assuming responsibility for many aspects of the training of the residential staff. The deans meet regularly with the principals of the academic programs to plan, develop and implement educational goals for the students. There are currently two deans -- one in the girls dormitory and one in the boys dormitory.

The Head Registered Nurse has assumed greater responsibilities, both administrative and clinical, over the last few years. Such responsibilities include serving on the Strategic Planning/School Improvement Committee, assisting with the evaluation of students for the Iowa Child's Hearing Loss Clinic, and serving as a consultant to the Iowa School for the Deaf Student Assistance Center.

In compliance with the state's comparable worth law, the changes in duties and responsibilities of these two classifications were evaluated through use of the Job Evaluation Instrument. Pay grade assignments were made as a result of that evaluation.

MOTION: Regent Kennedy moved to approve the revisions to the P&S Classification System, as presented. Regent Turner seconded the motion. MOTION CARRIED UNANIMOUSLY.

AGREEMENTS WITH NEBRASKA DEPARTMENT OF EDUCATION. The Board Office recommended the Board:

1. Academic Year Agreement – Approve the renewal of the education services agreement with the Nebraska Department of Education for the FY 2001 at a tuition rate of \$62,759 per Nebraska student (\$39,252 for educational and related program services and \$23,507 for residential services).
2. Summer School Agreement – Approve the renewal of the Nebraska Summer School Agreement for the summer school program of 2000 with a tuition rate of \$472 per Nebraska student, per week (\$240 for educational and related program services and \$232 for residential services).
3. Both Agreements:
 - a. Approve the change to section 6(g) of each agreement to allow the per student amount charged to the Nebraska Department of Education to decrease in direct relation to the summer school budget of the Iowa School for the Deaf.

- b. Approve the notification of the Board's intent to renew each agreement with the Nebraska Department of Education for FY 2002, pursuant to the provisions of the agreement.

ACADEMIC YEAR AGREEMENT

The agreement between the Board of Regents and the Nebraska Department of Education for educational services provided by the Iowa School for the Deaf for Nebraska students with hearing impairments was approved by the Board in April 1998 for FY 1999 and renewed for FY 2000. The terms of the original agreement allow renewal for additional years by mutual consent of the parties with written notification by each party. Both parties provided written intent for FY 2001. It was recommended that the contract be renewed for FY 2001 with the same tuition rate as previous years.

The tuition rate of \$62,759 for the Nebraska students for FY 2001 includes educational and related program services at \$39,252 (\$37,944 for the educational services and \$1,308 for capital costs) and residential services at \$23,507.

The Nebraska Department of Education had requested this change, which is included in the contract renewal document.

Pursuant to section 1 of the agreement, the parties are to be notified, in writing, regarding the intent to renew the agreement for the subsequent fiscal year, FY 2002. It was recommended that the Board, on behalf of the Iowa School for the Deaf, notify the Nebraska Department of Education of its intent to renew the agreement for FY 2002.

SUMMER SCHOOL AGREEMENT

The academic year agreement between the Board of Regents and the Nebraska Department of Education specifically excludes services related to the summer school program. In May 1999, the Board approved an agreement for the Iowa School for the Deaf to provide summer school programming for Nebraska students with hearing impairments.

Iowa School for the Deaf annually offers a summer school program. Students may attend one, two, or three weeks of the program. Iowa School for the Deaf officials have been informed that several Nebraska students wish to attend the 2000 summer school program.

The tuition amount for this summer's program will be \$472 per student, per week (\$240 per week for the educational and related services and \$232 for the residential services). Because of the manner in which the Iowa School for the Deaf summer program is

operated with activities well past the evening meal hour, it is preferable that students be in residence during the week(s) that they participate.

Pursuant to section 1 of the summer school agreement, the parties are to be notified, in writing, regarding the intent to renew the agreement for the subsequent fiscal year, FY 2002. It was recommended that the Board, on behalf of the Iowa School for the Deaf, notify the Nebraska Department of Education of its intent to renew the agreement for FY 2002.

PROPOSED CHANGE

The only change in either agreement is to include language allowing the annual charges per student to be modified to reflect any decrease in charges in direct relation to the general budget for the Iowa School for the Deaf. The Nebraska Department of Education requested this change, which is included in the contract renewal document and confirms an understanding reached during agreement of the original contract.

Superintendent Johnson said the agreements were modified slightly by adding one word.

Regent Fisher asked if there would be any increase in tuition for the Nebraska students. Superintendent Johnson responded that there would be no increase in the cost/student. He said he was not sure about the number of Nebraska students. Three Nebraska students graduated this year. The school has received seven inquiries but school officials were not basing the budget on any of those seven students coming to Iowa School for the Deaf.

Regent Lande asked how many Nebraska students were currently in residence at Iowa School for the Deaf. Superintendent Johnson responded that there were currently 18 Nebraska students at the Iowa School for the Deaf.

MOTION: Regent Turner moved to (1) approve the renewal of the education services agreement with the Nebraska Department of Education for the FY 2001 at a tuition rate of \$62,759 per Nebraska student (\$39,252 for educational and related program services and \$23,507 for residential services); (2) approve the renewal of the Nebraska Summer School Agreement for the summer school program of 2000 with a tuition rate of \$472 per Nebraska student, per week (\$240 for educational and related program services and \$232 for

residential services); (3) approve the change to section 6(g) of each agreement to allow the per student amount charged to the Nebraska Department of Education to decrease in direct relation to the summer school budget of the Iowa School for the Deaf; and (4) approve the notification of the Board's intent to renew each agreement with the Nebraska Department of Education for FY 2002, pursuant to the provisions of the agreement. 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 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, June 14 and 15, 2000.

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

Register of Personnel Changes for the period of April 16 to May 13, 2000.

Approve the reappointment of Luann Woodward as Secretary and Treasurer for the fiscal year beginning July 1, 2000, in accordance with the Iowa Code §262.9.

Approve the appointment of Dianne Utsinger as Level I child abuse investigator and Barbara Roberts and Nick Fisher alternates for the fiscal year beginning July 1, 2000.

ACTION: The personnel transactions were approved, as presented, on the consent docket.

PROFESSIONAL AND SCIENTIFIC RECLASSIFICATION. The Board Office recommended the Board approve the establishment of the P&S classification, Administrative Assistant for Educational Services, in pay grade 4 (\$32,485 to \$48,294).

With the recent reorganization of the school and creation of the Education Department, there is a need to provide professional support for the Department to coordinate projects and assist in the delivery of programs to students around Iowa who are blind or visually impaired. Iowa Braille and Sight Saving School officials plan to place a current clerical employee in the new P&S position.

In compliance with the state's comparable worth law, the skill, effort, responsibilities and working conditions of the proposed classification were evaluated through use of the Job Evaluation Instrument. The pay grade assignment was made as a result of that evaluation.

IOWA BRAILLE AND SIGHT SAVING SCHOOL
June 14-15, 2000

MOTION:

Regent Fisher moved to approve the establishment of the P&S classification, Administrative Assistant for Educational Services, in pay grade 4 (\$32,485 to \$48,294). Regent Ahrens 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 Iowa Braille and Sight Saving School. There were none.

ADJOURNMENT.

The meeting of the Board of Regents, State of Iowa, adjourned at 11:10 a.m. on Thursday, June 15, 2000.

Frank J. Stork
Executive Director