

The State Board of Regents met on Wednesday, March 19, 1997, at Iowa State University, Ames, Iowa.
The following were in attendance:

	<u>March 19 .</u>
<u>Members of State Board of Regents</u>	
Mr. Newlin, President	All sessions
Mr. Arenson	Excused from 11:45 a.m.-2:50 p.m.
Mr. Dorr	Arrived at 10:55 a.m.
Mrs. Kennedy	Excused at 3:00 p.m.
Mr. Lande	All sessions
Ms. Mahood	All sessions
Mrs. Pellett	Excused
Mrs. Smith	All sessions
Dr. Tyrrell	All sessions
<u>Office of the State Board of Regents</u>	
Executive Director Richey	All sessions
Deputy Executive Director Barak	All sessions
Director Houseworth	All sessions
Director Stadlman	Excused at 11:15 a.m.
Associate Director Racki	All sessions
Associate Director Sutton	All sessions
Minutes Secretary Briggie	All sessions
<u>State University of Iowa</u>	
President Coleman	Excused at 3:17 p.m.
Provost Whitmore	Excused at 3:17 p.m.
Vice President True	Excused at 3:17 p.m.
Associate Vice President Small	Excused at 3:17 p.m.
<u>Iowa State University</u>	
President Jischke	All sessions
Provost Kozak	All sessions
Vice President Madden	All sessions
Assistant to the President Mukerjea	All sessions
Executive Assistant to the President Dobbs	All sessions
Assistant to the President Bradley	All sessions
Interim Director Anderson	All sessions
<u>University of Northern Iowa</u>	
President Koob	Excused at 3:07 p.m.
Vice President Conner	Excused at 3:07 p.m.
Vice President Follon	Excused at 3:07 p.m.
Executive Assistant to the President Geadelmann	Excused at 3:07 p.m.
Director Chilcott	Excused at 3:07 p.m.
<u>Iowa School for the Deaf</u>	
Superintendent Johnson	Excused at 2:57 p.m.
Director Heuer	Excused at 2:57 p.m.
Interpreter Reese	Excused at 2:57 p.m.
Interpreter Peek	Excused at 2:57 p.m.
<u>Iowa Braille and Sight Saving School</u>	
Superintendent Thurman	Excused at 2:59 p.m.
Director Woodward	Excused at 2:59 p.m.

GENERAL

The following business pertaining to general or miscellaneous business was transacted on Wednesday, March 19, 1997.

President Newlin congratulated Regent Arenson on confirmation by the Senate of his appointment as a member of the Board of Regents.

APPROVAL OF MINUTES OF BOARD MEETINGS OF JANUARY 15-16 AND FEBRUARY 19-20, 1997. The Board Office recommended the Board approve the minutes.

MOTION: Regent Smith moved to approve the minutes of the January 15-16 and February 19-20, 1997, meetings, as written. Regent Kennedy seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

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

Receive the report on the Iowa Measurement Research Foundation (SUI);

Receive the status report on the Board Office budget for FY 1997;

Approve the renewal of the agreement for athletic cooperation between Lewis Central and the Iowa School for the Deaf;

Refer the request to change the name of the Industrial Relations and Human Resources major at the University of Iowa to the Interinstitutional Committee on

Educational Coordination and the Board Office for review and recommendation;
and

Refer the proposed new Bachelor of Science degree program in Environmental Sciences at the University of Iowa to the Interinstitutional Committee on Educational Coordination and the Board Office for review and recommendation.

ACTION: President Newlin stated the Board approved the consent docket, as presented, by general consent.

REPORT ON FACULTY CONSULTING ACTIVITIES. The Board Office recommended the Board (1) receive the report and (2) request that the Interinstitutional Committee on Educational Coordination review each university's policies on faculty consulting to ensure common definitions of reported activities, including self-employed professional practice and business ownership.

Among all three Regent universities, an average of just under 1,000 full-time faculty members reported paid consulting activity during each year of the 1994-96 biennium. This is separate from the unpaid professional service that virtually all faculty perform.

During the 1994-96 biennium the numbers of reported faculty who consulted for pay declined at the University of Iowa and Iowa State University. This figure increased slightly at the University of Northern Iowa.

The total number of reported days spent in paid consulting in 1994-95 was 6,482. This number decreased to 5,427 in 1995-96. The volume of consulting activity can vary greatly from year to year depending on the availability of opportunities.

The total and average number of days spent consulting during this two-year period increased slightly at the University of Iowa, declined slightly at the University of Northern Iowa, and decreased by nearly 30 percent at Iowa State University. Even with this significant reduction, Iowa State University continued to lead the Regent institutions in the number of consulting days invested by faculty.

The complete faculty consulting reports are available in the Board Office.

Data on Faculty Consulting Activities:

Among all three Regent universities the total number of full-time faculty members who reported paid consulting activity was 1,035 during 1994-95 and 963 during 1995-96.

These numbers constituted about one-fifth of all full-time faculty at the University of Iowa, about one-quarter of all full-time faculty at Iowa State University, and nearly one-third of full-time tenured and tenure-track faculty at the University of Northern Iowa.

The total number of reported days spent on paid consulting decreased from 6,482 in 1994-95 to 5,427 in 1995-96.

The average annual number of full-time faculty who engaged in paid consulting during the 1994-96 biennium was 446 at the University of Iowa, 387 at Iowa State University, and 167 at the University of Northern Iowa.

The average number of work days spent consulting by those faculty members who reported such activities was 7.8 at Iowa State University, 7.1 at the University of Northern Iowa, and 4.0 at the University of Iowa.

The average number of faculty who consult and the average number of days spent consulting have fluctuated over the last twelve years, as shown below.

Biennial Averages for Faculty Consulting at Regent Universities,
1984-1996

	Average Annual Number of Faculty Reporting Consulting Activity			Average Annual Number of Days Spent Consulting for Those Faculty Reporting Such Activity		
	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>	<u>SUI</u>	<u>ISU</u>	<u>UNI</u>
1984-86	375	377	290	5.3	6.2	4.4
1986-88	405	358	152	4.9	6.5	8.2
1988-90	413	309	142	4.8	6.6	6.0
1990-92	478	344	154	4.2	6.0	7.0
1992-94	466	357	159	4.3	6.8	6.9
1994-96	446	387	167	4.0	7.8	7.1

Provost Whitmore summarized the report of the University of Iowa.

Regent Lande asked about consulting done by faculty during periods when they are not covered by contract. Provost Whitmore responded that the report included faculty with 9-month contracts such as liberal arts faculty, and those with 12-month contracts, such as in the health sciences and engineering. Data was not available for consulting done when faculty are not under contract to the university.

Regent Tyrrell asked if university officials felt that the amount of time spent consulting by faculty was about right. Also, are the institutions maximizing the faculty resources and services to the people of Iowa?

Provost Whitmore said it appeared that every sector of the Iowa community is being served to some extent by University of Iowa faculty. He feels comfortable with the kind of consulting the faculty is doing and that it is not at all excessive. He believes the university has responded to every request for faculty to perform consulting.

Provost Kozak stated that at Iowa State University all departments participate in faculty consulting. He believes the amount of consulting done is where it ought to be considering the university's outreach mission.

President Koob stated that the University of Northern Iowa's program of faculty consulting was probably the most liberal of the three Regent universities.

Regent Tyrrell asked whether consulting done by faculty within the Institute for Decision Making was included in the University of Northern Iowa's report. President Koob responded that the institute is considered a service unit; consulting done by those faculty would not be considered in the faculty consulting report.

Regent Tyrrell asked President Koob if he felt that the University of Northern Iowa's current policy on faculty consulting was reasonable. President Koob responded that he was very comfortable with the level of consulting and with the policies that control it.

ACTION: President Newlin stated the Board, by general consent, (1) received the report and (2) requested that the Interinstitutional Committee on Educational Coordination review each university's policies on faculty consulting to ensure common definitions of reported activities, including self-employed professional practice and business ownership.

President Newlin recognized Lisa Ahrens, student Regent nominee, who was in attendance.

REPORT ON CHILD CARE. The Board Office recommended the Board receive the report.

At its September 17 meeting, the Priority Issue Study Group on Child Care concluded that the full Board should receive a presentation outlining the child care services provided at the universities.

The institutional child care representatives and the Board Office staff organized a presentation which the Board received at this meeting. Outline for the presentation follows:

- Rationale for campus child care
- Historical perspectives including legislative history
- Budget overview
- Statements of need by faculty, staff and student representatives

Each of the universities provide on-campus child care centers and provide both direct financial and in-kind support to the centers.

The centers provide quality child care which is vital to the recruitment and retention of students and staff.

According to a Department of Labor survey, 74 percent of all employers in the country are planning to offer child care by the year 2000, and one third of those will be on-site care.

Approximately 50 percent of the nation's colleges now provide on-site care.

The University of Iowa Student Government Association Centers are operated by nonprofit corporations which rent university facilities.

The University Community Child Care Center at Iowa State University is operated by an independent nonprofit agency and housed in Pammel Court.

The Child Development Center at the University of Northern Iowa is part of the instructional program in the College of Education and is housed in the Price Laboratory School.

FINANCIAL SUPPORT

Fiscal year 1997 support of centers and other child care activities follows:

	Direct support			In Kind Support			University Total
	Centers	Other Activities	Total	Centers	Other Activities	Total	
SUI	154,106	108,584	262,690	110,600	--	110,600	373,290
ISU	29,000	147,281	176,281	49,000	45,353	94,353	270,634
UNI	112,784	--	112,784	8,109	--	8,109	120,893
TOTAL	295,890	255,865	551,755	167,709	45,353	213,062	764,817

These amounts are slightly different than the reported as projections to the Priority Study Group in September.

In addition to university contributions, student fees are also given in support of the centers.

University of Iowa \$ 5,000
University of Northern Iowa \$24,700

The Government of the Student Body at Iowa State University provides \$60,350 to the ASSET, a community wide agency for community child care services. The funds support various child care activities including the University Community Child Care Center on the Iowa State campus.

The average of cost of care, average fees paid, average university contribution and funds from other sources are shown below. (These averages do not take into account the effect of income-based fee schedules but rather are based on weighted averages.)

University of Iowa Student Government Sponsored Centers

Day Care Name	Customer Type	FTE Cost	Tuition	University Direct Subsidy	Inkind Subsidy	Other Funds	Transfer
Alice's Rainbow	Student (34)	6,178	4,680 **	1,258	0	240	0
	Non-Student (38)	6,178	5,001**	937	0	240	0
UPCC	Student (20)	6,488	3,660	1,610	0	1,218	0
	Non-Student (5)	6,488	4,200	1,070	0	1,218	0
Brookland Woods	Student (14)	5,880	3,828**	1795	0	257	0
	Non-Student (14)	5,880	4,678	945	0	257	0

University of Iowa Hospitals and Clinics

<i>Day Care Name</i>	<i>Customer Type</i>	<i>FTE Cost</i>	<i>Tuition</i>	<i>University Direct Subsidy</i>	<i>In Kind Subsidy</i>	<i>Other Funds</i>	<i>Transfer</i>
Greentree	Employee (133)	6,677	5,845	0	832	0	0

Iowa State University Community Child Care Center

<i>Day Care Name</i>	<i>Customer Type</i>	<i>FTE Cost</i>	<i>Tuition</i>	<i>University Direct Subsidy</i>	<i>In Kind Subsidy</i>	<i>Other Funds</i>	<i>Transfer</i>
University Community Child Care	Student (51)	5,190	2,475	575	681	1,369	90
	Non-Student (21)	5,190	4,599**	0	681	0	-90

University of Northern Iowa Child Development Center

<i>Day Care Name</i>	<i>Customer Type</i>	<i>FTE Cost</i>	<i>Tuition</i>	<i>University Direct Subsidy</i>	<i>In Kind Subsidy</i>	<i>Other Funds</i>	<i>Transfer</i>
UNI Child Development Center	Student (40)	5,064	2,038	2,366	150	510	0
	Non-Student (14)	5,064	2,643	2,188	150	83	0

**These tuitions vary by income; the weighted average is shown.

Each center with the exception of Greentree at the University of Iowa cares for children of students, faculty, and staff. The Greentree Center located at the University of Iowa Hospitals and Clinics accepts only children of faculty and staff and is operated under contract to an outside vendor.

Student parents at each center pay lower fees than faculty and staff parents. Children of students occupy the majority of the slots at the centers.

University of Iowa	54 percent
Iowa State University	71 percent
University of Northern Iowa	74 percent

The largest center at the University of Iowa and the Iowa State University center have income-based fee schedules for parents.

In addition to parents' fees and university contributions, each center receives federal funds for subsidized food programs for low income clients.

The University Community Child Care Center at Iowa State University also receives funding from the community-wide agency ASSET. ASSET funds come from a variety of sources within the Ames community and Story County including the Iowa State University Government of the Student Body.

LEGISLATION

Child care centers existed on each campus prior to any state legislation.

In 1988 the Board was directed to survey the child care needs of faculty, staff and students at the universities. In 1989 the Board was directed to update the 1988 survey.

The first appropriation was in 1991. Each university was given \$60,000 for specified child care activities which varied by institution. In 1992 each university was directed to spend \$108,050 on child care activities although no new funds were appropriated.

In identifying the child care activities to be supported, the General Assembly specified items of general support; i.e., at the University of Iowa increase the salaries of directors and teachers and support sick child care and at Iowa State University to support sick child care.

Although the legislation did not specifically state funds that were appropriated were to be used only for the care of children of students, more than half of the enrollments in the centers are children of students.

The contributions made by the universities to the centers allow the student parents to be charged lower fees than those paid by faculty and staff parents.

CHILD CARE PROVIDED BY OTHER EMPLOYERS

According to a survey conducted by the University of Northern Iowa, institutions comparable to the Iowa Regent universities also subsidize child care on the campus: Estimated cost sharing is shown below:

	Parent Fees	Estimated Institutional Support	Other Funds
University of Iowa	59 percent	20 percent	21 percent
Iowa State University	55 percent	25 percent	20 percent
University of Northern Iowa	43 percent	44 percent*	13 percent
University of Michigan	92 percent	8 percent	--
Ohio State	59 percent	28 percent	13 percent
University of Minnesota	75 percent	10 percent	15 percent
Univ. of Wisconsin, Eau Claire	47 percent	16 percent	37 percent

*Center is a part of the College of Education and university contribution includes support of the education component of the center.

Other employers in Iowa who provide on-site child care include:

Des Moines Area Community College
 Kirkwood Community College
 Cherokee Mental Health Institute
 Casey's General Stores, Ankeny
 DOT Children's Center, Ames
 Farm Bureau, Des Moines
 Collins Rockwell (a consortium of Cedar Rapids Schools, St. Lukes Hospital, and Rockwell International)
 Uncle Sam's (Federal Building), Des Moines
 Maytag, Newton

LICENSING STANDARDS

Each of the university centers is licensed by the State of Iowa. The licensing standards address many areas including:

- Qualifications for center directors and direct care personnel
- Stipulate the ratio of staff per child
- Require food service to be in compliance with USDA standards
- Require that activity programs are written and consistent with the
- Developmental level of the children
- Physical facilities -- space per child, heating, lighting, sanitary standards

The National Association for the Education of Young Children is an accrediting source for child care centers. One of the centers at the University of Iowa is accredited, and the others are in the final stages of completing the accrediting process.

The Board will receive the Annual Report on Child Care in May in which the universities will provide an update of their five-year plans for child care.

Regent Kennedy referred the Regents to a booklet they had received for this presentation. She introduced the individuals who would be involved in the presentation: Lesia Oesterreich, Iowa State University; Pat Geadelmann, University of Northern Iowa; Mary Jo Small, University of Iowa; Marc Beltrame, University of Iowa student government; Darlene Gluck, Iowa State University; and Corlice Petersen, Iowa State University. She expressed appreciation to everyone who helped put together the information.

Regent Kennedy presented background on the events that led up to today's informational presentation.

Ms. Oesterreich stated that she is an extension child care specialist. She said child care is a major challenge that many families face. She discussed university-supported child care including its importance and the leadership the universities provide in creating family friendly work environments.

Director Geadelmann provided an historical perspective of campus child care. She said she was serving as the University of Northern Iowa's legislative liaison in 1988 when the legislature got involved in campus child care. She referred to a document on the historical perspective which the Board Office staff had developed, noting that staff had done an excellent job of summarization. She noted that a number of very positive activities had occurred since the first mandate regarding child care, primarily the interinstitutional cooperation.

Mr. Richey referred to the document entitled "Historical Perspective" which was developed by the Board Office. He said it would be redone to recognize the role the Board of Regents has taken in this effort over the past decade. It will also include the funds requested by and the leadership taken by the institutions to include child care as a priority in their budget requests. He said the revision will also recognize the Governor's responsiveness to the concern on the part of the Board in terms of providing child care for students.

Associate Vice President Small provided a budget overview and discussed the financing of the child care centers that the universities support. She stated that presenting a picture of the financial arrangements between the three universities and the child care centers in a way which is responsive to Regent concerns has been a source of great frustration for all those involved. A concern on the part of the Regents has been the inability of the campuses to respond to questions regarding the amount of

support from appropriated funds which goes to employee families and/or to high-income employee families in a way which the Regents found satisfactory. She said the major difficulty is that the child care appropriations in 1991 and the directive to reallocate for child care needs in 1992 were targeted toward general support for the centers. The appropriations for the child care centers were for general purposes and were not related to the status of the parents of the children or to their income. Where the institutions provide in-kind contributions, the same problem exists. The contributions help the entire center and are not targeted to any individual parent. Moreover, because each of the non-university owned centers at the University of Iowa and Iowa State University is an independent non-profit corporation, while the University of Northern Iowa child care center is part of its educational program, providing comparable data for the universities has been difficult.

Regent Lande stated that child care is probably one of the larger problems for all employers. He asked Children and Family Services in Muscatine for child care cost figures. The indication was that competent child care cost \$80/child/week. The FTE costs noted in Mrs. Small's report were more in the range of \$120/week.

Associate Vice President Small stated that part of the reason for the differential is that some of the centers take infants; therefore, the cost is higher. One of the legislative directives to the University of Iowa was to increase the salaries of the child care center directors. Those directors are probably paid more than the average.

Regent Lande asked for the compensation of the directors of the three University of Iowa child care centers. Associate Vice President Small responded that the salary of the director of Alice's Rainbow was approximately \$30,000. Salaries of the other two directors were in the \$25,000 to \$26,000 range. She noted that the centers had gone through an accreditation process and they are also used as practicum sites.

Regent Lande asked whether the child care centers were open during non-traditional hours. Associate Vice President Small responded that Alice's Rainbow attempted to provide evening child care. There was not a consistent enough group of families that utilize the services to make it cost effective. She believes the center plans to try again to offer child care in the evening. She noted that the hospital child care center operation ceases around 6:30-7:00 p.m.

Mr. Beltrame addressed the issues of two-parent working families and lifelong learning. He discussed the situations of a few students with whom he was familiar. One of those students is among the 160 people on the waiting list for quality child care at the University of Iowa. He said the University of Iowa student government provides child care scholarships of \$300/year for 16 students.

Regent Dorr asked about the feeling of the student body about a subsequent docket item to increase room and board rates. Mr. Beltrame responded that he is strongly supportive of the recommendation. The money will go to improve student life and living at the university.

Ms. Gluck stated that child care services are essential for recruitment and retention. Iowa State University recruits nationally; employees may not have family support available to them in the Ames community. Quality child care services reduces the stress associated with the care of an individual's children. She said the cost of child care is a significant issue for a great number of staff. She currently pays \$120 per child for child care in rural Story County. She paid \$130 per child when the child care was provided in Ames. She utilized the Comfort Zone on campus when her children had chickenpox.

Professor Petersen stated that she serves on the university child care committee as a Faculty Senate representative. She provided the Regents with her perspective as a faculty member, a parent and a long-time advocate of quality child care.

Regent Kennedy summarized the points that were made by the presenters. She stated that child care would be an ongoing issue.

Regent Arenson thanked everyone who made a presentation. He said child care was an important issue if the institutions are going to achieve their goals and missions.

Regent Dorr stated that campus child care was an example of something that starts out as an option and rapidly evolves to become a right. He said educated people should be able to make some decisions and choices on their own. Every decision is not necessarily followed with a positive reaction. He expressed concern about the continued effort to subsidize child care at relatively high levels. The Regents were not provided with comparative information on what the private sector provides to its employees. In this climate of resource limitations, these efforts cannot continue ad infinitum.

Regent Tyrrell stated that he has served on the child care committee for nearly six years. The committee meets approximately once a year. The Regents need to be sure

they have been good stewards of the money and mission entrusted to them by the legislature. As far as he could tell they have fulfilled that responsibility. The Regents are told that more should be done in the area of child care. He questioned whether there had been a definition of what the Regents should be doing in this area. He acknowledged Regent Dorr's caveat about finite resources. He was unsure where they should go from here. Is there anything else the Regents Priority Issue Study Group on Child Care should be doing? He questioned whether the Board should continue to debate this matter; he did not see anything being done that was out of line.

Mr. Richey said he planned to bring up the child care matter as part of the budget request for FY 1999. There will be a review of Board policy for consideration in July and September.

Regent Smith expressed appreciation for the work the institutions had done related to child care. She said she supported their efforts.

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

SPRING ENROLLMENT REPORT. The Board Office recommended the Board receive the report on spring semester university enrollments.

Spring enrollment at Regent universities totaled 61,143 students. Enrollment this spring is 840 students higher (+1.4 percent) than in Spring 1996.

Each university reported spring enrollments that were higher than the enrollments reported last spring. University of Iowa enrollment increased 1.0 percent (+248 students) over Spring 1996 to 26,026 students. Iowa State University's enrollment of 23,105 students was an increase of 352 students (+1.5 percent) over the Spring 1996 enrollment. Enrollment at the University of Northern Iowa increased to 12,012 students, a 2.0 percent growth of 240 students over Spring 1996.

Fall and Spring Headcount Enrollments: 1992-1993 to 1996-1997

		SUI	ISU	UNI	Total
1992-1993	Fall	27,463	25,263	13,045	65,771
	Spring	25,724	23,493	12,104	61,321
1993-1994	Fall	27,051	25,112	12,717	64,880
	Spring	25,271	23,206	11,753	60,230
1994-1995	Fall	26,932	24,728	12,572	64,232
	Spring	25,188	22,824	11,501	59,513
1995-1996	Fall	27,597	24,431	12,802	64,830
	Spring	25,778	22,753	11,772	60,303
1996-1997	Fall	27,921	24,899	12,957	65,777
	Spring	26,026	23,105	12,012	61,143

Spring enrollment has been around 93 percent of the fall enrollments for the past 5 years.

The ratio of full-time equivalent (FTE) enrollments to headcount enrollments decreased 1 percentage point from fall to spring. Regent-wide, the ratio of FTE enrollments to headcount is .86 this semester.

Each university had a decrease of 1 percentage point in its FTE to headcount ratio from fall to spring. Each university is slightly below its 5 year average FTE to headcount ratio. Iowa State University reported the highest ratio at .90. University of Iowa reported the lowest at .82. The University of Northern Iowa ratio was .86, the Regent-wide ratio.

As the FTE to headcount ratio approaches 1.00, more students are enrolled on a full-time basis (15.5 hours per semester for undergraduates and 9 hours for graduate students).

Fall and Spring FTE Enrollments: 1992-1993 to 1996-1997

		SUI	ISU	UNI	Total
1992-1993	Fall	23,008	23,034	11,207	57,249
	Spring	21,454	21,419	10,384	53,257
1993-1994	Fall	22,633	23,116	11,022	56,771
	Spring	21,072	21,256	10,121	52,449
1994-1995	Fall	22,607	22,654	10,867	56,128
	Spring	21,082	20,739	9,956	51,777
1995-1996	Fall	22,942	22,416	11,094	56,452
	Spring	21,337	20,704	10,166	52,207
1996-1997	Fall	23,227	22,744	11,209	57,180
	Spring	21,459	20,806	10,350	52,615

Non-resident enrollments remain consistent with levels reported in the fall report. University of Iowa non-resident undergraduate enrollment remained at 31 percent while non-resident graduate and professional enrollments increased slightly from 39 percent to 40 percent. Iowa State University non-resident undergraduate enrollment remained constant at 23 percent while non-resident graduate and professional enrollments increased slightly from 51 percent to 52 percent. University of Northern Iowa non-resident undergraduate enrollments stayed at 5 percent as no-resident graduate enrollments increased from 18 percent to 19 percent.

Off-campus enrollments continue to grow for the Regent universities. The Board Office is working with the institutions to develop reporting tools that will be consistent across institutions and provide the Board quality information about enrollments by students at sites away from the main campuses.

President Jischke stated that one factor involved in Iowa State University's growing enrollment is the ability to raise private funds for scholarships and financial aid. One such example was the Hixson opportunity awards. A second factor is that over the last several years university officials have emphasized undergraduate education in their reallocation efforts. Iowa State University is now a more attractive institution.

Regent Dorr asked how many of the first class of Hixson students were still at Iowa State University. President Jischke stated that the first 100 Hixson scholarship students had almost identical high school class rank and ACT score as the rest of the freshman class. He said the average first-year retention rate for all freshmen is 82 percent to 83 percent. The retention rate for the Hixson students was 90 percent. He said there may be other factors at work in these young people who have had to deal with adversity.

Regent Dorr asked how many of those first Hixson scholarship students would be able to obtain financial assistance for the second year of their education at Iowa State University. President Jischke stated that because of the university's fund-raising efforts and an additional commitment from Christina Hixson and the Lied Trust, Iowa State University officials were able to offer every first-year Hixson scholarship student who met the grade requirement a second year award. The same will be offered to this year's first-year class for their second year. The students who are in the freshman class will have a sophomore award if they make their grades and, similarly, those who are sophomores will get a junior award. He noted that the academic requirements will be raised somewhat for the junior award.

Regent Dorr stated that the Hixson scholarship award program was one of the most marvelous programs that had evolved and developed at a university. He commended university officials on their achievements.

President Jischke stated that the Hixson scholarship program was one of the most satisfying projects with which he has been associated.

President Coleman stated she was very pleased with the enrollment numbers at the University of Iowa. She believes the 4-year graduation plan has had a very positive effect on enrollments.

President Koob stated that the University of Northern Iowa enrollments were continuing a pattern of growth that was established over the last 5 to 6 years.

ACTION: President Newlin stated the Board received the report on spring semester university enrollments, by general consent.

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

Regent Kennedy stated that at that morning's Banking Committee meeting the members heard a presentation by INVESCO as part of the committee's review of the Regents' investment structure, received a report on a change in ownership interests of GMG/Seneca, received a report on the financing plan for the UNI-Dome Roof Replacement/Improvements Project, received internal audit reports for Iowa State University, and received a status report on follow-up of internal audit reports.

ACTION: President Newlin stated the Board accepted the report of the Banking Committee, by general consent.

ACCREDITATION REPORTS. (a) North Central Association, Iowa State University.
The Board Office recommended the Board receive the report.

In November 1996 the Commission on Institutions of Higher Education of the North Central Association of Colleges and Schools voted to continue the accreditation of Iowa State University. The North Central Association of Colleges and Schools (NCA) is the regional accrediting agency whose jurisdiction covers nineteen states, including Iowa.

The accredited status is valid for the maximum ten-year period and carries no restrictions or conditions.

Institutional accreditation by one of the six regional accrediting bodies recognized by the U.S. Department of Education carries fundamental importance. Among other things, it is a basic criterion for a university's eligibility to receive most federal funding, including student financial aid funds.

The NCA evaluation team found that there had been significant improvements at Iowa State University since the last accreditation visit in 1986.

President Jischke stated that the report contained in the docket materials was quite complete. University officials were very pleased that the university received the maximum 10-year accreditation. He informed the Regents that Professor Faye Whitaker had played a very important role in the accreditation process in the development of the self-study report.

Regent Tyrrell referred to the first two concerns identified by the accreditation team, as follows:

Concern #1: There is a perceived need for better overall linkages between planning, budgeting, and setting of university priorities. There are barriers to the flow of information about budget and planning decision-making processes. The report suggests merging the Faculty Senate's separate budget and planning committees.

Concern #2: There is a perceived lack of an active faculty role in the establishment of planning and budgetary priorities. Iowa State University's practice of centralized decision-making at times appears to confuse the process of informing the Faculty Senate with the process of engaging it in timely consultation.

Regent Tyrrell said those two concerns are a part of a philosophy which is seen increasingly in business and industry for better participation at all levels. He asked what specific steps the university was taking to address the concerns.

President Jischke responded that in the development of the revised university strategic plan there was a very participatory process that began with faculty criticism of the first strategic planning process. He described the process that took place on campus to gain support for the strategic plan including public hearings and forums. The most recent strategic planning process illustrates a change in the way planning at Iowa State University has evolved. Second, President Jischke asked the person in his office who is responsible for budget planning to work more closely with the Faculty Senate budget committee to ensure full opportunity to express their views. He noted that every year when the legislature finally makes its appropriations decisions, the time frame is measured in days; therefore, it is difficult to have a very participatory process.

Regent Dorr stated that future Boards of Regents and other oversight authorities need to pay close attention to concern #2 (noted above) and concern #4 (noted below), noting that they drive one another.

Concern #4: There are stresses in operating budgets created by the practice of targeting most new funds for specific purposes. The review team found that budget flexibility is one of the major challenges facing the university in accomplishing its highest priorities.

Regent Dorr said it is difficult to have a decentralized process when the operating budgets are very targeted and specific. He expressed concern about the continuation of targeted budgets and programs that evolve out of the political process and specifically identify target areas.

President Jischke stated that implicit in the notion of strategic planning are targets, focus, choices and priorities which imply budgetary decisions and focusing. Secondly, almost all of the sources of income to the university come from those who want to be more involved in determining where those funds are applied including such items as the legislative intent for agricultural research and private fund raising. He said there is very little discretionary funding. Third, a major source of income is sponsored funding; the university does not receive block grants. In establishing tuition and fees, the Board asks university officials to determine ahead of time precisely what those funds will be used for. Therefore, it is not so much university officials who are targeting the funds but rather those who are providing the funds to the university. He agreed that it leads to real problems in budget flexibility.

Regent Lande referred to the accreditation team concern regarding participatory decision making. He suggested that university officials ask themselves how widely spread is the strategic planning process among the university.

Regent Tyrrell referred to concern #3 of the accreditation team, as follows:

Concern #3: There is a considerable amount of deferred maintenance and a need to upgrade facilities in some areas. Although some facilities are considered outstanding and the institution's physical plant is noted as an impressive strength, disparities in the condition of buildings and equipment remain.

Regent Tyrrell said the deferred maintenance situation has always been a concern. He suggested that university officials review the status of deferred maintenance to determine whether there were any important projects that could be addressed in the near term to forestall other greater expenses. Perhaps the Regents could consider requesting a legislative funding initiative to take care of the urgent deferred maintenance problems as was done a few years ago. He acknowledged that institutional officials use whatever discretion they have to allocate funds to deferred maintenance. He noted that in this particular legislative session as in others, certain general Regents' budget requests do not receive support while some more targeted issues do receive support.

Mr. Richey addressed the Regents' priority for deferred and current maintenance. He said the Board of Regents and its institutions have had a very strong program of reallocating funds to maintenance. In FY 1996 \$25 million from general funds was so applied, \$20 million of which was from operating funds. The Regents made a strong case to the General Assembly on that issue. The very purpose of those statements to the General Assembly is to avoid earmarking. Despite the fact that new additional funds are often targeted, the legislature does not generally line item those purposes in the appropriation. He said line iteming is often a matter of establishing minimums to be spent for a specific purpose. In that sense the Regents are extremely fortunate. The marginal increases in budgets are targeted but the 100 percent base is not fully targeted. There is not legislative earmarking of specific funds, for example, for deferred maintenance which allows the flexibility to apply additional funds. Mr. Richey stated that building maintenance and deferred maintenance are areas of very high priority of the institutions and of the Board. The Regents did receive some money for those purposes in the Governor's recommendation.

President Newlin commended Iowa State University officials on achieving accreditation for another 10 years. He suggested that in light of the fact that they want the university to be the best land grant university in the country, there should be fewer comments in the next accreditation report.

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

(b) Art Museum, University of Iowa. The Board Office recommended the Board receive the report.

In October 1996 the Accreditation Commission of the American Association of Museums continued the accredited status of the Museum of Art at the University of Iowa.

This specialized accreditation is valid for ten years and carries no restrictions or conditions.

Approximately 750 U.S. museums of all types are currently accredited by the association.

Provost Whitmore read several of the comments from the outside reviewer's report.

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

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

The Iowa Coordinating Council for Post-High School Education held its quarterly meeting on February 21 at Simpson College in Indianola. Below is a summary of the major actions taken at that meeting.

The council approved the following programs:

American Institute of Commerce - Medical Transcription Program
Drake University - Special Education Consultant (Off-Campus: Cedar Rapids)
Drake University - Master of Science Degree: Training and Development (Off Campus: ICN)
Iowa Western Community College - Business Administration (On-Campus)
Southwestern Community College - Agricultural Business Management (On-Campus)

The Council approved with conditions:

St. Ambrose University - Early Childhood Education (On-Campus) subject to the institution providing additional information and making clear in its advertisement that it is not "unique" in offering this program.

The council heard a progress report on its Strategic Planning Committee. The committee presented a "draft" of the committee's work to date. The report was discussed at some length and the committee was encouraged to complete this important project by the May ICCPHSE meeting.

President Newlin expressed appreciation to President Koob for the work he is doing in the area of strategic planning.

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

President Newlin asked for a report from the Priority Issue Study Group on Graduation Rates.

Regent Mahood stated that the study group had met that morning and received reports on attrition and progression rates during the first two years of the four-year graduation plan. She noted that the preliminary numbers for both classes can change in terms of students going off and coming onto the four-year graduation plan. The members also discussed planning for next year's freshmen. She noted that the 4-year graduation plan benefits all students. More classes are becoming available to everyone. University officials have found there is better and more consistent planning for all students. Departments are doing longer term planning. She commended the universities on doing an excellent job of implementing the plan.

President Coleman stated that students get the idea that federal guidelines for a full course load for financial aid purposes is the number of hours they should be taking. During implementation of the first year of the four-year graduation plan, University of Iowa officials talked about the plan during the freshman orientation session. Students are much more likely to sign up for the plan at that time. She noted that students who

are on the plan persist at a higher rate and tend to do slightly better in terms of their grades. During the second year of the plan, university officials did not push as hard during orientation to get students to sign onto the plan and not as many students signed on. Next summer university officials will again talk about the four-year graduation plan during freshman orientation. She expressed appreciation to the Board for encouraging university officials to develop the four-year graduation plan.

Regent Dorr asked why the enrollments in the four-year graduation plan were so much higher at the University of Iowa than at the other two Regent universities. Provost Kozak stated that the implementation of the four-year graduation plan at Iowa State University helped to focus attention on providing sufficient classes for students particularly at the freshman level. Because of this Board initiative few, if any, students have contacted the provost's office indicating they were unable to get a course.

Mr. Richey said Iowa State University has the highest level of FTE to headcount of the three Regent universities.

RESIDENCE SYSTEMS - ANNUAL GOVERNANCE REPORTS, TEN-YEAR PLANS, PRELIMINARY FY 1998 BUDGETS, AND PROPOSED 1997-1998 RESIDENCE

RATES. The Board Office recommended the Board (1) receive the FY 1996 annual residence systems governance reports; (2) approve the residence systems ten-year plans for FY 1998 through FY 2007; (3) give preliminary consideration to 1997-1998 recommended rates for residence halls of \$3,825 for the University of Iowa, \$3,647 for Iowa State University, and \$3,444 for the University of Northern Iowa, and apartment rate increases averaging 3.5 percent at the University of Iowa, 4.1 percent at Iowa State University, and 5.4 percent at the University of Northern Iowa; (4) receive the FY 1998 preliminary residence systems budgets, subject to further review and action when the Board approves the final FY 1998 institutional budgets; and (5) that the institutions and Board Office address the establishment of depreciation funds for capital replacement of aging facilities.

During FY 1996, the Regent residence systems:

- Housed 19,650 students of the 65,777 enrollment, representing 30 percent of the student population;
- Reported gross revenue over \$75.0 million and total operating expenditures of \$60.3 million; and
- Expended \$13.5 million for plant improvement, repair, and maintenance expenditures, representing 1.4 percent of the total building replacement value of \$936.0 million.

The university residence systems are in sound financial condition with adequate annual net revenues to maintain the current facilities totaling over 6.6 million gross square feet.

Since a significant portion of the outstanding bonds which were used to construct the facilities will be maturing within the next several years, greater emphasis needs to be placed on depreciation reserves for replacement of the aging facilities.

Within a framework of projected steady enrollment, the central issue becomes ensuring adequate occupancy ratios and adequate facilities at affordable rates.

Student enrollment and demand for university housing are expected to remain relatively stable.

Residence and dining rates are set annually by the Board; recommendations for double occupancy room with 20 meals per week for the 1997-1998 academic year are increases of 3.7 percent at the University of Iowa, 4.0 percent at Iowa State University, and 5.5 percent at the University of Northern Iowa.

The rate increases proposed by the Regent universities for the academic year 1997-1998 appear to be reasonable and competitive when compared to peer institutions; the Board Office recommended final approval of the proposed rates in April.

The proposed rates for Iowa State University and the University of Northern Iowa appear somewhat conservative considering the current level of voluntary reserves and the age of residence facilities.

On the whole, the residence systems at the Regent universities are meeting their requirements for operating costs, mandatory reserve balances, and maintenance within a rate structure that places the respective institutions at or near the bottom of the scale when compared with peer institutions.

The residence systems provide an effective means to improve the quality of the student's university experience through broadly based programs focused on educational, social, cultural, and recreational interests.

The University of Iowa has developed healthy reserves and is in a good position to maintain and improve its residence system facilities which enhance their attractiveness to incoming students and ensure continued occupancy and a strong revenue base. Future rate increases will be required to maintain reserves for funding replacement of facilities at the planned levels.

Iowa State University has initiated a master plan to provide direction for the residence system and has developed collaborative educational programs in which the residence systems support the academic mission of the university.

The University of Northern Iowa preliminary budget for FY 1998 shows a net to gross revenue ratio which is still considerably lower than the other institutions. The budgeted expenditure increase includes funding for additional staff, implementation of a new graduate assistant residence program, and costs related to the installation of the new telecommunications system at the University of Northern Iowa.

Each year, the Regent universities submit the following residence system reports:

- Comprehensive annual reports by university for the most recently completed fiscal year;
- Ten-year plans for each residence system, presenting an overview of enrollment and occupancy projections, significant policy issues, capital renewal plans, and finances for the next decade;
- Proposed rates for the upcoming fiscal year for residence halls, dining contracts, and apartments; and
- Preliminary budgets for the upcoming fiscal year.

The residence systems reports are closely interrelated - both the annual report and the ten-year plan provide necessary background to evaluate the rate proposals for the coming year; the preliminary budgets are predicated upon approval of the proposed rates.

Total enrollment at the universities increased from fall 1995 to fall 1996, as did the number of lower division students (freshmen and sophomores) that represent the largest segment of the student population residing in the residence systems.

Students living in the residence systems (residence halls plus apartments) as a percentage of total enrollment declined slightly at each institution in fall 1996 from fall 1995. Residence hall occupancy for fall 1996 remained steady at the University of Iowa and increased at Iowa State University and at the University of Northern Iowa over fall 1995. Apartment occupancy decreased slightly at all three institutions from fall 1995 to fall 1996.

The residence systems gross revenues as well as net revenues for each residence system increased from FY 1995 to FY 1996.

Residence Systems
Summary - FY 1996 Financial Operations

University	Gross Revenue	Expenditures for Operations	Debt Service & Mandatory Transfers	Net Revenue*	Net Revenue as Percent of Gross Revenue
SUI	\$26,480,341	\$19,840,973	\$2,583,948	\$4,055,420	15.3%
ISU	\$31,702,502	\$26,806,008	\$1,966,700	\$2,929,794	9.2%
UNI	\$16,844,885	\$13,650,049	\$1,804,390	\$1,390,446	8.3%

*After expenditures for operations, debt service, and mandatory transfers.

The universities are continuing to upgrade and maintain the residence systems facilities by expending adequate resources for plant improvement, repairs, and maintenance.

Ten-year enrollment and occupancy projections indicate a steady demand for Regent residence system housing, which form the basis of financial forecasts.

At June 30, 1996, the Regents residence systems outstanding revenue bond obligations totaled \$41.7 million of which \$21.9 million is scheduled to be retired within ten years.

The bonds are anticipated to be retired as scheduled.

Each of the Regent universities proposed rate increases for residence hall room and board, and student apartment rents for the 1997-1998 academic year.

DOUBLE OCCUPANCY ROOMS WITH 20 MEALS PER WEEK

	1996 - 1997 <u>Rate</u>	1997 - 1998 <u>Proposed Rate</u>	\$ <u>Increase</u>	% <u>Increase</u>
University of Iowa	\$3,688	\$3,825	\$137	3.7%
Iowa State University	\$3,508	\$3,647	\$139	4.0%
University of Northern Iowa	\$3,264	\$3,444	\$180	5.5%

1997 - 1998

PROPOSED APARTMENT RATES

	<u>Average Increase</u>
University of Iowa	3.5%
Iowa State University	4.1%
University of Northern Iowa	5.4%

Mr. Richey noted that the report of MGT suggested consolidation of like groups of reports. The residence system governance reports this month were so consolidated into a single presentation. He reviewed the proposed rates for next year with the Regents. As a result of the Board Office analysis, he believes the rate increases for both Iowa State University and the University of Northern Iowa are conservative given the size of their reserves and the size of their physical plants. He recommended that as the institutions begin to retire bonded indebtedness in 6 to 8 years that institutional officials study the methodology they will use to set aside substantial reserves to replace the facilities beyond what would be spent for deferred maintenance. Overall, the Board Office found the residence systems to be sound.

Regent Lande said Mr. Richey mentioned both the healthy reserves at the University of Iowa and the needs of the residence systems. Were those comments driven more by the healthier reserves?

Mr. Richey responded that institutional officials have done a commendable job of maintaining the residence systems. He said his concern was more about the age of the facilities and the opportunity to pay for the bonded indebtedness. Mr. Richey has maintained over the years that the reserves are not too large; that it was prudent management to increase charges to maintain adequate reserves.

Regent Dorr asked for Mr. Richey's opinion of the appropriate percentage of depreciation of the gross replacement value. Mr. Richey responded that there are all kinds of formulas that should be reviewed. He did not have a specific number in mind.

Regent Dorr stated that since 1988 there had been substantial increases in residence system rates; therefore, there should have been an adequate amount of reserves. Mr. Richey responded that there have been substantial improvements in the facilities in the last several years. He said the rates charged by the Regent universities are highly competitive among like institutions; in some cases they are the lowest in their peer groups.

MOTION:

Regent Smith moved to (1) receive the FY 1996 annual residence systems governance reports; (2) approve the residence systems ten-year plans for FY 1998 through FY 2007; (3) give preliminary consideration to 1997-1998 recommended rates for residence halls of \$3,825 for the University of Iowa, \$3,647 for Iowa State University, and \$3,444 for the University of Northern Iowa, and apartment rate increases averaging 3.5 percent at the University of Iowa, 4.1 percent at Iowa State

University, and 5.4 percent at the University of Northern Iowa; (4) receive the FY 1998 preliminary residence systems budgets, subject to further review and action when the Board approves the final FY 1998 institutional budgets; and (5) that the institutions and Board Office address the establishment of depreciation funds for capital replacement of aging facilities. Regent Mahood seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON LEGISLATIVE SESSION. The Board Office recommended the Board accept the report on the 1997 legislative session.

Regent Arenson was confirmed by the Senate on March 6.

On February 27, President Koob appeared before the Joint Transportation, Infrastructure and Capitals Appropriations Subcommittee to discuss the University of Northern Iowa's capital request; President Newlin and the other university presidents had appeared before the committee previously.

On February 25, the Joint Economic Development Appropriations Subcommittee heard presentations related to the Institute for Physical Research and Technology (IPRT) and Small Business Development Center (SBDC) at Iowa State University.

On March 6, the Executive Director and representatives of the universities met with members of the Joint Education Appropriations Subcommittee regarding indirect costs.

Appropriations Bills

HSB 6 - This study bill makes appropriations for the fiscal years 1997-1998 and 1998-1999 to state education agencies which include the Board of Regents, the Department of Education, College Student Aid Commission, and the Department of Cultural Affairs. The bill reflects the Governor's recommendations for Regent appropriations.

Regent Position: SUPPORT

HSB 85 - This study bill makes appropriations for various capital projects and transportation. The bill appropriates \$70.3 million from the rebuild Iowa infrastructure fund over a four year period beginning in fiscal year 1999 to the Board of Regents for the following capital projects: Infectious Disease Isolation Facility (Intensive Livestock Research Facilities, Phase II) at ISU; Medical Education and Biomedical Research Facilities at SUI; Lang Hall Renovation at UNI; Engineering Teaching and Research Complex, Phase II at ISU; Lakeside Laboratory Improvements; Visual Alert System and fire safety at ISD; and deferred maintenance at IBSSS. The appropriation amounts are \$19.5 million for each of the fiscal years 1999, 2000, and 2001 and \$11.8 million for FY 2002. The bill reflects the Governor's recommendations for Regent appropriations.

Regent Position: SUPPORT

HSB 192 - This study bill makes appropriations to agriculture and natural resources. The bill transfers \$400,000 from the Organic Nutrient Management Fund to Iowa State University for supporting odor control applications for animal feeding operations and \$50,000 to Iowa State University for Cooperative Extension Service in Agriculture and Home Economics for a program to assist counties in testing private wells and state waters for animal production pollution. In addition, \$150,000 is appropriated to Iowa State University for conducting a study of earthen manure storage basins.

Regent Position: MONITOR

SSB 4 - This study bill makes supplemental appropriations for fiscal year 1996-1997 including the \$2.3 million supplemental salary appropriation to fully fund FY 1997 salary increases for the Regent institutions as agreed upon and approved by the General Assembly last year. The bill would take effect upon enactment.

Regent Position: SUPPORT

Other Bills

HF 11 - This bill provides that any individual appointed or selected to arbitrate public employee collective bargaining disputes must be an Iowa resident.

Regent Position: OPPOSE (These restrictions could limit the ability to have an arbitrator who is best qualified for a particular case.)

HF 242 - This bill requires regional transit systems to be the primary source of transportation of patients to the University of Iowa Hospitals for public care. Currently, patients are transported in hospital vehicles.

Regent Position: OPPOSE (The University of Iowa Hospitals and Clinic Patient Transportation system provides a unique and individualized service for UIHC patients which is not available through alternate transportation systems.)

HF 262 - This bill amends Iowa Code section 728.7 relating to exemptions from the obscenity statutes for schools, public libraries, and educational programs. The bill removes the obscenity exemption for any school and any educational program in which a minor is participating.

Regent Position: OPPOSE (The bill would represent an infringement on academic freedom.)

HF 267 - The bill caps at \$25,000 the currently unlimited standing appropriation to the Executive Council for costs associated with court proceedings in which the state is a party or has an interest, and the state department's budget is insufficient to pay the costs. If the \$25,000 appropriation amount was fully obligated, the state department requiring funding must submit an appropriation request to the general assembly.

Regent Position: OPPOSE (By limiting the appropriation, delays in the prompt and effective resolution of court cases could occur.)

HF 285 - This bill amends Iowa Code section 8.57, subsection 5, regarding the rebuild Iowa infrastructure fund and establishes a Rebuild Iowa Infrastructure Fund Commission. The Code section is amended to provide that rebuild Iowa infrastructure funds be used as recommended by the commission and approved by the General Assembly and Governor. The bill provides that only vertical infrastructure projects involving emergency repair and replacement, deferred maintenance, renovation, and new construction are fundable through the rebuild Iowa infrastructure fund.

Regent Position: OPPOSE (This bill would not provide 30 percent of the moneys in the fund to the Board, as recommended by Governor Branstad, for vertical infrastructure projects, and would exclude funding for utility distribution systems and repair and replacement.)

HF 288 - This bill provides for modifications to the Senate confirmation process for gubernatorial appointments. The bill repeals the subsections requiring previously approved gubernatorial appointees to be subject to the reconfirmation procedures every four years.

Regent Position: MONITOR

HF 321 - This bill requires executive branch agencies to implement a new budgeting process for developing results-oriented performance measures of programs.

Regent Position: MONITOR

HF 324/SF 437 (formerly SF 50) - This bill further defines curricula relating to the education of students with disabilities that institutions of higher learning are required to include in their professional education programs.

Regent Position: MONITOR

HF 348 - This bill addresses the issue of biodiversity by placing the authority for establishing and administering the biological diversity program with the Center for Energy and Environmental Education at the University of Northern Iowa. The bill establishes a biological diversity education program to inventory species existing on private lands. All state agencies are directed to submit a report to the state ecologist prior to taking any action which may affect the diversity of species on public lands.

Regent Position: OPPOSE (This establishes another external approval process for the Board of Regents use of land.)

HF 358 - This bill makes selective service registration of certain individuals a prerequisite for enrollment to the community colleges and Board of Regents universities.

Regent Position: OPPOSE (Selective service registration is the responsibility of the federal government. Moreover, it could affect the competitive position of Regent universities in attracting students.)

HF 391 - This bill allows a taxpayer to deduct paid tuition in computing state taxable income. This would include tuition paid for the taxpayer, the taxpayer's spouse, or a dependent of the taxpayer to attend a Board of Regents institution, community college, or accredited private institution in this state.

Regent Position: MONITOR

HF 459 - This bill provides for a program by which individuals may purchase a contract for a beneficiary to prepay postsecondary tuition and dormitory costs. The bill creates the Prepaid Postsecondary Tuition Board to administer the program, and creates an Iowa prepaid tuition scholarship program for economically disadvantaged youths.

Regent Position: MONITOR (Of concern is the bill's lack of clarity regarding the setting of future tuition policy.)

HF 472 - This bill establishes the office of quality control under the control of the office of citizens' aide to investigate state government expenditures and determine cost reduction measures.

Regent Position: OPPOSE (This bill would represent an unnecessary external control over the Board's governance authority.)

HF 479 - This bill would provide for a major shift in state public policy regarding the use of state funds for local infrastructure needs. Under provisions of this bill, no gambling receipts would be deposited into the general fund. All receipts would be deposited into infrastructure funds. Two new funds (in addition to the existing state infrastructure fund) would be created by this bill - 1) a local infrastructure fund which would provide 20 percent of the potential amount of a bond issuance by a city, county or school district and 2) a state school infrastructure fund under the authority of the department of education which would provide each school district with an amount equal to an additional one percentage point of state allowable growth for FY 1998 and FY 1999.

Regent Position: MONITOR

HF 480 - This bill requires the State Board of Regents and the Department of Natural Resources to each establish a council to evaluate the maintenance needs of institutions governed by the Board and the Department. The bill provides procedures for the operation of the councils. The council is to advise the Board regarding issues and recommendations relating to the repair and restoration of facilities and grounds of institutions governed by the Board. Each fifth year the council is to submit a list of not more than ten projects for repair or restoration. The Board is to develop a plan for carrying out the projects. The Board is to suspend the acquisition of land or the

construction of buildings until the council certifies that the Board is carrying out the repair or restoration projects.

Regent Position: OPPOSE (The establishment of such a council, with the delineated powers, would diffuse the authority of the Board of Regents in determining projects to be funded and their priority and would add overhead costs. The Board of Regents considers the strategic plans of the Board and institutions along with internal priorities when determining the needs for deferred maintenance in the Regents capital plan.)

HF 506 - This bill is a successor to HF 168 and requires the boards of directors of the community colleges to provide certain specified information relating to programs, buildings, students, and community college staff members annually to the Department of Education. The bill grants authority to the Department of Education to withhold financial assistance for failure to comply.

Regent Position: MONITOR

HF 533 - This bill directs the Board of Regents to establish criteria by which a Regent institution may discontinue annual evaluations of the oral communication competence of an instructor.

Regent Position: MONITOR

HF 554/SF 57 - This study bill establishes a community vocational-technical technology improvement fund and appropriates \$2.5 million from the rebuild Iowa infrastructure fund to the Department of Education to be allocated to the community colleges.

Regent Position: MONITOR

HSB 12/SSB 87 - These study bills relate to state employee pay and benefits for public employee collective bargaining, allow the legislature to appropriate less funding than decided in arbitration for an economic impasse item, provide for a state employee health benefits program, require state employees to pay at least 25 percent of health insurance premiums, and provide effective dates.

Regent Position: MONITOR

SF 150 - This bill requires the Boards of Directors of each community college and the State Board of Regents to cause each billing for tuition and fees issued by each state institution of higher learning to include a statement disclosing the approximate percentage of the issuing institution's average cost of education that is state-paid, and

the approximate dollar amount paid by the state for the average resident student's tuition at each state institution.

Regent Position: OPPOSE

SF 270 - This bill establishes financial instruments known as higher education savings accounts to assist the owner of the account in funding the cost of attending a college or university within the state. The bill provides for an annual \$2,000 deduction for single filers and \$4,000 for married joint filers for contributions to each higher education savings account in the name of the taxpayer or the taxpayer's spouse or dependents. Earnings on the accounts are not taxable until withdrawn.

Regent Position: MONITOR

SF 311 - This bill provides that racing and gaming revenues and gambling adjusted gross receipts tax revenues and lottery revenues be transferred to the rebuilding Iowa infrastructure fund established in section 8.57 of the Iowa Code. The bill changes the definition of projects which can be funded by the infrastructure fund and increases, by at least \$60 million, the funds deposited into the infrastructure fund.

Regent Position: MONITOR

SF 313 - This bill provides that the financial records of foundations which are established by statute or required by statute to be organized under the laws of this state are public records under the open records law. The foundation must allow public access to that information as if it were a government body.

Regent Position: OPPOSE (All three universities recommend opposition of this bill because of the sensitive nature of foundation activities such as alumni donations.)

SF 381 - This bill provides that in situations involving persons who are armed and possibly dangerous, a special security officer at a Board of Regents' institution need not render assistance or investigate unless accompanied by a person authorized to carry a weapon. This action would be at the security officer's discretion.

Regent Position: OPPOSE (This bill would be expensive, burdensome and intrusive on the Board's governance authority. Each university currently has an arrangement with the local municipal police department for handling such situations.)

SSB 28 - This study bill relates to the authorized use and users of the Iowa Communications Network and provides an effective date. The Regent institutions are concerned with the impact of this bill on their use of remote dial-up access as well as the functioning of the university telecommunications systems.

Regent Position: OPPOSE (This bill would prohibit remote dial-up access to faculty and students and resale of network services as currently exists to enhance educational opportunities.)

SSB 216 - This study bill relates to the administration of certain state government services by the Department of General Services, including state procurement, motor vehicles and state printing.

Regent Position: MONITOR

ACTION: President Newlin stated the Board accepted the report on the 1997 legislative session, by general consent.

RATIFICATION OF THE UNIVERSITY OF NORTHERN IOWA AND UNIVERSITY OF IOWA COLLECTIVE BARGAINING CONTRACTS. The Board Office recommended the Board ratify the negotiated agreements for the period July 1, 1997, through June 30, 1999 between United Faculty - UNI/Board of Regents; and United Electrical, Radio and Machine Workers of America, Local 896, Campaign to Organize Graduate Students (UE/COGS)/Board of Regents.

The negotiated agreements at the University of Northern Iowa and the University of Iowa were presented for Board ratification before formal execution by the Executive Director. Increased costs average 4 percent per year in both negotiated agreements, although the distribution is different in each agreement. The agreements as negotiated are within fiscal guidelines established by Governor Branstad.

Members of the United Faculty ratified the terms of their agreement on March 3, 1997.

Members of Local 896 of UE/COGS ratified the terms of their agreement on February 27, 1997.

Both agreements provide for terms and conditions of employment for the period July 1, 1997, through June 30, 1999.

MOTION: Regent Mahood moved to ratify the negotiated agreements for the period July 1, 1997, through

June 30, 1999 between United Faculty - UNI/Board of Regents; and United Electrical, Radio and Machine Workers of America, Local 896, Campaign to Organize Graduate Students (UE/COGS)/Board of Regents. Regent Smith seconded the motion. MOTION CARRIED WITH REGENT DORR VOTING "NO".

HEARING - FORFEITURE OF BID SECURITY - UNIVERSITY HOSPITALS AND CLINICS - A FAMILY CARE CENTER PROJECT. The Board Office recommended that the Board make a determination in executive session, subsequent to a hearing, on the retention of Graycor Construction Company's bid security for the University of Iowa Hospitals and Clinics -- A Family Care Center project.

At its January 1997, meeting the Board initiated proceedings to retain the bid security of Graycor Construction Company for the University of Iowa University Hospitals and Clinics -- A Family Care Center project.

Iowa Code (Section 73A.20) and the Instructions to Bidders for Board of Regents' projects stipulate that bid security is to be forfeited when the bidder refuses to deliver a signed contract within ten days after notification of award of contract.

Iowa Administrative Code [681-8.6(4)] requires the Board to give a bidder the opportunity for a hearing before the Board when bid security is recommended to be retained.

Graycor Construction was provided with an opportunity for a hearing and requested one; the hearing was scheduled for the afternoon of March 19, 1997.

President Newlin stated that this dispute had been settled; therefore, there was no need to have a hearing.

Mr. Richey stated that the issue relating to the bid security would be covered under the capital register of the University of Iowa (see page 756 of these minutes).

APPROVAL OF VENDORS WITH POTENTIAL CONFLICT OF INTEREST. The Board Office recommended the Board approve the request from Iowa State University to add the names of James R. Andreasen, Jr., and Flick's Sandblasting and Painting to the list of approved vendors with a potential conflict of interest.

Mr. Andreasen's wife is employed as an assistant professor in the Department of Veterinary Pathology in the College of Veterinary Medicine at Iowa State University.

Mr. Andreasen wishes to be eligible to provide consultation and translation services of veterinary biologics documents to and from Portuguese for the Institute for International Cooperation in Animal Biologics (IICAB) located at the College of Veterinary Medicine at Iowa State University.

Mr. Andreasen's wife does not have any responsibilities or influence in her position for any work that would be requested of him by the IICAB.

Iowa State University officials requested that Flick's Sandblasting and Painting, which is owned by Steve Flickinger, be added to the list of approved vendors with a potential conflict of interest. Mr. Flickinger's wife is employed as a lab associate and temporary instructor in the Zoology and Genetics Department at Iowa State University.

Mr. Flickinger wishes to be considered to provide sandblasting and painting services at Iowa State University. Mr. Flickinger's wife does not have any job responsibilities or influence over any job bids or requests for bids for service contracts for which the company may be considered.

The 1990 Session of the General Assembly in House File 2057 amended Section 68B.4 of the Code of Iowa to prohibit an official or employee of a regulatory agency from selling goods or services to the agency of which the individual is an official or employee. The amendment allowed for exceptions to the prohibition if certain conditions are met, including prior authorization of such sales by roll call vote of the Board.

MOTION:

Regent Lande moved to approve the request from Iowa State University to add the names of James R. Andreasen, Jr., and Flick's Sandblasting and Painting to the list of approved vendors with a potential conflict of interest. Regent Dorr seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Lande, Mahood, Newlin, Smith, Tyrrell.
NAY: None.
ABSENT: Kennedy, Pellett.

MOTION CARRIED.

BOARD OFFICE PERSONNEL TRANSACTIONS. The Board Office reported that there were no transactions this month on its Register of Personnel Transactions.

AFFILIATED ORGANIZATION: REPORT ON MEASUREMENT RESEARCH FOUNDATION - UNIVERSITY OF IOWA. The Board Office recommended the Board receive the report on the Iowa Measurement Research Foundation (SUI).

The Iowa Measurement Research Foundation is affiliated with the University of Iowa and was organized to advance knowledge in educational testing, enrich the training of research workers in this field, and support the development of measuring instruments of potential value to school personnel.

The audit for the Iowa Measurement Research Foundation reported the financial statements for the fiscal years ended September 30, 1996 and 1995, were fairly presented in all material respects.

The foundation provides research grants to the College of Education faculty, support for test development and research projects of the Iowa Testing Programs, subsidies for enrichment activities of the graduate measurement program, maintenance of a library for reference materials on testing, and support for activities leading to the dissemination of research findings.

During fiscal year 1996, the Measurement Research Foundation supported the E.F. Lindquist Professorship and the Paul Blommers Measurement Resources Laboratory, and provided funding for salaries of computer personnel and charges for computer time to maintain test data files and stipends for graduate research assistantships.

During the fiscal year ended September 30, 1996, the Foundation adopted the accounting standards established by the Government Accounting Standards Board and also changed its accounting method related to investments from the fair value method to accounting for them at cost; the previous financial statements were restated for these changes.

The effect of the change in accounting method decreased the net change to equity for fiscal year 1996 and 1995 and decreased the equity position at September 30, 1994.

For the fiscal year ended September 30, 1996, revenue of \$1,425,278 exceeded expenses of \$459,412 by \$965,866. Net equity of the Measurement Research Foundation was \$10.3 million for the fiscal year ended September 30, 1996, compared with \$9.3 million for the previous fiscal year.

ACTION: This report was received by consent.

STATUS REPORT ON BOARD OFFICE BUDGET. The Board Office recommended the Board receive the report.

Board member travel and Board Office staff travel are running at a higher rate than projected. Staff travel costs reflect the increased activity required for collective bargaining negotiations every other year. The cost is reimbursed by the University of Northern Iowa and the University of Iowa.

Budget reallocations will be necessary due to the higher travel expenses.

ACTION: This report was received by consent.

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

April 15, 1997	Iowa Braille and Sight Saving School	Vinton
April 16, 1997	University of Northern Iowa	Cedar Falls
May 21-22, 1997	Iowa School for the Deaf	Council Bluffs
June 18-19, 1997	Lakeside Laboratory	Okoboji
July 22-23, 1997	Iowa State University	Ames
September 9-10, 1997	University of Northern Iowa	Cedar Falls
October 15-16, 1997	University of Iowa	Iowa City
November 18-19, 1997	Iowa State University	Ames
December 17-18, 1997	West Des Moines Marriott Hotel	West Des Moines

President Newlin proposed that the following dates and locations be added to the meetings schedule:

January 14, 1998	Telephonic Conference Call	
February 18-19, 1998	University of Iowa	Iowa City
March 18-19, 1998	Iowa State University	Ames
April 14, 1998	Iowa Braille and Sight Saving School	Vinton
April 15, 1998	University of Northern Iowa	Cedar Falls
May 20-21, 1998	Iowa School for the Deaf	Council Bluffs
June 16-17, 1998	University of Iowa	Iowa City
July 15-16, 1998	Iowa State University	Ames
September 23-24, 1998	University of Iowa	Iowa City
October 21-22, 1998	University of Northern Iowa	Cedar Falls
November 18-19, 1998	Iowa State University	Ames
December 3, 1998	(To be determined)	Des Moines

ACTION: President Newlin stated the Board accepted the Board Meetings Schedule, by general consent.

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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 State University of Iowa was transacted on Wednesday, March 19, 1997.

RATIFICATION OF PERSONNEL TRANSACTIONS. The Board Office reported that the Register of Personnel Transactions had not been received and would be reported next month.

REQUEST TO CHANGE THE NAME OF THE INDUSTRIAL RELATIONS AND HUMAN RESOURCES MAJOR TO THE MANAGEMENT MAJOR. The Board Office recommended the Board refer the request to the Board Office and the Interinstitutional Committee on Educational Coordination for review.

The University of Iowa Department of Management and Organizations in the College of Business Administration requested approval to change the name of the major in Industrial Relations and Human Resources to the major in Management. The proposed name change will more accurately describe the focus of the major, which is on topics such as work force management, leadership, continuous quality improvement, international management, and diversity.

The change will signal to potential students and to on-campus recruiters that students in this major are receiving broad training in general management skills.

ACTION: This request was referred by consent.

NEW DEGREE PROGRAM: BACHELOR OF SCIENCE IN ENVIRONMENTAL SCIENCES. The Board Office recommended the Board refer the proposed new Bachelor of Science Degree Program in Environmental Sciences at the University of Iowa to the Board Office and the Interinstitutional Committee on Educational Coordination for review and recommendation.

Officials of the University of Iowa's College of Liberal Arts proposed the creation of a new, interdisciplinary Bachelor of Science Degree Program in Environmental Sciences. The program would integrate environmental science offerings currently available in several

departments in order to provide structure and guidance for students interested in the discipline.

The program would be financed almost wholly by reallocated funds.

A preliminary review of the proposed program indicated that the program meets or exceeds the Regent criteria for new programs.

The four fundamental components of the proposed program are the Liberal Arts Foundation; Science and Mathematics Foundation; Earth Systems Foundation, including 1) courses that provide the more specialized knowledge needed to begin understanding the earth as a complex network of interacting inorganic and organic systems and 2) basic tools to deal with the scientific data required to understand earth systems; and Specialized Tracks, including Geosciences, Biosciences, and Hydrosociences.

Faculty from Geology, Biological Sciences, and Geography would participate in the program. It would provide undergraduate training that could serve as a solid basis for graduate work in a number of disciplines, including civil and environmental engineering, geography, biology, urban and regional planning, and geology.

The proposed program's emphasis on strong basic courses and basic scientific tools such as Remote Sensing, Applied Geographic Information Systems, and Computational Skills complements the existing environmental sciences program at Iowa State University which emphasizes a more global perspective of environmental systems and system modeling.

The program would be built from existing resources in established Liberal Arts disciplines and would require only a slightly increased allocation of general expense funds for the administering department to be provided by the College.

ACTION: This request was referred by consent.

REPORT OF RETIREMENT INCENTIVE PROGRAM. The Board Office recommended the Board accept the report on the results of the University of Iowa offering of the special Retirement Incentive Program.

By the close of the application deadline, requests were filed by 150 eligible faculty and staff; two applications were subsequently withdrawn. University officials determined that all of the 148 applicants met the criteria for the program, and are currently in the process of notifying those approved.

Under the Older Workers Benefit Protection Act, participants have 45 days to decide whether or not to sign the early retirement agreement.

The following information is based on the assumption that all those who applied will accept the offer.

	Applicants	Position to be Refilled	Position to be Kept Open, Downgraded or Reallocated
Faculty	47	13	34
P&S	57	14	43
Merit	44	19	25
TOTAL	148	46	102

***Cost/Benefit Analysis**

	Average Annual Cost of Benefits	Amount Available to be Reallocated
Faculty	\$352,142	\$3,754,097
P&S	\$304,381	\$2,027,458
Merit	\$184,284	\$616,892
TOTAL	\$840,807	\$6,398,447

*These calculations are for all funds and assume that the benefits are being paid in equal installments over a ten year period, even though the payout schedule can vary from year to year. In addition, for some recipients, the benefits will be phased in over several years and the opportunities for reallocation will occur over time

The goal of the program is to offer a retirement incentive program which would be attractive to faculty and staff in units (1) in which turnover is necessary to support new missions or would contribute to institutional vitality, or (2) in which personnel reductions are necessary.

Associate Vice President Small reviewed the report with the Regents, and expressed appreciation for the Board's continued support for offering this program.

Vice President True stated that Associate Vice President Small had done an outstanding job with this program at the university. University officials were appreciative of her efforts not only in the number of employees who are participating in the program but for the quality and revitalization that it represented.

ACTION: President Newlin stated the Board accepted the report on the results of the University of Iowa offering of the special Retirement Incentive Program, by general consent.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended (1) that the Register of Capital Improvement Business Transactions for the University of Iowa be approved and (2) that the university be authorized to raze the north wing of the Medical Education Building.

PROJECT DESCRIPTIONS AND BUDGETS

University Hospitals and Clinics--Off-Hour Lighting Shutdown-- \$625,000
Phase B

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 500,000
Architectural/Engineering Support	50,000
Planning and Supervision	25,000
Contingency	<u>50,000</u>
TOTAL	<u>\$ 625,000</u>

University officials requested approval of a project description and budget for the second phase of a multi-phased project to provide an off-hour lighting shutdown system for University Hospitals. Phase A, which was approved by the Board in November 1996, began work in the Carver, Colloton and Pappajohn Pavilions. Phase B will begin work in the Boyd Tower and General Hospital and continue the work begun in Phase A.

The Phase B project will install occupancy sensors, timers and other energy controls through a centralized building automation system. These controls, along with other associated electrically powered devices, will reduce electrical consumption while the facilities are not in use. The system will also minimize heating, ventilating and air conditioning requirements. The estimated payback for this phase of the project is five years.

Consolidated Business Services Building--Remodel for Materials Management--Phase 2 \$570,000

Source of Funds: Materials Management Improvement and Replacement Fund

Preliminary Budget

Construction	\$ 456,000
Design, Inspection and Administration	
Consultant	55,000
Design/Construction Services	13,400
Contingencies	<u>45,600</u>
 TOTAL	 <u>\$ 570,000</u>

University officials requested approval of a project description and budget for Phase 2 of the project which will complete the renovation of the building to provide space for the university's Central Stores. The university has been working to improve the efficiency of materials management on campus. The creation of a central shipping/receiving facility with the consolidation of Printing, Mail and Central Stores services will permit a single campus delivery system, reducing the amount of truck traffic on campus. Creation of a central facility will also allow "next day" delivery service which will reduce the amount of space needed for materials storage (approximately 13,800 square feet) and maximize the amount of space available for the services housed in the building.

The project will be funded by the Materials Management Improvement and Replacement Fund. This fund consists of income from the materials management services performed in the building.

Medical Research Facility--Construct Environmental Chamber
\$410,000

Source of Funds: College of Medicine Gifts and Earnings

Preliminary Budget

Construction	\$ 326,000
Design, Inspection and Administration	
Consultants	21,300
Design/Construction Services	29,900
Contingencies	<u>32,800</u>
 TOTAL	 <u>\$ 410,000</u>

University officials requested approval of a project description and budget for the purchase and installation of a Clinical Environmental Chamber and associated renovation work in the Medical Research Facility. The project will provide a research facility to perform controlled human exposures to specific agents relevant to the development of environmental and occupational asthma. Research will focus on agricultural and rural environmental asthma problems.

The renovated area will consist of approximately 463 square feet of space and will include the environmental chamber, office space, support laboratory, restroom and storage room. Work will include the construction of the new spaces, electrical and mechanical modifications, and a dedicated HVAC system to serve the chamber.

University Hospitals and Clinics--Tuberculosis Isolation Rooms, \$350,000
Sixth Floor, Carver Pavilion

Source of Funds: University Hospitals Building Usage Funds

Preliminary Budget

Construction	\$ 280,000
Architectural/Engineering Support	28,000
Planning and Supervision	14,000
Contingency	<u>28,000</u>
 TOTAL	 <u>\$ 350,000</u>

University officials requested approval of a project description and budget to install a new exhaust system for six designated tuberculosis isolation rooms on the sixth floor of Carver Pavilion. The system will include monitoring and control devices which will be integrated into the existing building automation system.

Isolation rooms designated for tuberculosis require specialized, dedicated exhaust systems to maintain a required clean environment. The air requirements for these exhaust systems are defined by governing codes and epidemiological considerations and must be monitored for compliance with current inspection standards.

* * * * *

University presents two projects with budgets of less than \$250,000. The titles, source of funds and estimated budgets for the projects were listed in the register prepared by the university. Included was the following project to raze a university building in accordance with Chapter 7.11 of the Board of Regents Procedural Guide which requires Board approval to dispose of any real property valued in excess of \$1,000.

Medical Education Building--Raze North Wing \$243,000
Source of Funds: College of Medicine Gifts and Earnings

Preliminary Budget

Construction	\$ 196,000
Design, Inspection and Administration	
Design and Construction Services	19,900
Consultants	6,400
Contingencies	<u>20,700</u>
TOTAL	<u>\$ 243,000</u>

University officials requested approval of a project description and budget in the amount of \$243,000 to demolish and remove the north wing of the Medical Education Building. The demolition is necessary to permit the Newton Road relocation project to proceed. The space to be razed consists of a three story building of approximately 18,700 gross square feet which was constructed in 1962. This area was vacated approximately five years ago with the relocation of the Psychiatric Hospital.

* * * * *

University Hospitals and Clinics--Carver Pavilion Sprinkler System Improvements--Phase A

Source of Funds: University Hospitals Building Usage Funds

July 1994 Budget \$540,000
Revised Budget \$570,455

Project Budget

	July 1994 Budget	Revised Budget March 1997
Construction	\$ 432,000	\$ 488,625
Architectural/Engineering Support	43,200	43,200
Planning and Supervision	21,600	14,200
Contingencies	<u>43,200</u>	<u>24,430</u>
TOTAL	<u>\$ 540,000</u>	<u>\$ 570,455</u>

University officials requested approval of a revised project budget in the amount of \$570,455, an increase of \$30,455, to allow award of the construction contract. Three

bids were received on December 18, 1996. The low bid in the amount of \$483,050 is approximately 13.9 percent above the engineering estimate of \$424,210. University officials wish to award the contract to the low bidder for the Base Bid of \$483,050 plus Alternate #1 in the amount of \$5,575, for a total award of \$488,625.

Alternate #1 is required to isolate the sprinkler water in order to prevent contamination of the domestic water system. The recommended contract award cannot be made within the 1994 project budget.

University officials believe the bids are a fair representation of the work especially given the complexity of construction work in occupied areas such as Carver Pavilion. In addition, the bids appear to be favorable when considering the extensive amount of fire protection construction currently underway in the Iowa City/Cedar Rapids area. University officials do not believe that re-bidding the project would result in the receipt of more favorable bids. The low bidder has agreed to extend the time frame for its bid and will accept the contract award.

ARCHITECT ENGINEER AGREEMENTS

University Hospitals and Clinics--Family Care Center Furnishings \$56,800
Hansen Lind Meyer, Iowa City, Iowa

University officials requested approval to enter into an agreement with Hansen Lind Meyer for the design and development of multiple purchase order documents for the interior furnishings for the Family Care Center. The agreement provides for a fee of \$56,800, including reimbursables.

Consolidated Business Services Building--Remodel for Materials \$55,000
Management--Phase 2
Scholtz-Gowey-Marolf, Davenport, Iowa

University officials requested approval to enter into an agreement with Scholtz-Gowey-Marolf to provide design services for the project. The agreement provides for a fee of \$55,000, including reimbursables.

University Hospitals and Clinics--Pharmacy Storage, Processing and Office Support Facility--Phase I \$27,570
A and J Associates, Iowa City, Iowa

University officials requested approval to enter into an agreement with A and J Associates to provide preliminary design services for the remodeling of a portion of the lower level of the General Hospital to provide a pharmacy storage, processing and office support facility. The project will include storage, receiving, processing and shipping areas. This project is required to meet current standards for drug storage and processing and to increase operational efficiencies.

The agreement provides for a fee of \$27,570, including reimbursables.

Amendments:

Westlawn Renovation and Expansion--Student Health Services Relocation and College of Medicine Programs Amendment #1 \$220,000
Baldwin White Architects, Des Moines, Iowa

University officials requested approval of Amendment #1 in the amount of \$220,000 to the agreement with Baldwin White Architects. The agreement with Baldwin White was approved by the Board in July 1996 to provide design services for the Student Health Services portion of the Westlawn project. Amendment #1 will provide design services for the remainder of the building project which will renovate approximately 16,000 gross square feet of space on the ground and third floors of Westlawn for use by the College of Medicine.

Amendment #1 will not result in an increase in the total project budget.

University Hospitals and Clinics--Development of an Eye Institute
Hansen Lind Meyer, Iowa City, Iowa

Amendment #8 \$44,500
Amendment #9 \$21,266

University officials requests approval of Amendments #8 and #9 totaling \$65,766 to the agreement with Hansen Lind Meyer. The amendments will provide design services for the lower level of the Eye Institute to accommodate the final design of the adjoining Family Care Center.

Amendment #8 includes expanded services to develop several redesign schemes for 11,285 square feet of space in the lower level of the Eye Institute. Amendment #9 will

provide modifications to casework, ventilation duct work, room modifications, electrical modifications, doors, landscaping and special conveyance systems.

Amendments #8 and #9 will not result in an increase in the total project budget.

Replacement of Laundry Facility Amendment #2 \$64,890
Philips and Associates, Arden Hills, MN

University officials requested approval of Amendment #2 in the amount of \$64,890 to the agreement with Philips and Associates. The amendment will provide for Philips and Associates' preparation of the construction documents.

University officials recommend this more traditional approach to the construction documents in order to facilitate completion of the project. Under the existing agreement with Philips and Associates the firm has provided equipment specifications and a general layout for the equipment in the facility. University officials believe that this work has provided Philips and Associates with a good knowledge of the project and therefore it is appropriate that the firm complete the construction documents as well.

Amendment #2 will not result in an increase in the total project budget.

Health Sciences Campus--Newton Road Relocation Amendment #1 \$6,452
Shive-Hattery, Iowa City, Iowa Amendment #2 \$21,750

University officials requested approval of Amendments #1 and #2 totaling \$28,202. Amendment #1 will provide for the coordination and insertion of multiple consultants' drawings into the Health Sciences Campus Topographic Survey and distribution of the drawings to the consultant team. Amendment #2 will provide for the preparation and distribution of construction sequencing drawings with presentation at consultant team meetings.

Amendments #1 and #2 will not result in an increase in the total project budget.

University Hospitals and Clinics--UIHC Back-up Boiler Amendment #2 \$11,290
Hansen Lind Meyer, Iowa City, Iowa

University officials requested approval of Amendment #2 in the amount of \$11,290 to the agreement with Hansen Lind Meyer. The amendment will provide design services for the work included in Alternates #1 and #2 which were awarded as part of the construction contract.

The construction contract in the amount of \$609,100 included Alternates #1 and #2 in the amount of \$46,100 and \$127,600, respectively. The alternates will provide for the installation of a water softener and a domestic water pressure pumping system. Completion of the design work for the alternates was dependent upon the completion of the boiler design.

Amendment #2 will not result in an increase in the total project budget.

Library Area Master Plan--North Pedestrian Walkway and South Plaza Developments \$4,973.00
Shive-Hattery, Iowa City, Iowa

Water Plant Laboratory Remodeling \$1,172.50
Kruse Associates, Iowa City, Iowa

CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Carver Pavilion Sprinkler System Improvements--Phase A \$488,625
Award to: Grinnell Fire Protection Systems Company, Bettendorf, Iowa

University officials requested award of the construction contract to the low bidder, Grinnell Fire Protection Systems Company, as follows:

Base Bid of \$483,050, plus Alternate #1 of \$5,575 =

TOTAL AWARD OF: \$488,625 (3 bids received)

Power Plant--Demolish East Stack \$343,380
Award to: Curry Environmental Services, Milan, IL
(3 bids received)

CHANGE ORDERS TO CONSTRUCTION CONTRACTS

Iowa Advanced Technology Laboratories--Construct Laboratory in E-121 \$73,080
McComas-Lacina Construction Company, Iowa City, Iowa

University officials requested approval of Change Order #1 in the amount of \$73,080 to the agreement with McComas-Lacina Construction Company. The change order will accommodate the addition of a desiccant air dryer to the HVAC system serving the laboratory space being constructed for research in silicon chip development. This

addition was recommended by the project engineers in order to control critical temperature and humidity levels.

ACCEPTANCE OF COMPLETED CONSTRUCTION CONTRACTS

University Hospitals and Clinics--Children's Miracle Network Pediatric Intensive Care Unit Renovation and Expansion

Aanestad Construction, Iowa City, Iowa

Vice President True stated that as Mr. Richey had indicated in the discussion of the general docket item entitled "Hearing - Forfeiture of Bid Security - University Hospitals and Clinics - A Family Care Center Project" (see page 739 of these minutes), the University of Iowa settled a dispute with a contractor, Graycor Construction Company from Homewood, Illinois, yesterday. The company will be paying University of Iowa Hospitals and Clinics \$70,000. University of Iowa Hospitals and Clinics in turn will be releasing the company's bid security. He said university officials believe it is a very fair arrangement. He was pleased with the settlement and glad that the Regents did not have to endure a hearing regarding this matter.

MOTION:

Regent Arenson moved to approve the University of Iowa capital register, as presented. Regent Tyrrell seconded the motion, and upon the roll being called, the following voted:

AYE: Arenson, Lande, Mahood, Newlin, Smith, Tyrrell.

NAY: None.

ABSENT: Dorr, Kennedy, Pellett.

MOTION CARRIED.

RESIDENCE SYSTEM FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$2,406,000 from the dormitory surplus fund to the improvement fund.

University of Iowa officials requested the transfer of \$2,406,000 from the dormitory surplus fund to the improvement fund.

As of June 30, 1996, the surplus fund had a cash balance of \$3,981,351 and the improvement fund had a cash balance of \$5,638,728.

Transferring funds from undesignated (surplus) voluntary reserves to voluntary reserves earmarked for improvements does not affect the total voluntary reserves.

MOTION: Regent Arenson moved to approve the transfer of \$2,406,000 from the dormitory surplus fund to the improvement fund. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

PARKING RATES. The Board Office recommended that the Board give preliminary approval to the long-term parking rates, for the four years FY 1998 through FY 2001, at the University of Iowa.

Last year, the Regents approved parking rate adjustments at the University of Iowa for the first time in six years; at that time, university officials indicated they would develop a long-term proposal based on the needs of the parking system.

The University of Iowa Parking and Transportation Committee has undertaken a study of long-term parking needs, projected future parking rates, and projected revenues and expenditures.

PROPOSED PARKING RATES

	Rate Basis	Current	Proposed				Average Annual
		FY 97	FY 98	FY 99	FY 00	FY 01	Increases
Faculty/Staff Surface Reserved	Monthly	\$18.00	20.00	22.00	24.00	26.00	9.6%
Faculty/Staff Ramp Reserved	Monthly	27.00	30.00	33.00	36.00	39.00	9.6%
Commuter	Monthly	4.50	7.00	9.00	11.00	13.00	31.1%
Storage	Monthly	8.50	12.00	15.00	18.00	21.00	25.7%
Student Meter Parking/Library Lot	Hourly	.40	.40	.40	.50	.50	6.3%
Public Meter Parking	Hourly	.50	.60	.60	.60	.60	5.0%
Public Cashiered	Hourly	.50	.60	.60	.60	.60	5.0%

The Parking and Transportation Committee, composed of students, faculty and staff representatives, unanimously approved the recommended parking rates; the proposed rates were also reviewed by other campus committees including the Faculty Council, Staff Council and the Student Government organization.

Proposed average increases in parking fees over the next four years range from 5.0 percent for public parking to 31.1 percent for commuter parking.

PARKING SYSTEM FINANCIAL PROJECTIONS

<u>Operations</u>	<u>Actual</u> 1995-96	<u>Estimate</u> 1996-97	<u>Estimate</u> 1997-98	<u>Estimate</u> 1998-99	<u>Estimate</u> 1999-00	<u>Estimate</u> 2000-01
Revenues	\$6,779,308	\$6,802,461	\$7,552,852	\$8,053,033	\$8,949,114	\$9,827,818
Expenditures	<u>3,944,332</u>	<u>4,290,834</u>	<u>4,678,605</u>	<u>4,859,543</u>	<u>5,543,681</u>	<u>5,802,799</u>
Net Revenues	\$2,834,976	\$2,511,627	\$2,874,247	\$3,193,490	\$3,405,433	\$4,025,019
Debt Service	<u>1,115,265</u>	<u>997,800</u>	<u>1,572,395</u>	<u>1,572,395</u>	<u>1,572,395</u>	<u>1,572,395</u>
Net	\$1,719,711	\$1,513,827	\$1,301,852	\$1,621,095	\$1,833,038	\$2,452,624
 <u>Improvement and Extension Fund</u>						
Begin. Balance	\$6,730,762	\$ 7,867,289	\$ 1,205,428	\$ 7,770,386	\$1,285,589	\$1,604,259
Transfer In	<u>2,831,086</u>	<u>2,723,853</u>	<u>11,770,871</u>	<u>2,260,724</u>	<u>2,718,670</u>	<u>3,344,679</u>
Available	\$9,561,848	\$10,591,142	\$12,976,299	\$10,031,110	\$4,004,259	\$4,948,938
Improvements	<u>1,694,559</u>	<u>9,385,714</u>	<u>5,205,913</u>	<u>8,745,521</u>	<u>2,400,000</u>	<u>3,393,672</u>
Ending Balance	\$7,867,289	\$ 1,205,428	\$ 7,770,386	\$ 1,285,589	\$1,604,259	\$1,555,266
 <u>Debt Service Reserve Fund</u>						
	\$ 920,000	\$ 920,000	\$ 1,400,000	\$ 1,400,000	\$1,400,000	\$1,400,000

The proposed rate increases will generate additional incremental revenues for each year of approximately \$750,000 for FY 1998, \$500,000 for FY 1999, \$896,000 for FY 2000, and \$879,000 for FY 2001. The additional revenues are to be used for increased operational and maintenance expenses, debt service obligations, and substantial improvements of the parking system.

The anticipated average annual percentage increase in revenue from FY 1996 is 7.8 percent while the expected average increase in expenditures is 8.1 percent.

University officials estimate that FY 97 substantial improvements will be \$9.4 million; during the subsequent four fiscal years, the university anticipates spending an additional \$19.7 million on improvements to the parking system.

Regent Arenson asked if the system would remain self funding with approval of these increases. Vice President True said that was correct. The request was before the Board in order for university officials to be good stewards and to make the improvements that are necessary.

MOTION:

Regent Arenson moved to give preliminary approval to the long-term parking rates, for the four years FY 1998 through FY 2001, at the

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University of Iowa. Regent Tyrrell seconded the motion. MOTION CARRIED UNANIMOUSLY.

REPORT ON THE UNIVERSITY OF IOWA CAPITAL PLAN FOR THE HEALTH SCIENCES CAMPUS, RELATED MEDICAL EDUCATION AND BIOMEDICAL RESEARCH FACILITIES. The Board Office recommended the Board receive the report.

In May 1996 the university received approval to proceed with the Capital Plan for the Health Sciences Campus, Related Medical Education and Biomedical Research Facilities. The purpose of the capital plan is to provide modern facilities to meet medical education and research space requirements and improve pedestrian and vehicular circulation on the health sciences campus.

The components of the capital plan include construction of the Medical Education and Biomedical Research Facility (including utilities relocation and infrastructure construction), relocation and modernization of the Student Health Service, relocation of Newton Road and construction of a parking structure, and relocation of the Steindler Building occupants to allow for the phased clearance of the facility to provide the site for the Medical Education and Biomedical Research Facility.

The Board requested periodic status reports regarding the planning of the various projects included in the capital plan; this was the first such report to the Board. Representatives of the university, the College of Medicine and the lead consultants, Payette and Associates, presented the report and answered questions.

University officials reported that planning has progressed on the major individual projects and the integration of the projects, as follows:

Westlawn Renovation and Expansion--Student Health Service Relocation and College of Medicine Programs to be bid this spring (schematic design and project budget in the amount of \$6,863,750 approved in December 1996);

Bowen Science Building--Remodeling for Physiology and Pharmacology (selection of project architect approved in February 1997);

Newton Road Parking Facility and Newton Road Relocation projects (selection of design consultants approved in July 1996 and November 1996, respectively) and technical requirements for restructuring of utilities;

Medical Education and Biomedical Research Facility (development of schematic design in progress); and

Planning for relocation of academic programs within Westlawn and from Steindler Building to Westlawn and other buildings (consultant agreement to develop relocation strategy approved in October 1996).

The current capital plan budget total estimate of \$111,415,000 represents an increase of \$5,950,000 over the original master plan estimate. The majority of the cost increase is attributable to the revised estimate of \$12,000,000 (an increase of \$5,750,000) for preparation of the site for the Medical Education and Biomedical Research Facility, which includes demolition and utilities relocation. The remainder of the increase, \$200,000, represents the revised estimate of \$10,200,000 for construction of the parking ramp and temporary parking lots; the increase is specifically related to the estimate for construction of the parking lots.

University officials will continue to present individual projects for Board approval on the capital register as the projects are ready to proceed and in accordance with the Board's capital procedures.

Dean Kelch presented a summary of the progress that had been made on this project in the last 11 months. He noted that university officials had been working on this project for nearly two years. When approval for this project was granted by the Board it was with the understanding that university officials would provide periodic progress reports. Dean Kelch discussed the rationale for the health sciences campus phase 1 development (1996-2000), noting that research is the largest enterprise in the College of Medicine. He reviewed the progress to date, noting that it had been timely and cost effective.

Mr. Jeffery Burke, Payette Associates, discussed the project design and changes that will be taking place. He said the master plan phase 1 focused on relocation of Newton Road to make the area pedestrian oriented. He noted that the new building will be the flagship of the College of Medicine. This spring, construction will begin on Westlawn and then site utilities relocation will begin. The phasing complexities of the project will occur over 4 years.

Mr. Burke provided a progress report on the budget. The scope and cost of the project have increased now that the architects have a better understanding of what needs to be done related to site utilities. To date, the budget has increased by \$5.9 million, which is approximately 5 percent, primarily due to an increase in the magnitude of site preparation. There was also a moderate increase in the temporary parking costs to accommodate temporary parking lots during the phasing. He concluded by stating that he was very excited about working with the Regents and the University of Iowa on this project.

President Newlin asked if Mr. Burke anticipated any more changes in the cost estimates. Mr. Burke said he could not guarantee there would not be any more increases but, to date, all the other budget line items were holding.

Regent Lande asked for the inflationary assumptions in developing the construction budget. Mr. Burke responded that they were 2-1/2 percent to 3-1/2 percent.

Regent Dorr stated that relative to the University of Iowa's strategic plan this was without question one of the most significant undertakings that had been approached in a long time. It was a very deserving project. He asked, in light of many of the changes taking place as a result of this project including the re-routing of Newton Road, what was the long-range plan for the Veteran's Administration Hospital in Iowa City? Was it possible that the facility would be closed down?

Dean Kelch stated that the Veteran's Administration Hospital in Iowa City is one of the top two or three veteran's hospitals in the country. It was an integral part of the University of Iowa's program. He said the Veteran's Administration is going through a lot of change and although he could not predict what the future might hold, he was confident that the Iowa City Veteran's Administration Hospital will remain a crown jewel. The hospital is moving more to ambulatory care. There is greater emphasis on health services research. He believes the hospital will be in existence for the foreseeable future. The University of Iowa plan is to remain very closely integrated with the veteran's hospital.

Regent Dorr asked if the health sciences campus buildings will be tied together with walkways. Dean Kelch responded that the new building will be connected to the Eckstein Building both above and below ground. Those costs are included as part of the cost of the project.

Regent Dorr referred to the utilities corridor and asked, in light of the dramatic changes taking place especially with communications technology, whether the architects and university officials were comfortable with the scope of the utilities corridor. Mr. Burke responded that the utility corridor provides for flexibility to accommodate changes in use, changes in technology, etc.

Dean Kelch stated that in analyzing the total project it was apparent that the breadth of the infrastructure will position the university for the long term. An in-depth assessment of the needs was done. He said this was a more costly first step for the project but it was a very prudent way of accomplishing their goals in a phased manner.

GENERAL
March 19, 1997

Mr. Richey asked whether the renovation of Bowen Science Building included significant HVAC improvements. Dean Kelch responded that the air handling system meets most of the needs. He said there are certain energy inefficiencies in the building that cannot be overcome. The building is very useful and structurally sound.

Mr. Burke stated that an important aspect of the renovation is to the HVAC system.

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

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

IOWA STATE UNIVERSITY

The following business pertaining to Iowa State University was transacted on Wednesday, March 19, 1997.

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

Register of Personnel Changes for February 1997 which included five requests for early retirement and one request for phased retirement.

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

APPROVE HONORARY DEGREE FOR SIMON ESTES. The Board Office recommended the Board approve the honorary degree for Simon Estes at Iowa State University.

Iowa State University officials requested an honorary degree, Doctor of Humane Letters, be awarded to Simon Estes for his extraordinary achievements in operatic music, generosity toward disadvantaged children, and philanthropy.

Mr. Estes is a native of Centerville, Iowa, and first began to sing at the age of eight in the city's Second Baptist Church. After entering the Julliard School of Music, Mr. Estes went to Europe and made his operatic debut with the Deutsche Opera in Berlin as Ramfis in *Aida*.

While working his way through the University of Iowa as a pre-med and psychology student, Mr. Estes became the first black member of the University's Old Gold Singers.

Mr. Estes is one of the few individuals from Iowa to be awarded the prestigious "Iowa Award".

Known throughout the world for his opera, concert, and recital performances, as well as for his recordings and public performances, Mr. Estes still finds time to share his love and knowledge of music with students from elementary school through college. In master classes across the country he attempts to teach not only music but artistic and personal values, as well.

His love and concern for youth is also manifested in the four scholarship organizations he has created: *The Simon Estes Educational Foundation* in Tulsa, *The Simon Estes Scholarship Fund* at the University of Iowa, *The Simon and Estella H. Estes Scholarship Fund* at Centerville Community College, and *The Simon Estes Iowa Arts Scholarship Fund*.

In 1993, Mr. Estes established *The Simon Estes International Foundation for Children* with the purpose to financially assist underprivileged and needy children as far as their education and health is concerned.

In the summer of 1989, Mr. Estes was awarded an Honorary Doctorate from Siena College, NY; in the spring of 1991 from Luther College in Decorah, IA; and in spring of 1994 from the University of Tulsa, OK and from Drake University in Des Moines, IA.

President Jischke noted that Mr. Estes had agreed to be the commencement speaker this spring.

MOTION: Regent Smith moved to approve the honorary degree for Simon Estes at Iowa State University. Regent Arenson seconded the motion. MOTION CARRIED UNANIMOUSLY.

PRESENTATION ON COLLEGE OF VETERINARY MEDICINE. The Board Office recommended the Board receive the presentation.

Dr. Richard F. Ross, Dean of the Iowa State University College of Veterinary Medicine, made a presentation to the Board on recent developments and future plans in his college. His presentation touched upon the college's strategic plan, recent major advances toward achieving the plan's goals, budget reallocation, organizational restructuring, fund raising, collaborative initiatives, and future challenges.

Dr. Ross has served as a faculty member and administrator at Iowa State University since 1966. He earned both his DVM and Ph.D. degrees there. He holds an Iowa State University distinguished professorship and has been dean of the college since 1993. He has published extensively, received numerous honors and awards, and is president-elect of the Association of American Veterinary Medical Colleges.

President Jischke stated that Veterinary Medicine College Dean Dick Ross is one of the remarkable academic leaders of Iowa State University. He reviewed his academic history, noting that he is a distinguished veterinary medicine scientist. Last June the Secretary of Agriculture recognized Dean Ross for his personal and professional achievement.

Dean Ross began his presentation by reviewing the major advances toward the goals of the university's and college's strategic plans which included the Healthy Livestock of Iowa initiatives. He discussed activities taking place at the Veterinary Diagnostic Laboratory. He described the specific objectives for 1996-97 for the Ames Center for Animal Health; the consolidation of the veterinary biologics programs of the USDA Animal and Plant Health Inspection Service; and the Institute for International Cooperation in Animal Biologics projects for 1996-97

With regard to restructuring in 1995-96 of the College of Veterinary Medicine, Dean Ross stated that sections were consolidated and merged. He discussed restructuring being considered in 1996-97, renovation projects in progress or completed, and priority facilities projects. Dean Ross reviewed the opportunities provided by the distance learning system. He discussed applications and student demographics and collaborative programs.

Dean Ross stated that the college is facing major challenges. With the Regents' support, he believes they can meet those challenges. Enormous changes are taking place in animal agriculture including companion animal practice. One of the major changes is computerization of practices. With regard to cost containment of student debt, he stated that last year the average debt was \$51,000 while average starting salaries are \$36,000 to \$37,000. The college is practicing continuous quality improvement and is very interested in international activities including assisting developing countries.

President Newlin congratulated Dean Ross on his recruiting successes. He asked how much grant money Dr. Moon and Dr. Cheville brought with them and how much new money they had secured. Dean Ross responded that Dr. Moon recently obtained an \$800,000 grant and Dr. Cheville had received several other smaller grants.

President Newlin asked for the Iowa State University College of Veterinary Medicine's four top competitors. Dean Ross responded that their competitors tend to be those with the largest budgets: University of California-Davis, Cornell, Michigan State, Texas A&M, and Colorado State.

President Newlin asked if Iowa State University's College of Veterinary Medicine was ranked in the top 10 colleges nationally. Dean Ross responded that the U.S. News and World Report listed nine colleges, and Iowa State University was not listed. He noted that the publication utilizes a very subjective criterion.

Regent Dorr asked about the quantification of quality with the budget. Dean Ross responded that Iowa State University's College of Veterinary Medicine budget is about the 12th largest of the nation's veterinary colleges; the college ranks 7th in the number of students. The state provides \$16 million of the college's \$25 million total budget.

Regent Dorr asked where the budget was deficient. Dean Ross responded that the college's external grant program needs strengthened.

Regent Dorr asked what the Board could do to help university officials in their efforts. Dean Ross suggested that they keep in close contact with the university president and provost and help guide them in hiring the best possible faculty.

President Newlin expressed appreciation to Dean Ross for the presentation.

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

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

APPROVAL OF PROGRAM STATEMENTS AND DESIGN DOCUMENTS

Palmer Human Development and Family Studies Building

Representatives from the university and RDG Bussard Dikis reviewed the design and answered questions. The Palmer Human Development and Family Studies Building will provide a modern facility for teaching, research and outreach efforts of the Department of Human Development and Family Studies of the College of Family and Consumer Sciences. The schematic design is based upon the building program approved by the Board in November 1996 with input from faculty and staff of the department, university administration and Facilities Planning and Management.

The first floor of the facility will house the functions of the Child Development Laboratory School including the four laboratories that will provide model early childhood education programs. The design also includes an outdoor play area located adjacent to the laboratory school on the west side of the building. The Marriage and Family

Therapy and Family Financial Counseling Clinics will be housed on the second floor of the building.

The following is a space summary of the program areas.

	<u>Net Assignable Square Feet</u>
Child Development Laboratory	10,326
Marriage and Family Clinic	1,559
Financial Counseling Clinic	865
Support Services	<u>2,292</u>
 TOTAL	 <u>15,042</u>

Net to Gross Ratio = 63.06%

The building will be constructed in the area located east of MacKay Hall and north of Carrie Chapman Catt Hall. The Palmer Human Development and Family Studies Building will be connected to MacKay Hall by a corridor on the first floor. The corridor will allow for shared access to conference/seminar/classroom spaces by the entire College and permit faculty movement between the buildings. The separation of the two buildings will allow minimal loss of the existing program area in MacKay Hall and will provide maximum natural ventilation and daylighting opportunities for both buildings.

Visually from the north the link will align with the rougher textured stone base that will be present on both the Palmer Human Development and Family Studies Building and MacKay Hall. From the south the Palmer Building will have more glass for views to the outdoor play space. Limestone panels will be specified for the Palmer Building to replicate MacKay Hall's exterior finishes. Design respect will be paid to Carrie Chapman Call Hall with the selection of a rusticated limestone for a wall that will define the entrance to the Palmer Building.

President Jischke introduced Dean Beverly Crabtree, noting that she was the leading fund raiser for this project. He said Dean Crabtree will be retiring as the dean at the end of this year. She will have completed a very distinguished 10 years of service. She is a graduate of Iowa State University and has received an incredible number of honors and recognition. This project has been a labor of love for Dean Crabtree. She has worked harder on bringing this project to where it is today than has anyone else.

Phil Hodgin of RDG Bussard Dikis presented an overview of the schematic design for this project. He said the project was simple yet in many ways it was complex. He

described the design goals for the building. The site offered many unique challenges. There was a desire to closely emulate the building next to the site. The building is designed to look taller than it really is. He reviewed the program summary. The building will be 63.06 percent efficient, net to gross. The project is on budget within the \$5.9 million total budget. He anticipated bid opening in the fall of 1997, construction beginning in November 1997, with full occupancy in the summer of 1999.

Regent Kennedy referred to the program summary which included the areas to be included in the new facility and the amount of gross space assigned to each floor. She asked whether university officials had anticipated future needs and whether consideration had been given to allowing for future expansion.

Mr. Hodgin stated that this was a very site-specific building. The architects did not want to encroach on the Catt Hall project. He said the interior spaces will be designed in a flexible manner. The building was designed so that all of the programs that were indicated could be housed under the same roof.

Regent Kennedy asked if it would be possible to add a story to the building. Mr. Hodgin said it would be possible but not practical. If the architects were given that challenge they could meet the challenge. Currently, state code requires that all child care be on the ground floor. The architects could move the faculty offices to the third floor. All of the clinics and faculty offices are currently on the second floor. The current cost estimate was \$146/square foot. If there was a desire to include finished space on the third floor it would cost an additional \$2.15 million. Some minor changes in the circulation would also be necessary.

Regent Lande said he thought the third floor was designed to be mechanical space. Mr. Hodgin responded that the current design was for mechanical space on the third floor. He noted that the size of the building is determined by the amount of resources available.

Regent Dorr asked whether this expansion meets the college's needs presently and the perceived needs in the next 5 to 10 years. President Jischke stated that university officials had been working on this project for 5 years. During that period, up until last year, the university had received no appropriations for new capital projects. Therefore, this project is being financed from reallocations and private fund raising. There are similar needs in almost every college on the campus. This project represents real progress for the college. It does not solve all of the space problems of the college. More money could be spent if it were available. University officials have tapped all of the donor sources. What was being proposed was what can be done now. He stressed the importance that they make the progress that is now possible. This project is not being funded with appropriations.

Regent Dorr said this was an area in which the Board should take a closer look. The issues relative to families are critical issues.

President Newlin asked what it would cost to design this project in such a way as to make it possible to add a third floor at a later time. Vice President Madden said the difficulty is in relocating the mechanical, which would probably have to be moved to the basement. From a practical standpoint, he did not believe that adding on was appropriate. University officials were building the maximum space for the funds that are available at this time.

Regent Kennedy stated that she was impressed when she toured the University of Northern Iowa early in her tenure as a Regent and was learned of efforts made by the Regents' predecessors to provide the opportunity for future library expansion. If there is something they could do now to allow expansion of the facility 10 to 20 years from now she would like to do so.

Regent Dorr expressed concern about the funding decisions made by the legislature. He said Iowa State University has one of the prominent research programs in human development and family studies for which the legislature should appropriate funds.

PROJECT DESCRIPTIONS AND BUDGETS

Telecommunications--Outside Plant System Upgrade--Phase I

Source of Funds: Telecommunications Improvement and Extension Funds

		Feb. 1997 Budget
<u>\$600,000</u>		
		Revised Budget
<u>750,000</u>		
	<u>Project Budget</u>	
	Feb. 1997	Revised
	<u>Budget</u>	Budget
		<u>March 1997</u>
Contracts	\$ 475,000	\$ 575,000
Design Services	28,000	48,000
Project Administration	9,000	11,250
University Services	3,000	3,000
Miscellaneous	1,000	1,000
Utility Extensions	3,000	3,000
Telecommunications	18,000	25,000
Project Reserve	<u>63,000</u>	<u>83,750</u>
 TOTAL	 <u>\$ 600,000</u>	 <u>\$ 750,000</u>

University officials requested approval of a revised project budget in the amount of \$750,000, an increase of \$150,000. The existing underground raceway system in the areas north of Linden Hall and the General Services Building has limited spare conduits available to accommodate the new cables to these buildings. The revised budget will provide specialized fiber optic cables that will allow for the reuse of the existing conduits, provide new single mode fiber to 11 buildings, and eliminate the need to install additional conduits in the future.

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

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ARCHITECT/ENGINEER AGREEMENTS

College of Design Auditorium Addition \$46,550
Baldwin White Architects, Des Moines, Iowa

University officials requested approval to enter into an agreement with Baldwin White Architects to provide design services for the project. The university received expressions of interest from eight firms to provide design services. The university interviewed four firms and recommends the selection of Baldwin White Architects to provide pre-design and schematic design services. The Baldwin White firm was selected based on its extensive experience, ability and exuberance to complete the project. The agreement with Baldwin White provides for a fee of \$46,550, including reimbursables.

Preliminary project costs are estimated at \$1.8 million, not including the necessary campus infrastructure improvements to serve the addition. The university plans to present the building program, schematic design and initial project budget for Board approval following completion of the schematic design.

Palmer Human Development and Family Studies Building \$406,000
RDG Bussard Dikis, Des Moines, Iowa

University officials requested approval to enter into an agreement with RDG Bussard Dikis to provide design development through construction phase services. The agreement provides for a fee of \$406,000, including reimbursables.

CONSTRUCTION CONTRACTS

Wallace Hall--Elevator Upgrade and Modernization--Elevator Upgrade \$253,240
Award to: Montgomery KONE, West Des Moines, Iowa
(1 bid received)

Wallace Hall--Elevator Upgrade and Modernization--
Penthouse Renovation \$86,943
Award to: Koester Construction Company, Des Moines, Iowa
(2 bids received)

MOTION: Regent Mahood moved that the Register of Capital Improvement Business Transactions for Iowa State University be approved. Regent Kennedy seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

University officials requested approval to renew its lease as lessee with the Iowa State University Research Park Corporation for the university's use of 987 square feet of office space located in the Iowa State Innovation System at the Iowa State Research Park at the rate of \$1,250 per month (\$15.20 per square foot, \$15,000 per year) for a one-year period.

University officials requested approval to enter into a new lease as lessor with the Iowa State University Foundation for its use of an area located west of Jack Trice Stadium for the Jack Trice Stadium--Football Practice Fields project.

MOTION: Regent Arenson moved to approve the leases, as presented. Regent Smith seconded the motion, and upon the roll being called, the following voted:
AYE: Arenson, Dorr, Lande, Mahood, Newlin, Smith, Tyrrell.
NAY: None.
ABSENT: Kennedy, Pellett.

MOTION CARRIED.

LAND MANAGEMENT PLAN FOR CAMPUS AND AMES AREA AGRICULTURAL PROPERTIES. The Board Office recommended the Board (1) receive the report and (2) approve the goals and framework for agricultural land management as outlined in the Land Management Plan for the Campus and Ames Area Agricultural Properties.

University officials developed a Land Management Plan for the Campus and Ames Area Agricultural Properties to create a framework for agricultural land management that will accommodate current and potential teaching and research needs, and to respond to external development pressures and the changing usage of land in the Ames area.

The plan is the university's first effort to document a land-use and management strategy for agricultural properties and was developed as part of the university's strategic plan.

The campus master plan, which deals primarily with the main campus area, was last presented to the Board in December 1995. The land management plan will supplement

the campus master plan and will provide a guide for land use, possible acquisition and disposal of adjacent agricultural land over the next 25 to 30 years.

The plan will ensure that the university has adequate and accessible land to support the teaching and research activities of the Colleges of Agriculture and Veterinary Medicine and research by faculty in other university colleges. The plan outlines several goals for efficient land use that are compatible with the university's agricultural teaching and research requirements and the urban development of Ames:

- Consolidate university land holdings to provide for efficient operations. This includes teaching, research, outreach and farm operations and management.
- Consider opportunities for consolidation of facilities between the Colleges of Agriculture and Veterinary Medicine.
- Maintain a travel distance of less than 15 minutes from the campus core to the teaching and research farm sites.
- Relocate agriculture activity which is incompatible with the urban growth of Ames.
- Evaluate land needs as much as possible on the basis of program demands.
- Coordinate with university and college strategic planning activities.
- Identify strategies for land management which will allow Iowa State University affiliated organizations the opportunity to meet their goals for land disposal that are consistent with the mission and portfolio management.
- Utilize funds generated from possible land disposal for land acquisition and facility relocation where appropriate and consistent with the strategic plan of the university.
- Maintain adequate land holdings for future, unspecified university expansion.

Details for future land transactions are not fully developed; any specific land transactions to implement the goals would be accomplished following Regents' established land acquisition and disposal policies.

Land managed by the Colleges of Agriculture and Veterinary Medicine is held by a number of different entities, including the State of Iowa, ISU Foundation, and the Committee for Agricultural Development.

Discussion of the properties in the land-use plan is organized into clusters based on program activities and geographical proximity; the analysis for each cluster consists of a listing of properties and ownership, the program activities and issues, and recommendations. The clusters are as follows:

- Animal Science Cluster
- Highway 30 Cluster
- Agronomy/Agricultural Biosystems Engineering Cluster
- Swine Nutrition Cluster
- Ruminant Nutrition Cluster
- Applied Science Cluster
- Veterinary Medicine Cluster
- Research Park Cluster
- Campus Horse Barns and Pastures
- Uthe Farm Cluster
- Miscellaneous Properties within Ames Area

The City of Ames is in the process of adopting a city land use plan to project growth and development in the community over the next 30 years; the development of the university's plan is an important part of the community planning process.

Vice President Madden reviewed the university's goals and framework for agricultural land management. He stated that university officials were not proposing any specific land transactions at this time.

MOTION:

Regent Arenson moved to (1) receive the report and (2) approve the goals and framework for agricultural land management as outlined in the Land Management Plan for the Campus and Ames Area Agricultural Properties. Regent Tyrrell seconded the motion.

Regent Dorr stated that he would oppose the motion because it says "approve the goals and framework for agricultural land management" which university officials reported was left vague. He said the properties' aggregate value is \$100 million to \$200 million. He was interested in knowing what public discussion has taken place. He was concerned that approval of a general template embarks on a commitment to whatever path university officials so choose. He has received calls from individuals who are concerned about how the university is expanding.

Vice President Madden stated that a number of conversations had taken place within the university community, primarily within the Colleges of Agriculture and Veterinary

Medicine. Those colleges have major activities that utilize these land areas. He noted that over the last 18 months the city of Ames has undergone a land use planning process. City officials created a community-wide group that has been working on the planning and have hired planning consultants. University officials have shared the proposed goals and framework for agricultural land management with the city's consultants. University officials have participated in the city's public discussion processes, the framework of which has been in the context of the broader community. University officials have not held specific public hearings regarding the goals and framework regarding the agricultural land management document before the Regents at this meeting. University officials felt it was appropriate to bring the document to the Board for its conceptual framework approval. Further discussions with people in the community are anticipated.

Vice President Madden reiterated that any specific land transactions will come back to the Board for its specific approval in the appropriate public fashion. He stated that some of the areas identified in the university's plan were areas that others in the community would have an interest in utilizing. University officials have made it fairly clear that the areas that are close to the campus, particularly those areas immediately to the south, need to continue to be utilized for whatever future changes occur at Iowa State University. He said some of the adjustments will not happen unless facilities can be developed on the outlying farm areas. Those projects are not in any current capital plans.

Vice President Madden stated that university officials are open to more discussion with all interested parties. He said it was difficult to be much more precise today because university officials do not know the exact timelines, do not know when some of the transactions can occur, and do not know when the Board will adopt appropriate capital planning projects in any one of the outlying areas. He said the purpose of the presentation at this meeting was to share the document with the community so it knows the direction in which the university plans to proceed.

Regent Lande said he had no quarrel with what was being asked of the Board. He commended university officials for doing the planning and suggested that it would be a good exercise for the other institutions to do. He asked what would happen if the Board did not approve the recommended action.

Regent Arenson said it was his understanding that this was a general conceptual plan. Was it true that none of the individual items could be approved without specific Board approval?

Vice President Madden responded that Regent Arenson's understanding was correct. If the Board gives university officials an indication that they can move forward in this

general direction, the next steps would be to begin discussions particularly with some of the affiliated organizations that have an interest in moving forward over a period of the next several years. He said there is not an urgency in one sense about where the university is going. On the other hand, it was his recommendation to the president to bring this to the Board as a framework in case the Board had major concerns about the direction in which the university would like to proceed. As university officials start to work with specific entities, resource commitments begin to be made such as seeking appraisals. What was before the Board was a conceptual framework of the direction in which university officials would like to proceed.

President Jischke said there are certain long-range fundamental issues a university must deal with regarding use of its land. Access to facilities and lands for instruction, research and outreach activities is part of the university's long-range planning. Secondly, there is implicit in this, some consolidation which is strategically important with regard to environmental impacts of some of the activities. University officials would like to consolidate the livestock activities so they are better able to manage the environmental impacts that attend such activities. Third, university officials are going to have to answer questions from the city. The city is trying to similarly do long-range conceptual planning. While university officials were not suggesting the purchase or disposal of any piece of land, the Board's approval is needed for the basic direction in which the university wishes to proceed. University officials will come back to the Board for any specific issue. If the Regents think this is the wrong framework, university officials need to know that. University officials believe it is the right framework from an academic point of view, in terms of the university's relationship with the community, and in terms of the wise stewardship of the university's resources over a long period of time.

Regent Lande said he had no quarrel with anything in the plan. He wanted to make it clear that although the plan seemed appropriate today he may change his mind at a later date. It looked good to him although he had just received the document last week. He noted that hundreds of millions of dollars were involved.

Regent Newlin asked if Regent Lande cared to offer a motion relative to a conceptual plan that would meet his concerns. Regent Dorr suggested that the motion could be revised to receive the report. Regent Lande suggested the Board could receive the report and approve the goals.

Regent Arenson said he believes that the university has a duty to formulate a land plan.

Regent Lande suggested that the motion include language such as "subject to review and right of rejection of any individual piece of the plan".

Regent Arenson, as the maker of the motion, stated that by statute the Board already has that authority.

President Newlin asked if the seconder of the motion would agree to the amendment.

Regent Tyrrell stated that the proposal was redundant. If the Regents do not have confidence in the university leadership they should get other leadership. University officials have come forward and presented their thoughts on how they would like to plan for the future. They were requesting approval for a concept. He was frustrated that there was a desire on the part of some Regents to do something other than approve the motion as it was originally presented.

Regent Lande stated that he had the utmost confidence in the university administration.

Regent Arenson said he did not want to change his motion. He concurred with the comments of Regent Tyrrell. The Regents should not try to micromanage and should encourage the universities to develop plans. He would not want the universities moving forward on anything without a plan. University officials cannot implement any piece of the plan without the Board's specific authorization.

Regent Dorr stated that the Regents had only had the document for a few days. He said he was not suggesting that the university leadership is not sound relative to their desire to make some plans and goals. However, this is a much broader scope issue. Regent Dorr has had contacts from a variety of people, particularly farmers, who are affected by land use and land decisions of the universities. He said this was not just another planning issue. They are in the midst of an area that is growing exponentially. The university's mission is changing at four times the speed that it did ten years ago. He said that to suggest that it is out of line for a governance board to have more insight and input before approving the goals and framework of this plan is irresponsible.

VOTE ON THE MOTION: AYE: Arenson, Mahood, Newlin, Smith, Tyrrell.
 NAY: Dorr, Lande.
 ABSENT: Kennedy, Pellett.

MOTION CARRIED.

DORMITORY IMPROVEMENT FUND TRANSFER. The Board Office recommended the Board approve the transfer of \$1,400,000 from the Dormitory Surplus Fund to the Improvement Fund.

Iowa State University officials requested the transfer of \$1,400,000 from the Dormitory Surplus Fund to the Improvement Fund. As of June 30, 1996, the Surplus Fund had a

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cash balance of \$5,169,958 and the Improvement Fund had a cash balance of -
\$179,615.

MOTION: Regent Arenson moved to approve the transfer of
\$1,400,000 from the Dormitory Surplus Fund to
the Improvement Fund. Regent Mahood
seconded the motion. MOTION CARRIED
UNANIMOUSLY.

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

UNIVERSITY OF NORTHERN IOWA

The following business pertaining to the University of Northern Iowa was transacted on Wednesday, March 19, 1997.

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

Register of Personnel Changes for February 1997.

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

CONFERRAL OF HONORARY DOCTORATE OF HUMANE LETTERS. The Board Office recommended the Board approve the request to confer an honorary degree, the Doctor of Humane Letters (L.H.D.), to George Irving Shirley by the University of Northern Iowa.

Mr. Shirley is regarded as one of America's most versatile and enlightened musicians having won international acclaim for his performances with opera houses around the world. Mr. Shirley has been the recipient of world-wide honors and awards for his teaching and is in great demand as a guest conductor and faculty member at the most prestigious music academies in the country.

At the present time Mr. Shirley is serving as the Joseph Edgar Maddy University Distinguished Professor of Music (voice) at the University of Michigan.

Mr. Shirley has lectured across the nation presenting unique insights into traditional music, music written for the concert stage, the role of the performer, and especially the singular role of Black composers and performers.

MOTION: Regent Dorr moved to approve the request to confer an honorary degree, the Doctor of Humane Letters (L.H.D.), to George Irving Shirley by the University of Northern Iowa. Regent Mahood seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

ARCHITECT/ENGINEER AGREEMENTS

Department of Residence and Maucker Union--Food Service \$75,000
Comprehensive Master Plan
Ricca Planning Studio, Englewood, CO/Brooks Borg and Skiles, Des Moines, IA

University officials requested approval to enter into an agreement with the design team of Ricca Planning Studio and Brooks Borg and Skiles to complete a Food Service Comprehensive Master Plan for the Department of Residence and Maucker Union.

University officials proposed to conduct the study to develop a ten-year plan which will provide projections of future campus food service needs, capital investment requirements, and related organizational and business issues consistent with the university's mission and strategic plan. The study will be used to guide the university's decisions relative to future food service for the campus.

The objectives of the study are as follows:

- Conduct market research that will provide data about customer satisfaction, potential new markets, future service concepts, and quality service;
- Inventory existing food service facilities and equipment and provide recommendations for renovations and future equipment needs;
- Explore and recommend new food and/or alternative food service concepts; and
- Assess and recommend organizational structures for the greatest service and financial efficiencies.

The master plan will assist both the Maucker Union and Department of Residence in determining the most effective means of providing high quality food service to students, faculty, staff and guests throughout campus. The Department of Residence currently

operates a restaurant and catering services in the Maucker Union, and the union operates a food service in addition to a contract operation by Hardees. The feasibility study will also evaluate this service approach.

CONSTRUCTION CONTRACTS

School of Music Classroom Building/Performing Arts Center

Reject Bids

Six bids were received for the construction contract on January 30, 1997. All of the bids exceeded the engineering estimate of \$17,394,960 by at least 20.7 percent. The six bids ranged from \$21,000,470 to \$22,900,000 (9 percent). On February 18, 1997, the Executive Director authorized the university to reject the bids and reevaluate and re-bid the project at a future date.

Regent Lande asked for an explanation of why the bids came in over what was budgeted. Vice President Conner responded that a number of factors contributed to the overrun. Only one subcontractor bid on plastering. There were differences in the glass windows and the window trimming. Stone and brick detailing were additional factors, all of which contributed to the overall overrun.

Bartlett Hall--Fire Safety Improvements

\$518,585

Award to: Greenley Development Company, Independence, Iowa
(6 bids received)

Bartlett and Lawther Halls--Building Envelopes

\$266,488

Award to: Technical Specialty Systems, Cedar Rapids, Iowa
(6 bids received)

MOTION:

Regent Arenson moved to approve the university's capital register, as presented. Regent Smith seconded the motion. MOTION CARRIED UNANIMOUSLY.

FAIRFIELD AND OTTUMWA KUNI TRANSLATOR TOWERS. The Board Office recommended the Board (1) approve the proposed public radio sites for the University of Northern Iowa in Fairfield and Ottumwa and (2) request that the Board Office coordinate interinstitutional discussions on future public radio expansions and changes.

University of Northern Iowa officials requested approval for two proposed FCC requests, one in Fairfield and one in Ottumwa. The request in Fairfield is for the use of non-

commercial educational channel 201 (88.1 Mhz). This channel will be used to support a low-power FM translator/repeater station (approximately 250 watts) for KUNI.

Fairfield is currently unserved by a public radio signal.

University officials proposed to use an existing tower at Fairfield. The cost for the project was estimated at \$15,000. Funding will be primarily from non-state sources through private fund raising.

The second request was for channel 202 (88.3 Mhz) in Ottumwa. This channel will be used to support a low-power translator/repeater (approximately 380 watts). The Ottumwa request is intended to reinforce the university's position at Ottumwa where the FCC application currently on file is in a mutually exclusive conflict with another applicant (Grassroots Broadcasting Co.).

There were no objections from the either Iowa State University or the University of Iowa to the Fairfield and Ottumwa requests of the University of Northern Iowa.

President Koob stated that the FCC has allocated to all major broadcasters the opportunity to add a second transmitter to their tower in order to provide high-definition television capability. He said because of that, the University of Northern Iowa may lose its transmission site for KUNI. University officials have undergone a very detailed study of ways in which to deal with the loss of the transmission tower. They have put forward a series of applications which are intended to retain KUNI's broadcast coverage. He pledged that university officials were not trying to undermine the programming of other radio stations of Regent universities.

Mr. Richey said the proposal would be of mutual benefit to both Iowa State University and the University of Northern Iowa. He noted that through this effort, the Board Office has taken the opportunity to facilitate the coordination of FCC requests and ensure cooperation of the institutions in the future. Such coordination and cooperation was done very diligently for a number of years but had subsided in the last few years. The Board Office will facilitate the meetings of appropriate institutional personnel to plan together with respect to public radio.

Regent Lande asked about Grassroots Broadcasting Co. President Koob responded that it provided largely Christian programming.

Regent Lande said he had no objection to the recommended action; however, he wished to repeat what he said at a previous Regents meeting concerning the issue of university radio stations. They need to be cognizant about duplication and conflicts.

President Koob pointed out that increasing costs and reduced subsidies for public radio are going to force greater cooperation among the Regent stations. He stated that Mr. Richey's proposal to coordinate those efforts to try to bring as much uniform availability across the state is excellent.

MOTION: Regent Arenson moved to (1) approve the proposed public radio sites for the University of Northern Iowa in Fairfield and Ottumwa and (2) request that the Board Office coordinate interinstitutional discussions on future public radio expansions and changes. Regent Dorr 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 Iowa School for the Deaf was transacted on Wednesday, March 19, 1997.

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

Register of Personnel Changes for February 1997.

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

REQUEST FOR RENEWAL OF COOPERATIVE ATHLETIC SPONSORSHIP WITH LEWIS CENTRAL SCHOOLS. The Board Office recommended the Board approve the renewal of the agreement for athletic cooperation between Lewis Central and the Iowa School for the Deaf.

In accordance with Iowa Administrative Code 281—36.20, Iowa School for the Deaf officials and the Lewis Central Community School District submitted application for renewal of a cooperative agreement to offer interscholastic sporting opportunities.

Iowa School for the Deaf and Lewis Central cooperate athletically to provide several sports (junior high football, cross country, wrestling, tennis, swimming, soccer, and golf) that Iowa School for the Deaf cannot offer alone. Iowa School for the Deaf students who compete in these shared sports compete under the Lewis Central banner.

This agreement will commence with summer activities in 1997 and conclude with the spring sports of 1998. ISD has its own teams for other sports.

ACTION: The agreement was approved by consent.

RETIREMENT PROGRAM PROPOSAL. The Board Office recommended the Board approve the proposal from the Iowa School for the Deaf for a retirement incentive program to be available through September 1, 1997, for up to five participants.

At the May 1996 meeting, the Board approved a new Retirement Incentive Program. The Board authorized the University of Iowa to offer the program at that time; Iowa School for the Deaf officials requested permission to offer the program.

The program allows for employees to seek approval for retirement with benefits under this program.

Participation is limited to a specific number of participants established in advance by the institution and approved by the Board. The Board must approve the period of time in which employees may make application for participation. The program requires that the institution submit a report to the Board following the close of the window period.

School officials proposed to allow employees to make application for retirement under the Retirement Incentive Program between April 1 and September 30, 1997. The school now has five employees who fit the eligibility requirements.

Retirement under this plan must begin no later than six months (for staff) or the end of the academic year (for faculty) after the close of the application window. The goal of the program is to offer a retirement incentive program which would be attractive to faculty and staff in units (1) in which turnover is necessary to support new missions or would contribute to institutional vitality, or (2) in which personnel reductions are necessary.

It was estimated that the anticipated retirements would have an overall total cost of \$386,994 over the period of time retirees are receiving benefits under the program. It was estimated that the anticipated retirements would generate a net saving of \$809,680 over the period of time benefits are paid to retirees under the program.

It was anticipated that support positions would not be replaced, but that faculty positions would be. The current average annual salary of the faculty positions affected is \$42,000; estimated average annual salary cost for replacement faculty would be \$24,353.

MOTION:

Regent Arenson moved to approve the proposal from the Iowa School for the Deaf for a retirement incentive program to be available through September 1, 1997, for up to five participants. Regent Smith seconded the motion. **MOTION CARRIED UNANIMOUSLY.**

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. The Board Office recommended that the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf be approved.

PROJECT DESCRIPTIONS AND BUDGETS

Careers Center--First Floor--Second ICN Room \$185,000

School officials requested approval of a project description and budget to construct and equip a second distance learning classroom in the Careers Center. The room will be equipped with state-of-the-art technology which will maximize and enhance communication for deaf and hearing-impaired users of the classroom.

Project funding includes a federal grant in the amount of \$123,000 which will provide the equipment for the room. The source of funds also includes \$22,000 which was reallocated to the Repair and Maintenance fund from savings in other budgetary line items.

Source of Funds:	
Federal ICN Funding	\$ 123,000
FY 1997 Repair and Maintenance Fund	40,000
Reallocation to Repair and Maintenance Fund	<u>22,000</u>
 TOTAL	 <u>\$ 185,000</u>

MOTION: Regent Arenson moved that the Register of Capital Improvement Business Transactions for the Iowa School for the Deaf be approved. Regent Dorr 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, March 19, 1997.

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

Register of Personnel Changes for the period January 26 through February 22, 1997.

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

REVISIONS IN EMERGENCY PROCEDURES. The Board Office recommended the Board approve the revisions to the emergency procedures of the Iowa Braille and Sight Saving School.

As part of a periodic review of administrative procedures and policies, Iowa Braille and Sight Saving School reviewed its emergency procedures with the Vinton Fire Department. The Vinton Fire Department is a volunteer organization in the community. School personnel and fire department personnel have formulated plans to acquaint the fire fighters with the needs of the school in case of fire.

Vinton fire fighters will visit the school twice annually: once to familiarize themselves with the layout of buildings and to identify areas where students reside and a second visit to participate socially with the students they may be called upon to serve. Vinton firefighters will participate with the school in at least two fire evacuation drills annually to provide feedback to the school on improving safety practices. To assist firefighters, the school will be using red and white reflective tape to identify student use areas and areas designated for use when assistance is needed in evacuating buildings.

At least one fire drill and one severe storm drill will take place in early morning hours before day staff arrives and without the assistance of the day staff. One evacuation drill will occur when a large number of students are together in one area, such as the dining room.

School officials revised its procedures to designate safe areas to which students should report in case of evacuation. Evacuation plans include locations to be used for non-ambulatory students requiring assistance. A staff member remains with these students until assistance arrives. All students will report to designated safe areas sufficiently removed from buildings for roll taking.

Other aspects of the policy such as the designation of the evacuation leader and chain of command in case of emergency remain unchanged.

MOTION: Regent Lande moved to approve the revisions to the emergency procedures of the Iowa Braille and Sight Saving School. Regent Mahood seconded the motion. MOTION CARRIED UNANIMOUSLY.

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

ADJOURNMENT.

President Newlin thanked President Jischke and his staff for the public address system that was in place for this meeting. A microphone had been provided for every Regent.

Regent Lande congratulated the Iowa State University Cyclones on their performance in the NCAA basketball championship games and wished them well in the game against UCLA the following night.

The meeting of the State Board of Regents adjourned at 3:57 p.m., on Wednesday, March 19, 1997.

R. Wayne Richey

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Executive Director